



# Illinois Department of Financial and Professional Regulation

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## Division of Profession Regulation - Real Estate

PAT QUINN  
Governor

BRENT E. ADAMS  
Secretary

DONALD W. SEASOCK  
Acting Director  
Division of Professional Regulation

### MINUTES REAL ESTATE ADMINISTRATION & DISCIPLINARY BOARD October 14, 2010

The Real Estate Administration and Disciplinary Board convened at 11:30 a.m. on October 14, 2010, 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  
Judy Higgins Stowe, Member  
Paul Park, Member  
Chris Read, Member  
James Schaid, Member  
Patrick Sharpe  
Carol Strader, Member  
Scott Toban, Member

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

Also present for all or part of the meeting:

Young Brockhouse, Acting Chief Testing Officer  
Mark Oaks, Education Coordinator  
Daniel Faermark, Chief of Prosecutions for Real Estate Professions  
Ernest Hernandez, Chief of Investigations  
Matt Rupsis, representing General Council Mark Thompson  
Craig Capilla, Staff Attorney  
Matt Stonecipher, Staff Attorney  
Debra Dolinski, Board Liaison/Administrative Assistant

### APPROVAL OF MINUTES:

**Motion:** A motion made/seconded to approve the September 15, 2010 Real Estate Administration and Disciplinary Board Minutes. Motion passed unanimously.

## **AGENCY UPDATE:**

Dana Wild was mentioned to the Board as the newest law student assisting in Prosecutions.

## **EDUCATIONAL ADVISORY COUNCIL (EAC):**

EAC approved the following number of applications on October 14, 2010:

4 CE courses  
1 CE course carried over from last month and was approved  
2 CE Instructors

## **LICENSING:**

The Licensing Report reflecting the number of all professional licenses issued within the Real Estate Bureau for September 2010 was distributed by Young Brockhouse.

The report also showed the pass rate for broker and salesperson's State Examinations each month from January through September 2010.

Corporations, Branch Offices and LLC's are in renewal right now because their license is expiring October 31<sup>st</sup>.

### Active Real Estate Licensees for September

All Licensees 78,909  
Brokers 25,416  
Salespersons 43,687 (this does not include licenses with an inoperative status)  
Leasing agents 1,312

## **EXAMINATIONS:**

The Examination Reports dated October 14, 2010 were distributed. They are categorized by "Examinations Completed – Licensees with First Examination," Follow-Up Examinations Completed by Examiner," "Examinations Referred to Supervisor-Closed" for the month of September. For the month of September, Examinations have conducted 55 audits by using the "Brokerage Verification Report." Examiners completed 32 examinations. The follow up examinations showed 29 offices in compliance, 2 offices were referred to Supervisor, 2 follow-up not required. "Examination Referred to Supervisor-Closed" showed 6 offices the issues were resolved, 1 returned to examiner with further instruction 1 license status change and 1 sponsor change. Also attached was "Examinations Completed-Findings Summary (3<sup>rd</sup> Quarter 2010).

Mr. Hardgrove explained the purpose of the Broker Verification Report to the Board. A suggestion was made that when a complaint is opened, the Department should check to determine if a Broker Verification Report is on file indicating whether or not they were activity practicing.

## **INVESTIGATIONS:**

Chief of Investigations, Ernest Hernandez distributed the Real Estate Investigation Report dated October 14, 2010 that showed the number of cases received and completed since the last Board Meeting. There were 27 open real estate cases with 6 cases that are over 5 months old.

The status of the candidate that was selected for Real Estate Investigator position in Chicago has not yet been received from Shared Services.

Mr. Hernandez mentioned that the investigators are finding more frequently than ever that licensees do not want to cooperate with the investigation.

### **PROSECUTIONS:**

Dan Faermark presented the Prosecution Report reflecting the Real Estate activity for the month of September. To be noted, there were 31 Cases Referred to Prosecutions in September; 34 Cases Closed from Prosecutions; and 13 orders referred to the Director. The current total Real Estate caseload was reported to be 447 cases.

