



DIVISION OF **REAL ESTATE**



FISCAL YEAR **2020** ANNUAL REPORT



JB PRITZKER
Governor

DEBORAH HAGAN
Secretary

MARIO TRETO, JR.
Director of Real Estate

The Mission of the Division of Real Estate is to serve, safeguard, and promote the public welfare by ensuring that qualifications and standards for licensed real estate related professions are properly evaluated, uniformly applied, and systematically enforced. We strive to provide efficient service through effective communication and transparency in operations, while maintaining a commitment to excellence with both consumers and the industry.



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Letter from the Director

Welcome to the Division of Real Estate's Fiscal Year 2020 Annual Report.

The past year has produced several global challenges, but it has also provided our Division with the unique opportunity to rigorously reevaluate how to best serve our consumers and licensees, particularly during unprecedented times of uncertainty. Under Governor Pritzker's leadership, the State of Illinois has seen vast progress in a number of areas even under these challenging times.

Individuals often associate "2020" with clear vision; this connotation holds true for our Division as well. From the rewrite of the Illinois Real Estate License Act of 2000 for the next decade, to the continued improvement in existing licensing, examination, and prosecutorial processes, our vision is clear: we have a renewed sense of commitment in continuing to work hard to fulfill our commitment to providing the highest quality service to you.

In this Annual Report, you will read about our continued improving trends with respect to license processing time, an overview of the disciplinary actions as a result of maintaining strong regulatory frameworks protecting our consumers and our ongoing collaboration with real estate industry groups to ensure that Illinois continues to be a great state in which to live and work. You will also become aware of the countless hours of volunteer service from our appointed board members, for which I am deeply grateful. Finally, you will get to meet just some of the incredible staff with whom I have the honor to work alongside. Our State's fiscal year ends annually on June 30, so this Report covers the period July 1, 2019 through June 30, 2020.

I am pleased and proud to work on a daily basis with the entire Division of Real Estate team in remaining faithful to our mission for the benefit of our consumers and licensees alike. I hope that you find this Annual Report enlightening and encouraging for the upcoming year and beyond.

Best,



Mario Treto, Jr.



The Division of Real Estate Fiscal Year 2020 Annual Report highlights a number of the activities and accomplishments of the Division's staff. The Division's work and successes are very much a testament to the tremendous support provided by the Division's Senior Leadership Team; these women have individually and collectively added wisdom, insights, and valuable experience. I thank and appreciate their exceptional and invaluable contributions.

Laurie Murphy
Deputy Director

Sarah Snow
Industry Liaison

Donielle Walters
Policy Manager

Gabriela Nicolau
Deputy General Counsel

Adrienne Levatino
Associate General Counsel

About the Division of Real Estate

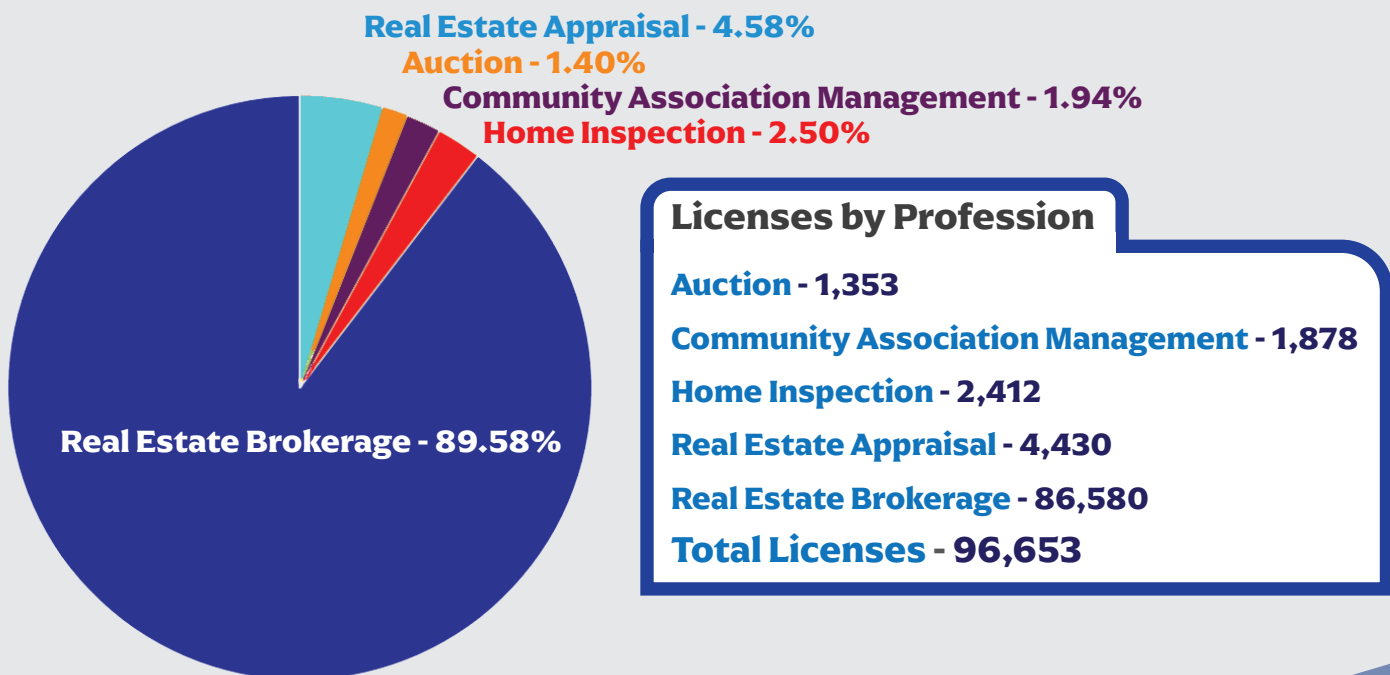
The Division of Real Estate (“Division”) within the Illinois Department of Financial and Professional Regulation (“Department”) is dedicated to ensuring that competent professionals are licensed to provide services to the public. The Division is committed to safeguarding the welfare of the residents of Illinois through the oversight and regulation of more than 96,000 licensed real estate professionals.

