



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 April 10, 2008

The Real Estate Administration and Disciplinary Board convened at 11:15 a.m. on April 10, 2008, at the Department of Financial & Professional Regulation Division of Professional Regulation, 100 W. Randolph, 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:

John Botner, Chief of Prosecutions
Ernest Hernandez, Chief of Investigations
Young Brockhouse, Manager of Licensing & Education
Mark Oaks, Education Coordinator
Craig Capilla, Staff Attorney
Debra Dolinski, Board Liaison/Administrative Assistant

APPROVAL OF MINUTES:

Motion: A motion made/seconded to approve the March 13, 2008 Real Estate Administration and Disciplinary Board Minutes. Motion passed unanimously.

AGENCY UPDATE:

The two most experienced investigators have left the Investigation Unit and have transferred to another department within DPR; this leaves one investigator in Chicago and one in Springfield. Mr. Hernandez will be part of an interview process for the investigation position that was posted a few months ago; there is also a request to post two additional positions.

Craig Capilla was introduced to the Board as the new staff attorney for Real Estate.

Mr. Hardgrove mentioned that HB4313 prohibiting compensation to a party to the transaction appears to be stalled; and HB5358 regarding amending the Licensing Act of 2000 as written last year seems to have a chance in passing.

Some of the problems that the Division is having with ILES are that the website doesn't show the sponsoring broker's name to the sponsored licensee, how the Schools report the continuing education is not working, if two individuals had the same social security number, it would remove one of them and a group of licenses were misprinted in that the forms were reversed in a batch of paper, which resulted in a number of licenses printing upside down.

EDUCATIONAL ADVISORY COUNCIL (EAC):

Mr. Hardgrove mentioned that there are 12,635 brokers that have not completed the Broker Management Course; of those, 3,400 are sponsored by another broker; that leaves 9,235 who sponsor's themselves and/or other licensees affecting another 15,256 salesperson licensees.

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

- 7 CE courses
- 2 CE instructors
- 3 pre-license instructor
- 1 denying a CE-license instructor
- 1 pre-license course
- 7 requests for an extension to complete Broker CE
- 1 denying a request for an extension to complete Broker CE
- 1 request for credit for out-of-state CE
- 1 denying a request for credit for out-of-state CE

DELIBERATIONS:

At 11:30 a.m., a motion made/seconded to go into closed session to deliberate on disciplinary matters and April's CRC recommendations pursuant to the provisions of Section 2 of the Open Public Meeting Act. Motion passed unanimously.

DPR v. Margaret McGlynn #2007-60279

DPR v. Van Argiris #2007-60941

DPR v. Jeffrey Cagen #2007-60962

DPR v. Joseph Drapeau #2007-60986

DPR v. Ronald Fox #2007-61005

DPR v. Mercer Turner #2007-61084

DPR v. James Reagan #2007-61086

DPR v. Susan Devine #2007-61100

DPR v. Edward Schwart #2007-61112

DPR v. Sharon Spane #2007-61135
DPR v. Gordon Woods #2007-61177
DPR v. Bahidad Javid #2005-60787

REOPEN THE MEETING:

A motion made/seconded to reopen the closed meeting of the Real Estate Administration and Disciplinary Board at 11:55 a.m.

RECOMMENDATIONS:

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

DPR v. Margaret McGlynn #2007-60279
DPR v. Van Argiris #2007-60941
DPR v. Jeffrey Cagen #2007-60962
DPR v. Joseph Drapeau #2007-60986
DPR v. Ronald Fox #2007-61005
DPR v. Mercer Turner #2007-61084
DPR v. James Reagan #2007-61086
DPR v. Susan Devine #2007-61100
DPR v. Edward Schwart #2007-61112
DPR v. Sharon Spane #2007-61135
DPR v. Gordon Woods #2007-61177
DPR v. Bahidad Javid #2005-60787
DPR v. David Mandel #2000-61745

RATIFICATIONS:

Case File Review Committee Members for April 9, 2008 were Patrick Sharpe, Ron Hardgrove and John Botner.