There are currently 111 CE cases in Enforcement that needs to be resolved. Prosecutions recently sent out 25 Cease & Desist Orders for Time-Share cases.

Chris Read and Judy Higgins Stowe volunteered to attend the Formal Hearing scheduled for December 7, 2010.

### **OLD BUSINESS:**

The finish draft Real Estate Administrative Rules have been filed and will be published on October 22, 2010 at the Illinois Register to start the 45 day comment period. At the end of the 45 day comment period, the Department has to respond to all the comments made, update the draft Real Estate Administrative Rules, resubmit to the General Counsel for DPR and the Governor's Office, then to the Illinois Register for another 45 day comment period. Any Board Member making a comment should state that they are a licensee and not a Board Member; the instructions are in the "Rules" at the Publication. The website is [www.ilga.gov](http://www.ilga.gov) or at the Secretary of State; the Department will also have the link on our website in the near future.

The Proficiency exams have been put together by AMP; but will not be available until January 2011. The Providers will administrator the exams with AMP grading them. AMP will have their fees to the schools and the schools will in turn impose their fees to the licensees.

### **DELIBERATIONS:**

At 12:10 p.m., a motion made/seconded to go into closed session to deliberate on disciplinary matters pursuant to the provisions of Section 2 of the Open Public Meeting Act. Motion passed unanimously.

**DPR v. Dragos Sprincenana #2010-05640**

**DPR v. Louis Kusay #2006-60739**

**DPR v. Noel Silas #2009-01567**

**DPR v. Robert Chalus & Better Concepts #2006-60163**

**DPR v. Robert Buchanan #2010-05514**

**DRP v. Pamela Van Witzenburg #2008-07603**

### **REOPEN THE MEETING:**

A motion made/seconded to reopen the closed meeting of the Real Estate Administration and Disciplinary Board at 2:10 p.m.

### **RATIFICATIONS:**

Case File Review Committee Members for October 13, 2010 were Judy Higgins Stowe, Ron Hardgrove, Daniel Faermark and Ernest Hernandez

Motion made/seconded to ratify the 8 cases recommended for closure, 1 remaining in investigations and 1 case referred to Prosecutions from the memo Cases being closed from Investigations dated September 24, 2010. Motion passed unanimously.

Motion made/seconded to ratify the 17 cases being referred to Prosecutions from the memo Cases Referred to Prosecutions dated September 24, 2010. Motion passed unanimously.

Motion made/seconded to ratify the 8 cases recommended for closure with 3 remaining in Prosecutions from the memo cases for closure from Prosecutions dated September 24, 2010.

Motion made/seconded to ratify the 9 cases recommended for closure from the updated memo Cases for Closure from Prosecutions dated October 13 14, 2010. Motion passed with Scott Toban recuse from case 2010-01581.

### **RECOMMENDATIONS:**

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

**DPR v. Pamela Van Witzenburg #2008-07603**  
**DPR v. Witzenburg Corp.**

Motion made/seconded that the above mentioned shall be indefinite suspended for a minimum period of 7 years and fined \$100,000.00. Motion passed unanimously.

### **FINDINGS/CONCLUSIONS/RECOMMENDATIONS:**

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

**DPR v. Joe Hathorne #2007-60614**  
**DPR v. Thomas Elliot #2003-61078**  
**DPR v. Samad Moragheb #2009-07373**  
**DPR v. Susan Milewski #2007-60373**  
**DPR v. Wallace Rosenbaum #2008-05017**

**ADJOURNMENT:**

Motion made/seconded to adjourn the meeting at 2:15 pm. Motion passed unanimously. The next scheduled meeting of the Real Estate Administration and Disciplinary Board is November 18, 2010 at 100 W. Randolph, Chicago, IL.

APPROVED:

Respectfully submitted,

REAL ESTATE ADMINISTRATION  
AND DISCIPLINARY BOARD

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Ron Hardgrove, Real Estate Director

DATE: \_\_\_\_\_

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Debra Dolinski, Liaison