The Division of Real Estate regulates the following six professions and entities:

- Appraisal Management Companies**
- Auction**
- Community Association Management**
- Home Inspection**
- Real Estate Appraisal**
- Real Estate Brokerage**

The Division’s Regulatory Program Areas

The Division considers and investigates complaints from industry and consumers and may itself generate complaints against licensees in all the professions it regulates. The Division relies on Advisory Boards for recommendations in matters related to criteria for the licensing and renewal of education providers, pre-license and continuing education instructors, pre-license and continuing education curricula, standards of educational criteria, and qualifications for licensure and renewal of professions, courses, and instructors. The Director of the Division also considers recommendations made by the Boards on matters involving discipline and policies and procedures under the respective licensing Acts.



Auction Advisory Board

The Auction Advisory Board is composed of seven members appointed by the Secretary. The Auction Advisory Board includes five licensed auctioneers, one real estate broker, and one public member. The Auction Advisory Board advises the Division on educational submissions, licensing matters, and recommends enforcement actions against auctioneers, auction firms, and individuals engaging in unlicensed practice.

Current Board Members:

Thomas E. Walsh (Chair)

Kelly T. Frank

Brian A. Swartz

Carol J. Spracklen

Jessica Doerr Berger

(There are currently two vacancies on this Board)

Community Association Manager Licensing and Disciplinary Board

The Community Association Manager Licensing and Disciplinary Board is composed of seven members appointed by the Secretary. The Community Association Manager Licensing and Disciplinary Act requires that five members hold an active community association manager license and that two members be owners of, or hold a shareholder interest in, a unit in a community association. The Community Association Manager Licensing and Disciplinary Board may make recommendations to the Division on policies, procedures and rules relevant to the administration of this Act as well as enforcement actions taken against community association manager licensees and individuals engaging in unlicensed practice.

Current Board Members include:

Asa Sherwood (Chair)

Stephanie Skelley (Vice Chair)

Brent Baccus

Marla Jackson

Louis Lutz

(There are currently two vacancies on this Board)

MONICA GUTIERREZ

CHIEF OF BOARDS AND COMPLAINTS

Monica joined the Division of Real Estate team in May 2020 to serve as the lead for the real estate brokerage and community association management professions.

“By joining the Department in the Division of Real Estate

I can be an advocate for the residents of Illinois.

I am passionate about seeing people attain the American Dream of homeownership without having to go through unnecessary obstacles or undeliverable promises. My passion is not merely seeing people become homeowners but also being treated fairly with complete transparency.

Through outreach I hope to be able to educate Illinois licensees and consumers to ensure that the proper standards are being enforced to promote the best interest of the residents of Illinois. I will also support practices which are instrumental in providing equality in opportunities for homeownership in Illinois and helping close the homeownership disparity gap among our residents. My hope is to help build and enhance the real estate industry to promote the public welfare in Illinois.”



Employee Spotlight

Boards and Complaints Team

Real Estate Coordinator: Monica Gutierrez

Board Liaison: Debra Malinowski

Complaint Intake: Karen Konstant

Real Estate Administration and Disciplinary Board

The Real Estate Administration and Disciplinary (“READ”) Board is composed of fifteen members appointed by the Governor in addition to the Real Estate Coordinator, who acts as the chairperson, *ex officio*, without vote. The Real Estate License Act of 2000 requires that twelve members hold an active broker or managing broker license and, from among those twelve members, two also hold a pre-license instructor license. Three members are non-licensees from the public and represent consumer interests. The READ Board may make recommendations to the Division on matters including, but not limited to, complaints, education and licensing, enforcement actions taken against real estate licensees, and individuals engaging in unlicensed practice and rules consistent with the provisions of the Act.

Current Board Members include:

Loretta Alonzo-Deubel

Joe Castillo

Laura Ellis

David Maloof

Carol Meinhart

Michael Oldenettel

Tammy Owens

Nykea Pippion-McGriff

Michael Prodehl

Gabriela Roman

Everett Ward

Norman Willoughby

Monica Gutierrez - Real Estate Coordinator (as Chair, *ex officio*, without vote).

(There are currently three vacancies on this Board)

Volunteers Make a Difference!

The Department benefits from the dedication of the “citizen volunteers” who serve on its Administration and Disciplinary Boards. These individuals contribute valuable insights, experience and a great deal of time through their service.