Motion made/seconded to ratify the 28 cases recommended for closure from Investigations from the memo dated March 28, 2008. Motion passed unanimously.

Motion made/seconded to ratify that 3 cases being referred to Prosecutions from Investigations with 2 cases receive compliance directives; 7 cases receive administrative warning letters; 1 case being close if he does not renew from the memo dated March 28, 2008. Motion passed unanimously.

Motion made/seconded to ratify the 5 cases recommended for closure by Prosecutions from the memo dated March 28, 2008. Motion passed unanimously.

Motion made/seconded to ratify the 3 cases recommended for closure by Prosecutions from the memo dated April 10, 2008. Motion passed unanimously.

RECOMMENDATIONS:

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

DPR v. Bahidad Javid #2005-60787

Motion was made/second that the above-mentioned license is indefinitely suspended for a minimum of 10 years and \$10,000.00 civil fine. Motion passed unanimously.

DRP v. David Mandel #2000-61745

Motion was made/second that the Board remands the Administrative Law Judge's Report, Finding of Fact, Conclusions of Law and Recommendations to have the scrivener's error corrected and to resubmit the corrected Report to the Board. Motion passed unanimously.

FINDINGS/CONCLUSIONS/RECOMMENDATIONS:

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

DPR v. Curtis Brown #2006-80046

DPR v. Raymond Konopka 2007-70260

LICENSING:

The Licensing report reflecting the number of all professional licenses issued within the Real Estate Bureau for March 2008 was distributed. The Division is anticipating that 30% of the brokers will not renew their license. As of January 1, 2008, Appraisal raised the qualifications in obtaining an appraisal license.

Report was given on the passing rate for broker and salesperson's State Examinations through February 2008.

Active Real Estate Licensees for March

All Licensees	97,095
Brokers	30,958
Salespersons	55,017
Leasing agents	1,338

EXAMINATIONS:

Distributed was the examination report dated April 10, 2008 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 March. For the month of March, Examinations have conducted 32 audits by using the "Brokerage Verification Report." Examiners completed 51 examinations. The compliance review showed 2 with no pending issues; the 60 day follow up showed 31 offices in compliance, 2 offices "referred to supervisor." Examinations Referred to Supervisor – Closed showed 1 issue resolved; 2 offices have an examination after referral; and 1 office closed – cannot be located.

The examiners are auditing the schools that are offering the Broker Management Course. The examiners are checking the rosters, presentations, conduct of the attendees, the administration of the test and the facilities. At the EAC Meeting, two of the attendees did have an examiner attend one of their classes.

INVESTIGATIONS:

Mr. Hernandez reported that 29 new cases were assigned to Investigators in March; 25 cases were closed, and 40 investigation reports were submitted during the month; currently there are 830 open cases.

Complaints that are missing information from the complainant, the Division is having Ms. Konstant call to obtain the information; if it concerns the respondent, Mr. Hernandez will call the respondent to determine if it merits investigations.

PROSECUTIONS:

The Prosecution’s Report was distributed to the Board. Mr. Botner reported the caseload numbers, case activity for March, the upcoming formal hearings and informal conferences.

Mr. Botner is expecting the cases to move forward now that Mr. Capilla has joined the Department.

Mr. Botner and Mr. Capilla are going to Springfield to be trained on ILES; also to determine if a tracking system can be designed in ILES to give pop up reminders to the attorneys.

ADJOURNMENT:

Motion made/seconded to adjourn the meeting at 12:00 pm. Motion passed unanimously. The next scheduled meeting of the Real Estate Administration and Disciplinary Board is May 22, 2008 at 100 W. Randolph, Suite 9-300, Chicago, Illinois.

APPROVED:

Respectfully submitted,

REAL ESTATE ADMINISTRATION
AND DISCIPLINARY BOARD

Ron Hardgrove, Real Estate Director

Debra Dolinski, Liaison

DATE: _____