



Illinois Department of Financial and Professional Regulation

Division of Profession Regulation - Real Estate

ROD R. BLAGOJEVICH
Governor

DEAN MARTINEZ
Secretary

DANIEL BLUTHARDT
Director
Division of Professional Regulation

MINUTES REAL ESTATE ADMINISTRATION & DISCIPLINARY BOARD February 8, 2007

The Real Estate Administration and Disciplinary Board convened at 11:00 a.m. on February 8, 2007, at the Department of Financial & Professional Regulation Division of Professional Regulation, 122 S. Michigan Avenue, Chicago, Illinois for the purpose of conducting a general business meeting.

The following member(s) were present for all or part of the meeting:

Ron Hardgrove, Chairman – Real Estate
Judie McConville, Member
Paul Park, Member
Patrick Sharpe, Member
Walter Son, Member

The following member(s) were excused from the meeting:

Toni Sherman, Member
Carol Shields, Member

Also present for all or part of the meeting:

Mary Anne Benden, Director of Enforcement
Young Brockhouse, Manager of Licensing & Education
Daniel Kelber, Legal Counsel
Mark Oaks, Education Coordinator
Debra Dolinski, Board Liaison/Administrative Assistant

APPROVAL OF MINUTES:

Motion: A motion made/seconded to approve the January 11, 2007 Real Estate Administration and Disciplinary Board Minutes. Motion passed unanimously.

AGENCY UPDATE:

The Agency is interviewing the positions for a real estate investigator and a prosecuting attorney; they also selected an Appraisal Director which still has to be finalized. Daniel Kelber, Legal Counsel, was introduced to the Board.

The Broker Management Course is in the final revisions; REEF is upgrading all the changes directly on the master copy and will resubmit to the Department within three weeks (mid-February). The power point presentation will also be reworked by REEF to incorporate the pertinent topics for the instructor's emphasis. Mr. Hardgrove distributed and discussed the Illinois Association of Realtors proposed amendments to the Real Estate License Act of 2000.

EDUCATIONAL ADVISORY COUNCIL (EAC):

EAC approved the following number of applications at today's meeting:

- 3 pre-license courses
- 1 continuing education school
- 3 continuing education courses
- 1 pre-license instructor
- 5CE instructors

LICENSING:

The Licensing report reflecting the number of all professional licenses issued within the Real Estate Bureau for January 31, 2007 was distributed. The number of active Home Inspector's licenses has dropped due to them expiring November 30, 2006.

Mr. Brockhouse gave a verbal update on the changes for the salesperson's renewal: the prefix for salesperson's license will be changing from 076 to 476, the renewal application will be white paper versus green paper, two stubs will be attached to the application form; one will be the renewal, the other is used when changing the sponsoring broker. There will be a minor surcharge fee for licensees using their credit card to renew on-line or the automated phone service. The renewal applications are expected to start printing next week.

The salesperson's 2005 CE audit is almost completed; Springfield will be sending to enforcement approximately 120 cases.

A report was given on the passing rate for broker and salesperson's State Examinations through December 2006.

Active Real Estate Licensees:

All Licensees	100,759
Brokers	28,684
Salespersons	62,466
Leasing agents	1,132

FISCAL REPORT:

Fiscal Reports as of December 31, 2006 were distributed. The report showed the 850 fund having a balance of \$13,278,957.66. The fund is expected to increase 5 million with the salesperson's renewing this year.

EXAMINATIONS:

Distributed were three examination reports for the month of January 31, 2007 that was categorized by "Examinations Completed by Examiner – Licensees with First Examination", "Examinations Completed by Examiner – Compliance Review," and "Examinations – 60 Day Follow-Up" for the month of January. Examinations have conducted 89 audits by using the "Brokerage Verification Report." Examiners completed 29 examinations with 12 not inspected – as authorized. The compliance review showed 10 offices had no pending issues with 3 office being "Referred to Supervisor" because they were not in compliance; and the 60 day follow up showed 83 offices had no pending issues and 12 offices with follow-up no longer required.