Average Monthly Number of Volunteer Hours Devoted By READ Board Members

Board members are dedicated volunteers from within the real estate brokerage profession and public who are committed to the betterment of the industry they serve. Their individual monthly time commitment can range anywhere from 2 hours to 21 hours.

Board Meeting (all members): 2 hours

¹CCR/CRC (2 members): 3 hours
(1.5 hours twice a month)

Informal Conferences (2 members): 10 hours
(5 hours twice per month)

Formal Hearings (1 member): 6 hours

Average Per Month: 21 hours

¹The READ Board has two standing committees which review and make closure and/or referral recommendations related to complaints: the Consumer Complaint Review Committee (“CCR”) and the Case Review Committee (“CRC”).

Real Estate Appraisal Administration and Disciplinary Board

The Real Estate Appraisal Administration and Disciplinary Board is composed of ten members appointed by the Governor in addition to the Appraisal Coordinator, without vote. The Real Estate Appraisal Administration and Disciplinary Board includes four certified general appraisers, two certified residential appraisers, two members who must hold a valid real estate broker license (one of whom must also hold a valid certified general real estate appraiser license and one of whom must hold a valid certified residential real estate appraiser license), one member representing a financial institution, and one public member. The Real Estate Appraisal Administration and Disciplinary Board advises the Division on complaints, educational submissions, licensing matters, and recommends enforcement actions against real estate appraisers, and individuals engaging in unlicensed practice.

Current Board Members include:

- Kenneth J. Mrozek (Chair)
 - John McMahon (Vice Chair)
 - Sara Chambers
 - Gail Lissner
 - Patricia L. McGarr
 - Katie McNally
 - Michael K. Morris
 - Brian Weaver, Appraisal Coordinator (as a non-voting Member)
- (There are currently three vacancies on this Board)

DID YOU KNOW?

The issue of licensing real estate appraisers first came to the attention of the Illinois legislature in December of 1972, when hearings were initiated through the State Commissioner of Illinois Savings & Loans. This initiative was abandoned for eighteen years. State licensing of real estate appraisers became an outgrowth of the savings and loan crisis of the 1980s. Illinois entered the realm of regulating real estate appraisers in 1990 when the initial Board appointments were made. The first appraisal licensure Act was signed into law in September of 1992. The first licenses were issued shortly thereafter, in January 1, 1993. At the time, there was an estimated universe of about 5,000 real estate appraisers in Illinois.

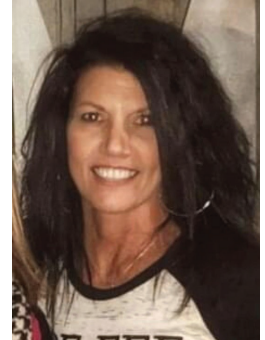
By the first renewal in 1995, there were 5,758 active licensees. In June of 1995, administration of the appraisal program was moved from the Department of Professional Regulation (“DPR”) to the Office of the Commissioner of Savings and Residential Finance (“OCSRF”). Appraisal subsequently moved to the Office of Banks and Real Estate (“OBRE”) in the mid-1990s and then back to DPR until, as a result of an Executive Order, appraisal and the rest of the real estate professions were separated from DPR and rolled it into the newly-created Division of Real Estate in 2013.

Employee Spotlight

MARY CROCKER

LICENSING AND EDUCATION TEAM

As the longest-serving employee of the Division of Real Estate, Mary has been working with Illinois real estate professionals for 32 years. She was the first employee



in what was then the Appraisal Division. Since her start in 1988, Mary has seen many changes, primarily in the way that technology has affected the industry. This includes licensees taking coursework online, the increased use of email instead of regular mail, and the elimination of microfiche. “Before we had to look up information only on microfiche and now we have everything at our fingertips.” When asked what she likes about working for the Division of Real Estate: “Everything.” The people that she works with are friends, not just coworkers. “It is a wonderful work environment.”

The Division's Functional Areas

Appraisal Section

The Appraisal Section is responsible for administration of the statutes and rules regulating real estate appraisers, appraisal management companies, auctioneers and home inspectors.

Appraisal Coordinator: Brian Weaver

Board Liaison: Susan Sigourney

Administrative Assistant: Luisa Rivera

An important function of the Appraisal Section involves upgrading license status. Associate Real Estate Trainee Appraisers typically apply for one of the two “Certified” classifications—Certified Residential Appraiser or Certified General Appraiser. Generally, the Division approves between 30 and 60 upgrades in a calendar year. The Real Estate Appraisal Administration and Disciplinary Board actively participates in license upgrades, education approvals, and disciplinary recommendations.

The Appraisal Management Company (“AMC”) program has no administration and disciplinary board and is a relatively new profession, having its origins in 2013. AMCs are aggregators of appraisal services. It is estimated that nationwide there are fewer than 700 AMC entities. Illinois has about 150.

The regulation of both real estate appraisers and AMCs is influenced through federal oversight by the Appraisal Subcommittee (“ASC”) of the Financial Institutions Examination Council (“FFIEC”). The ASC monitors the states for compliance with requirements as established by the FFIEC. The authority for oversight was the result of Title XI of FIRREA, Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Audits and Investigations Section

The Audits and Investigations Section is comprised of two groups: the Examinations Unit and the Investigations Unit.

