



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 January 11, 2007

The Real Estate Administration and Disciplinary Board convened at 11:15 a.m. on January 11, 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
Mark Oaks, Education Coordinator
Debra Dolinski, Board Liaison/Administrative Assistant

APPROVAL OF MINUTES:

Motion: A motion made/seconded to approve the December 14, 2006 Real Estate Administration and Disciplinary Board Minutes. Motion passed unanimously.

AGENCY UPDATE:

The Real Estate Investigators are still focus on the Appraisal case backlog; there have also been a lot of investigative reports on the Real Estate cases that Mr. Hardgrove has approved. The Agency is conducting interviews for the Director of Appraisal's position.

EDUCATIONAL ADVISORY COUNCIL (EAC):

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

- 1 pre-license school
- 6 pre-license courses
- 2 continuing education school
- 13 continuing education courses
- 3 pre-license instructors
- 23CE instructors
- 1 granting a variance for a pre-license instructor

LICENSING:

The Licensing report reflecting the number of all professional licenses issued within the Real Estate Bureau for December 31, 2006 was distributed. In December, there were over 2,000 sponsor changes; we believe it was due to the following factors: found errors made by the Division, inoperative salespersons becoming sponsored because of the upcoming renewal and Corporations, LLC's, partnerships licenses that expired in October 2006. The number of active Home Inspector's licenses have dropped one third due to them expiring November 30, 2006.

The salesperson's renewal applications have not been sent out; in addition, the Division is not sure if the salesperson's renewal application will be generated by us or DPR. If it's generated by DPR, the process and format may be different in that the licensee will be able to renew on-line or by the automated phone service. For licensees that do not renew within the allotted time period, a second mailing will be generated with a renewal application form for the licensee to complete with the additional options to renew on-line or by the automated phone service.

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

Active Real Estate Licensees:

All Licensees	99,774
Brokers	28,397
Salespersons	62,091
Leasing agents	1,093

FISCAL REPORT:

Fiscal Reports are distributed on a quarterly basis; therefore, no Fiscal Report was distributed for this month's meeting. Mr. Brockhouse verbally reported that the 850 Fund has approximately a balance of \$13,278,000.00.

EXAMINATIONS:

Distributed were three examination reports for the month of December 31, 2006 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 November. Examinations have conducted 21 audits by using the "Brokerage Verification Report." Examiners completed 37 examinations with 55 not inspected – as authorized. The compliance review showed 4 offices had no pending issues with 2 office being "Referred to Supervisor" because they were not in compliance; and the 60 day follow up showed 16 offices had no pending issues with 1 office being "Referred to Supervisor." Mr. Hardgrove mentioned that he should have a summary giving the percentage of the findings that were discovered since this program started for next month's meeting.

Two of the Examiners are actively doing appraisal cases. The Division is planning on utilizing the examiners to audit schools. The examiners will also visit the testing sites to make sure they are administrating the test according to statute.

INVESTIGATIONS:

There was no investigative report distributed to the Board.

PROSECUTIONS:

The Prosecution reports were distributed to the Board with Ms. Benden reporting the numbers in the report; the caseload is approximately 40 to 50 cases higher from last year. Even though the numbers are higher does not reflect that the attorneys are working less; in fact, their caseload has increase with them addressing the entire Real Estate Professions Bureau. Ms. Benden mentioned the formal hearing that was scheduled following today's meeting has been canceled indefinitely; there are two formal hearings schedule on February 21st, and March 21st with no board members currently scheduled; Judie McConville volunteered for both hearings and Walter Son volunteered for March 21st.

OLD BUSINESS:

The final draft for the broker management course has been returned to REEF; the final draft and the exam are being reviewed with staff. Throughout the next few months, we will be setting up training presentations that the instructors are required to complete; the course should then be available in May for the brokers.

The Division is getting further along with the Core Courses but with the possible law changes concerning the license requirements we are waiting to see what will be finalize; it appears that CE for brokers and salespersons will be the same and that the Agency will eventually have six core courses that will be available for the licensee to complete.

The current status for the IAR changes in the licensing requirements are: recommending two separate broker licenses; new brokers would be required to complete an addition 45 hours pre-license courses and have 2 years experience; with the CE requirements to be a total of 18 hours. Existing Brokers would be required to complete the 6 hour Broker Management Course plus the 12 hours of continuing education. New salespersons would have to complete 90 hours of pre-license courses; within their first renewal, and have to complete 30 hours of continuing education; for future renewal periods, only 12 hours of continuing education will be required. Existing salespersons would also have to complete the 30 hours of continuing education within that first renewal.

DELIBERATIONS:

At 12:00 p.m., a motion made/seconded to go into closed session to deliberate on disciplinary matters and January’s CRC recommendations pursuant to the provisions of Section 2 of the Open Public Meeting Act. Motion passed unanimously.

REOPEN THE MEETING:

A motion made/seconded to reopen the closed meeting of the Real Estate Administration and Disciplinary Board at 12:20 p.m.

RATIFICATIONS:

Case File Review Committee Members for January 10, 2007 were Walter Son, Ron Hardgrove and Mary Anne Benden.

Motion made/seconded to ratify the 4 cases for closure by Investigations with 1 case reminding in investigations from the memo dated December 28, 2006. 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 2 cases recommended for closure by Prosecutions from the memo dated December 28, 2006. Motion passed unanimously.

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

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 February 8, 2007 at 122 S. Michigan Avenue, Chicago, Illinois.

APPROVED:

Respectfully submitted,

REAL ESTATE ADMINISTRATION
AND DISCIPLINARY BOARD

Ron Hardgrove, Real Estate Director

Debra Dolinski, Liaison

DATE: _____