INVESTIGATIONS:

Mr. Straza did not attend this meeting therefore, there was no investigative report distributed to the Board. Mr. Hardgrove mentioned that there are 800 opened real estate cases. The Division hired two additional contract appraisal investigators to increase the "pool" to nine; these contractual appraisal investigators are allotted a certain dollar amount for each fiscal year. The benefit to us is this increase should address the appraisal backlog faster to allow the real estate investigators to refocus back to the real estate cases. At a prior meeting the Board discussed having Board Members review files with them making recommendations on how to proceed with the file; Mr. Hardgrove has approximately 30 complaint intake files for each of them to take and review as many as they want, then at the next Board Meeting make their recommendations to concur with staff or make other suggestions. The four investigators are doing appraisal, auction and home inspection in addition to real estate; there are also 3 examiners handling appraisal backlog cases.

PROSECUTIONS:

The Prosecution reports were distributed to the Board with Ms. Benden reporting the numbers in the report. There are two formal hearings on February 21st with Pat Sharpe scheduled and March 21st with Judie McConville and Walter Son scheduled.

DELIBERATIONS:

At 11:50 a.m., a motion made/seconded to go into closed session to deliberate on disciplinary matters and February's CRC recommendations pursuant to the provisions of Section 2 of the Open Public Meeting Act. Motion passed unanimously.

BRE v. William Squires #E2006-616
BRE v. Yahya Karim #E2005-163
BRE v. Dennis Riles #E2006-60
BRE v. Reginald Daniels #E2006-94
BRE v. Deon Hannah #E2006-100
BRE v. Raul Torres #E2006-127

REOPEN THE MEETING:

A motion made/seconded to reopen the closed meeting of the Real Estate Administration and Disciplinary Board at 12:15 p.m.

RATIFICATIONS:

Case File Review Committee Members for February 7, 2007 were Judie McConville, Patrick Sharpe, Ron Hardgrove and Mary Anne Benden.

Motion made/seconded to ratify the 5 cases for closure by Investigations from the memo dated January 25, 2007. Motion passed unanimously.

Motion made/seconded to ratify the 10 cases recommended for referral to Prosecutions from Investigations with 1 case to be closed from the memo dated December 28, 2006. Motion passed unanimously.

Motion made/seconded to ratify the 1 case recommended for referral to Prosecutions from Investigations from the memo dated February 1, 2007. Motion passed unanimously.

Motion made/seconded to ratify the 4 cases recommended for closure by Prosecutions from the memo dated January 25, 2007. Motion passed unanimously.

Motion made/seconded to ratify the 10 cases recommended for closure by Prosecutions from the memo dated February 8, 2007. Motion passed unanimously.

RECOMMENDATIONS:

Upon reconvening in open session, motion was made, seconded to approve as presented consent orders in the following case:

BRE v. William Squires #E2006-616

RECOMMENDATIONS:

Upon reconvening in open session, motions were made in the following cases.

BRE v. Yahya Karim # E2005-163

Motion made/seconded to accept the Hearing Officers recommendation of issuance of license on probation with completion of the pre-license "Broker Administration" course, in the classroom, within six (6) months. If Agency is not in receipt of course certificate 10 days after the 6 month period expired, the license shall be automatically suspended without notice. Motion passed unanimously.

BRE v. Dennis Riles

Motion made/seconded that the above mentioned be denied the issuance of a license. Motion passed unanimously.

BRE v. Reginald Daniels

Motion made/seconded that the above mentioned received a \$15,000.00 civil penalty. Motion passed unanimously.

**BRE v. Deon Hannah
BRE v. Raul Torres**

Motion was made/seconded that the above-mentioned licensees are Refused Renewal until such time as they submits proof from the Department of Public Aid that their child support, if due and owing, have been paid. Motion passed unanimously.

FINDINGS/CONCLUSIONS/RECOMMENDATIONS:

The Board signed Findings of Fact, Conclusions of Law and Recommendations to the Commissioner:

- BRE v. Yahya Karim #E2005-163**
- BRE v. Dennis Riles #E2006-60**
- BRE v. Reginald Daniels #E2006-94**
- BRE v. Deon Hannah #E2006-100**
- BRE v. Raul Torres #E2006-127**

ADJOURNMENT:

Motion made/seconded to adjourn the meeting at 12:30 pm. Motion passed unanimously. The next scheduled meeting of the Real Estate Administration and Disciplinary Board is March 8, 2007 at 122 S. Michigan Avenue, Chicago, Illinois.

APPROVED:

Respectfully submitted,

REAL ESTATE ADMINISTRATION
AND DISCIPLINARY BOARD

Ron Hardgrove, Real Estate Director

DATE: _____

Debra Dolinski, Liaison