Chief: Hector J. Rodriguez

Investigators:

Mark Fulgenzi
Carmen Guzman
John Justice
Ann Mays
John Rogers
Robert Wasiak
Matthew Woods

Examiners:

Scott Martin
Billie Phillips
Paula Taylor
Richard Wright
Sarajane Wright

Investigations Unit

The Investigations Unit conducts statewide regulatory investigations of real estate, appraisal, auctioneer, community association manager, and home inspection licensees who may be in violation of the laws and regulations governing their respective professions, or who are the subject of complaints, allegations of fraud, deception or misrepresentation. Some methods by which Investigators objectively gather the facts of a case include interviewing complainants, respondents and witnesses; site visits when necessary; and analysis of documentary evidence. Based on the evidence gathered and reviewed, the investigator will then recommend that the case be either closed or referred to the Prosecutions Section for further action.

This fiscal year, the Investigations Unit opened approximately 1,207 cases for investigation in response to complaints received from Illinois consumers (see breakdown by profession below). This represents approximately a 29.9% decrease from Fiscal Year 2019.

Examinations Unit

The purpose of the Examinations Unit is to ascertain compliance with the Illinois Real Estate License Act of 2000 (“Act”) and Administrative Rules (“Rules”) by Illinois real estate licensees that are sponsoring brokers.

Sponsoring brokers randomly selected for an audit will receive a letter from the Department establishing a time for an on-site review or a request to complete a “Brokerage Verification Report” to assess the level of licensed real estate activity prior to scheduling an on-site examination. A Real Estate Professions Examiner will be assigned to conduct the review of the business records, identify any deficiencies, and provide the applicable citations from the Act and Rules to assist with the correction of any issues. If deficiencies are found, a follow-up examination will be performed to review those findings in order to ensure compliance. It is in the best interest of each licensee to actively take the corrective steps for compliance necessary to avoid future discipline.

TOTAL NUMBER OF AUDITS IN FISCAL YEAR 2020

1,207

INCREASE OF APPROXIMATELY 45% FROM FISCAL YEAR 2019

FIRST YEAR AUDITS INITIATED AND COMPLETED IN FISCAL YEAR 2020

AUDITS CONDUCTED ON-SITE 128

AUDITS CONDUCTED BY MAIL 154

OTHER AUDITS 41

Investigations Opened in Fiscal Year 2020

Appraisal	200
Auctioneer	39
C.A.M.	84
Home Inspection	28
<u>Real Estate</u>	<u>856</u>
Total	1,207

Licensing and Education Section

The Licensing and Education Section is responsible for reviewing, approving, maintaining, and issuing licenses across all real estate-related professions which translates to the management of a licensee population of more than 96,000 Illinois professionals.

Chief: Jeremy N Reed

Licensing:

Mary Crocker
Miranda Little
Kim Murphy
Robert Nelson
Angela Resinger
Ruby Rowell
Doug Seymour
Sue Pickett

Education:

Nate Chandler
Diane Green

Licensing Unit

The Licensing Unit is staffed with experienced, knowledgeable, and passionate individuals. Several members have been with the Division for decades and therefore bring valuable historical and practice perspectives. The team’s eclectic mix of professionals enable the group to address a wide variety of issues while keeping pace with the constant flow of incoming applications from our regulated individuals and entities. In addition to the activities reflected in the statistics used to measure the team’s performance, the team is responsible for researching and responding to dozens of daily incoming calls and emails from licensees and the public.

Implementation of the Online Licensing Portal continues to reshape the operations of the Licensing and Education Unit. All real estate applications were transitioned to the online platform in 2017, and the team saw a major reduction in paper applications which had been traditionally made up the most significant portion of their daily workload.

Streamlining and creating efficiencies for the team continues to be a key focus. To attain the Division's objective of reducing licensing time from 6-8 weeks to 2-4 weeks, the team has worked collaboratively to identify ways to reduce turnaround time and revamp procedures that were no longer consistent with the new online system.

Education Unit

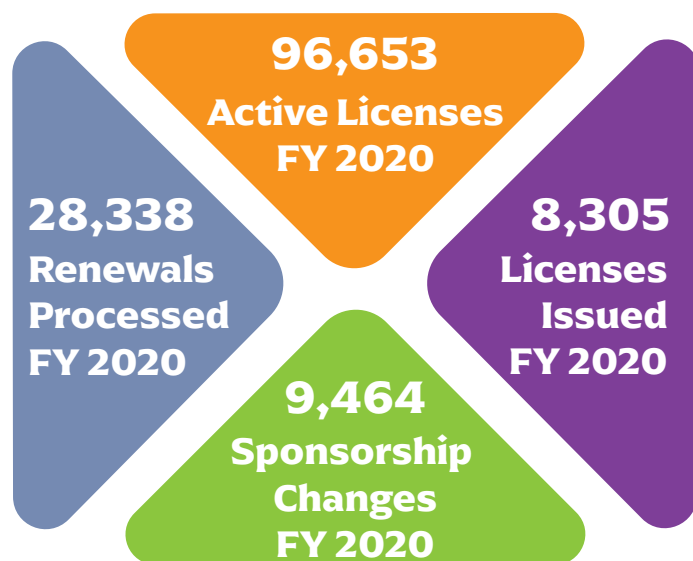
During the past year, the Education Unit furthered its development as a formal working group within the Licensing and Education Section. Two staff members devote all their time to reviewing, approving, auditing, and issuing all educational licenses for the real estate brokerage, home inspection, real estate, auction, and community association management professions.

In addition to continuing the development of procedures for the newly created group, team members played a critical part in the transition of real estate educational requirements that were required by changes to the Real Estate License Act of 2000. The team was tasked with building out the entire process which included creating new forms and audit procedures, and the creation of a new license category, "Education Providers."

Throughout Fiscal Year 2020, the Education Unit managed significant changes resulting from the changes in the Act. These changes impacted everything from the creation of a single core curriculum to the complete overhaul of the pre- and post-license curriculum.

Multi-Functional Team Gets the Job Done

- **Licensing Unit** - primarily responsible for the management of real estate brokerage, home inspector, auctioneer, and community association manager licenses
- **Appraisal Unit** - primarily responsible for the management of the Appraisal licenses (including appraisal education) which involves additional requirements as well as a federal oversight component that is unique to the profession
- **Education Unit** - primarily responsible for the review and approval of education providers (schools), instructors, and course licenses for real estate brokerage professionals, home Inspectors, auctioneer and community association managers



Prosecutions Section

The Prosecutions Section resolves complaints in order to protect Illinois consumers from transgressions by licensees or individuals or entities engaging in unlicensed practice. The Prosecutions Section employs various dispute resolution methods including negotiation and informal conferences or, if an agreed resolution cannot be reached, a formal hearing before one of the Department's Administrative Law Judges. The Department also initiates disciplinary proceedings against licensees who fail to complete the established continuing education requirements for their disciplines and addresses tax delinquency and child support delinquency cases. Public disciplines are published in the Department's monthly newsletter, which is published on the Department's website and are noted within licensee information on the Department's "License Lookup" link.

Chief: Ericka Johnson

Attorneys:

Stephen Kehoe

Linda Morrison

Jenni Scheck

Merle Shearer

53%
REDUCTION
IN PENDING
CASES
from Fiscal Year 2019
to Fiscal Year 2020

This fiscal year, the Prosecutions Section received approximately 697 complaints from Illinois consumers and others made against our licensees and those who may be engaging in unlicensed practice that were referred by Department investigators. Those complaints often assert statutory violations ranging from improper or misleading advertisements, to failure to present proper disclosures, to the mishandling of accounts and theft of escrow funds. Prosecutions also received 355 tax deficiency cases involving licensees who failed to pay state income taxes, and 412 continuing education cases involving licensees who failed to complete continuing education within the prescribed time. Our goal is to properly analyze these complaints and to seek to hold our licensees and unlicensed individuals accountable for violations of our various regulatory statutes and their associated rules.

Prosecutions' Year at a Glance

Some of the tools Prosecutions utilizes to address the public's concerns involve sending warning letters to licensees, pursuing discipline by seeking to impose a revocation, suspension, reprimand on the license, levying a fine on the individual fine, or requiring education to be taken to address a specific problem area. Either public or non-public discipline may be sought.

Administrative Warning Letters: 149

Revocations: 21

Suspensions: 141

Reprimands: 25

Fines/Fees: 512

Public Disciplinary Orders: 372

Non-Public Disciplinary Orders: 248

Prosecutions' Program Approach

Our current focus is to work diligently to bring closure to Respondents in disciplinary matters who have aged cases still pending, and to expedite resolutions that will continue to safeguard the public interest. The number of cases pending in Prosecutions has been reduced from last fiscal year to present by approximately 53% as we see our average processing times on cases decrease.

Prosecutions' Role in Promoting Education

The Prosecutions Section prosecutes cases arising from continuing education audits of licensees who have failed to comply with the education requirements for their profession. This fiscal year, we initiated cases against 412 licensees who were identified by our Licensing Section as having failed to complete their continuing education requirements.

We worked with many of the licensees with a goal of having them become compliant and educate them regarding future continuing education requirements. We also utilized non-public resolutions for first time offenders who voluntarily agreed to Non-Disciplinary Orders, which imposed a modest administrative fee. Ultimately, approximately 27 licensees were publicly disciplined for failure to comply with their education requirements. Through communication with our audited licensees, explaining their error and advising on how to avoid future issues, not one case in the audit has had to be set for trial.

Prosecutorial Highlights

Real Estate Broker who is also an attorney had been disciplined by the Supreme Court of Illinois for converting funds, charging excessive fees in several real estate transactions, and representing both the buyer and the sellers in the same real estate transaction. The real estate broker license was suspended indefinitely for a minimum period of two years. A precondition to restoration is that the real estate broker may not petition to restore the Real Estate Broker license unless and until the license to practice law is restored. Our discipline was based on the Illinois Attorney Registration and Disciplinary Commission (“ARDC”) discipline for receiving compensation without disclosing the source, receiving compensation from someone other than the sponsoring broker, and for acting as an attorney and a broker in the same transaction.

Home Inspector Entity received public discipline was fined \$13,000 and was also required to have its inspectors take courses in the Standards of Practice. The entity often had no signed pre-inspection agreements or had them signed after the inspections. The entity also kept poor records and failed to properly supervise its inspectors.

Real Estate Appraiser who performed 23 appraisals while their license was suspended, and knew that their license was suspended, neglected to notify the Department about the discipline on their license by another State, and failed to respond to the Department’s request for documents had their license revoked and was fined \$30,000. The case was upheld on administrative review. The Department’s final Order concluded, and the Circuit Court Opinion in the ensuing complaint for administrative review affirmed, that the Real Estate Appraiser Licensing Act of 2002 applied to all real estate appraiser activity, and not only to appraisals performed in connection with a federally related transaction.

Real Estate Broker entered into several condominium purchase contracts concerning a development located in Chicago. The condos had not yet built and the land for the development not yet paid for. The licensee received numerous escrow payments relating to these contracts which had been used to pay for the land instead of holding those funds in a segregated account. The condos were never built and the escrow monies were never returned to the prospective buyers. This licensee’s license was revoked and the licensee was fined \$15,000. Their company’s license was also revoked and the company was fined \$620,000.

Division of Real Estate

Commitment to Providing Second Chances

On May 1, 2020, the Department issued its annual report concerning the number of applicants for entry into the Department's licensed professions that reported prior criminal convictions, and the determinations relating to those applicants. In 2019, more than 98% of eligible applicants with criminal records were issued licenses by the Department. Within the Division of Real Estate, 165 licenses were issued to individuals whose prior personal history included a conviction.

The Prosecutions Section thoughtfully and conscientiously reviews all applications for licenses from those with prior convictions. Prosecutors balance the requirements for licensure with an individual's background as we seek to provide entry into the real estate profession for those who are qualified and who deserve a second chance. This is done pursuant to carefully-crafted criteria enacted by the Illinois General Assembly. Here are a few of their stories.

Second Chance Stories

A license was granted to an applicant who reported on their application that they had been convicted of a narcotics related felony several years ago. They had not been arrested since the narcotics arrest, completed drug treatment which they attended once a week. This individual was recently offered a position at a major national real estate brokerage which was aware of their felony conviction. Their managing broker has told the Department that the applicant asks great questions, volunteers for open houses, and is like a sponge for all the great advice from colleagues in the office.

A license was granted to an applicant who reported prior felony convictions for robbery on their application. This individual pleaded guilty to the offenses and was released from prison in 2010. While in prison, they sought and obtained an associate degree and several certificates. The applicant was successfully working for a west suburban unit of government at the time of their application. The prospective managing broker provided a letter to the Department acknowledging that they were aware of the previous felony convictions and intended on supervising the licensee at a major real estate brokerage in Chicago.

A license was granted to an applicant who reported prior felony convictions for theft related offenses. They finished their sentence several years ago and have not been arrested since. The criminal activities were related to substance abuse difficulties and they continue to attend weekly AA and Bible Study meetings as they have done for the last ten years. Additionally, they earned a bachelor's degree from the University of Illinois at Chicago. The brokerage sponsoring him was aware of the felony conviction.

LISTENING, HEARING, AND RESPONDING

The Division of Real Estate embarked upon a listening tour across Illinois throughout Fiscal Year 2020, working with groups representing all of the facets of the real estate industry in Illinois. Beginning in March, the global pandemic forced the cancellation of events in Illinois and across the country. However, the Division stood true to its commitment to communicate widely and effectively with licensees and the public.

As we look to Fiscal Year 2021, the Division plans to build upon the relationships that it has developed with the real estate industry. We are thankful for the feedback, recommendations, and knowledge that have been shared on the listening tour and look forward to strengthening our ties in order to create a more synergistic agency.



- 08/18/19 | Illinois State Fair | Springfield
- 09/05/19 | North Shore - Barrington Association of REALTORS® Meeting | Barrington
- 09/17/19 | Illinois REALTORS® Small Business Meeting | Naperville
- 10/10/19 | Mainstreet Organization of REALTORS- Oktoberfest | Downers Grove
- 11/13/19 | Northern Illinois Chapter of the American Society of Home Inspectors (NIC ASHI) Meeting | Villa Park
- 11/16/19 | Univision POSiBLE Entrepreneur Expo | Chicago
- 11/19/19 | Illinois Coalition of Appraisal Professionals (ICAP) Career Expo | Chicago
- 12/05/19 | Illinois Coalition of Appraisal Professionals (ICAP) Board Meeting | Chicago
- 01/16/20 | National Association of REALTORS® (NAR) Global Conference | Chicago
- 01/17/20 | Lunch and Learn with Senator Hastings & New Lenox, Frankfort & Mokena Chambers of Commerce | New Lenox
- 02/06/20 | Illinois Society of Professional Farm Managers & Rural Appraisers Annual Meeting | East Peoria
- 02/06/20 | Asian Real Estate Association of America (AREAA) 2020 Annual Installation Gala | Chicago
- 02/14/20 | License Law Day w/ Heartland REALTOR® Organization | Woodstock
- 02/22/20 | Evanston Community Wealth Building Day hosted by Dearborn Realist Board | Evanston
- 04/22/20 | Association of South Asian Real Estate Professionals (ASARP) Webinar for COVID related Resources | Held Virtually
- 06/30/20 | Association of South Asian Real Estate Professionals (ASARP) Webinar | Held Virtually
- 06/11/20 | Illinois Department of Human Rights Pride Talk | Held Virtually
- 06/30/20 | Illinois REALTORS® Instructor Training | Held Virtually

COMMITMENT

The Division of Real Estate is committed to serving the people of Illinois. Our employees do so with pride, sensitivity, patience and a positive attitude. The Division and its team members are committed to its core values and on enhancing the added value it brings to state government.

Outreach and Education

The Division welcomes varied and diverse perspectives to facilitate its decision making. Throughout Fiscal Year 2020, we have sought candid ongoing feedback in order to continue to build on our successes and have built trust with stakeholders through outreach and open and continuous dialogue.

In addition to events, our Division has undertaken an outreach initiative intended to inform and educate our licensees via email, social media, and through publications on the Department's website. Director Mario Treto, Jr. answered frequently asked questions in an informational video containing helpful information for navigating through real estate transactions during the age of COVID-19. As an essential part of a world-class and diverse state, the Department has launched a COVID-19 website in Spanish, which includes guidance, variations and other documents related to COVID-19.



The Department is committed to ensuring that all residents, consumers and licensees have the information they need to continue functioning effectively during the COVID-19 pandemic. Additionally, Director Treto was interviewed separately by Telemundo Chicago and Hispanic Business Publication Negocios Now to discuss the impact of COVID-19 on the real estate industry and the use of best practices in compliance with the Illinois Department of Public Health's direction.

As we look to Fiscal Year 2021, the Division plans to continue to build upon the relationships that have been developed with the real estate industry and looks forward to strengthening its ties as a collaborative Division. Below is a list of groups we have worked with in the past year and look forward to additional opportunities to work with these and other groups in the future:

- Asian Real Estate Association of America (AREAA)
- Association of Real Estate License Law Officials (ARELLO)
- Association of South Asian Real Estate Professionals (ASARP)
- Dearborn Realtist Board
- Heartland REALTOR® Organization
- Hispanic Business Publication Negocios Now
- Illinois Coalition of Appraisal Professionals (ICAP)
- Illinois Department of Human Rights.
- Illinois REALTORS®
- Illinois Society of Professional Farm Managers and Rural Appraisers
- Mainstreet Organization of REALTORS® (MORe)
- National Association of Hispanic Real Estate Professionals (NAHREP)
- National Association of REALTORS® (NAR)
- North Shore - Barrington Association of REALTORS®
- Northern Illinois Chapter of the American Society of Home Inspectors (NIC ASHI)
- Telemundo Chicago
- The Windy City Times
- Univision

Illinois Minority Real Estate Scholarship Program

In Fiscal Year 2020 the Division of Real Estate doubled its prior commitment to funding minority scholarships to expand minority access to the real estate profession. This resulted in a total of sixty (60) scholarships awarded through a program in which the Division and the Illinois Real Estate Educational Foundation collaborate. This program provides scholarships to Illinois residents of racial minority origin pursuing courses of study that will prepare them for careers relating to real estate or enhance the skills and knowledge they currently possess. Of the sixty (60) scholarships awarded, 85% went to African American recipients, 12% to Hispanic/Latinx recipients and 3% went to Asian American recipients.

Scholarship Recipients Spotlight



"This scholarship opportunity means a lot to me because it will help me realize my goal of becoming a real estate broker and change the path of my future as well as my family. Furthermore, it will ease the financial burden and help me begin this new career on the right foot."

- Sergio Monjane

"The cost of pre-license coursework and required licensing cost made me think that pursuing a real estate career might be out of reach. Knowing that I could bring a diverse voice to the practice, I submitted a scholarship application and received a scholarship a few months later. Now I'm prepared to take the Illinois licensing exam in a few weeks and look forward to the career opportunities that await me as a new broker."

- Alfonso Urquidi



Regulating for the Future

On August 9, 2019, Governor JB Pritzker signed Public Act 101-357 into law. This landmark legislation amended the Real Estate License Act of 2000, through which Illinois ushered in a new and transformative decade of regulation.

Among the Act's changes, all of which are consistent with the Division's mission of enhancing the professionalism of the real estate industry while strengthening the ability of the Division to protect consumers are the following:

- Comprehensive changes intended to lower barriers for entry into the industry while ensuring proper oversight and training are required within the first two years as a broker.
- The minimum age to obtain a real estate broker license was reduced from 21 years of age to 18 years of age and for a managing broker license from 21 years of age to 20 years of age.
- As society tends towards a cyber presence, the Act specifically authorizes the existence of virtual offices, allows for online and webinar forms of education beyond the traditional classroom and permits greater use of email and electronic communication.
- The Act empowers the Department to adopt rules permitting the issuance of a citation to a licensee for failure to comply with continuing education requirements under certain circumstances. This non-disciplinary action would not excuse the licensee from complying with continuing education requirements.

Communicating In Unprecedented Times

Perhaps no event in modern history has so profoundly affected the people of Illinois as the COVID-19 pandemic. Governor JB Pritzker's Executive Order 2020-10, issued on March 20, 2020, provided that "real estate services (including appraisal and title services)" are included as essential businesses and operations that may continue to provide their professional services. It also required "Essential Business and Operations" such as real estate services to take proactive measures to ensure compliance with social distancing and other requirements. To assist its licensees and Illinois consumers understand their rights and responsibilities during the pandemic, the Division issued publications conveying guidance during these previously unknown times. The Division made widespread use of social media and communications with stakeholder groups to disseminate COVID-19-related communications, including these publications.

- April 2, 2020 Guidance: "Information for Real Estate Licensees Regarding Essential Business and Operations."
- April 8, 2020 Press Release: "Pritzker Administration to Allow Remote Notarization During the COVID-19 Pandemic."
- May 13, 2020 "Guidance for Condominium and Common Interest Community Associations."
- May 29, 2020 Guidance: "Restore Illinois' Phase 3 Recovery Guidance for Real Estate Licensees and Consumers."
- July 2, 2020 Guidance: "Restore Illinois' Phase 4 Recovery Guidance for Real Estate Licensees and Consumers."

The Department quickly recognized that licensees would benefit from flexibility in license renewal deadlines and the format of continuing education courses. Recognizing the limitation of in-person course availability and to further reduce contact between individuals, the Department issued a series of variances that provided relief from the provisions of certain Administrative Rules pertaining to license renewal terms and to continuing education requirements.

Professional licenses issued by the Department having renewal dates between March 1, 2020 through and including July 31, 2020 (including Real Estate Brokers and Residential Leasing Agents) were granted an automatic renewal extension to September 30, 2020.

Additionally, all current licensees under the Department's jurisdiction whose license renewal deadlines fall within the period beginning March 1, 2020 through and including July 31, 2020 have up to, and including, September 30, 2020 to complete their continuing education coursework. The Department is also allowing licensees to complete their continuing education coursework without requiring live attendance and permits interactive webinar and online distance education courses in addition to currently permitted methods.



Employee Spotlight

JOHN P. ROGERS INVESTIGATOR

John joined the Division of Real Estate in 2009.

“When I became employed with the department in 2009, I was an active real estate



licensee with over 20 years of real estate management experience. I received my first salesperson license from the department in 1982 and my second one in 2008.” Initially, the investigations team only looked at complaints against the Real Estate License Act of 2000 but later expanded to include other professions such as real estate appraisal, home inspection and community association management. John described himself as a “boy with a new toy” every time a new profession was added because he had the opportunity to learn something new. John has enjoyed working for the Division professionally but also as a consumer. He has learned about all of the aspects of a real estate transaction such as what should be in an appraisal report or how to file a complaint. All of these things have only increased his love for real estate and given him more information to share with his family. He has several children that are now licensed real estate professionals. The John P. Rogers Real Estate Foundation was created by his children for candidates to pursue a career in real estate.

Employee Spotlight

DEBRA MALINOWSKI BOARD LIAISON AND ADMINISTRATIVE ASSISTANT

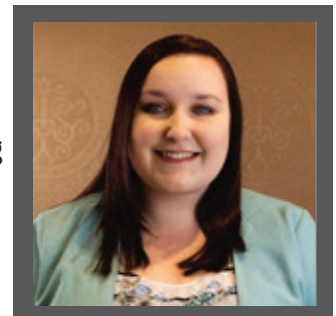
Debra has been with the Division and its previous iterations for 24 years. Having worked under six different gubernatorial administrations, she is the longest serving employee in our Chicago office. Debra credits the variety of different duties as what has kept her engaged for over two decades. “I like being the probation monitor, the clerk of the court for status calls, and the board liaison. That’s what I totally enjoy about working for the Division of Real Estate.” Of all of the different administrations, Debra finds this group to be the friendliest and she looks forward to continuing to serve the citizens of Illinois.



Employee Spotlight

MIRANDA LITTLE LICENSING AND EDUCATION TEAM

Miranda is one of the newest members of the Division of Real Estate team. After transitioning into state government from a career in health care, Miranda has enjoyed her time in the Division. She was only working in the office for 3 weeks before COVID-19 caused the offices to be shut down temporarily. Even with the challenges of an unconventional start, Miranda applauds the Licensing and Education team for being supportive and answering questions. For Miranda, the best part of working for the Division of Real Estate is that “it’s been really nice to have a great team and knowing that there are people there to help.”



Condominium and Common Interest Community Ombudsperson

Effective January 1, 2017, the Illinois Condominium and Common Interest Community Ombudsperson Act created, in the Division of Real Estate within the Department of Financial and Professional Regulation, under the supervision and control of the Secretary, the Office of the Condominium and Common Interest Community Ombudsperson (“CCIC Ombudsperson”).

The mission of the CCIC Ombudsperson is to provide information to unit owners, condominium and common interest community associations and their respective boards in order that they all may better understand their rights and obligations under the Condominium Property Act and the Common Interest Community Association Act.

The CCIC Ombudsperson educates unit owners, associations and their respective boards, publishes information useful to unit owners, associations and their respective boards and responds to relevant inquiries by providing educational materials and directing citizens to relevant resources.

The Ombudsperson has developed and posted a robust library of publications on its website. (www.idfpr.com/CCICO)

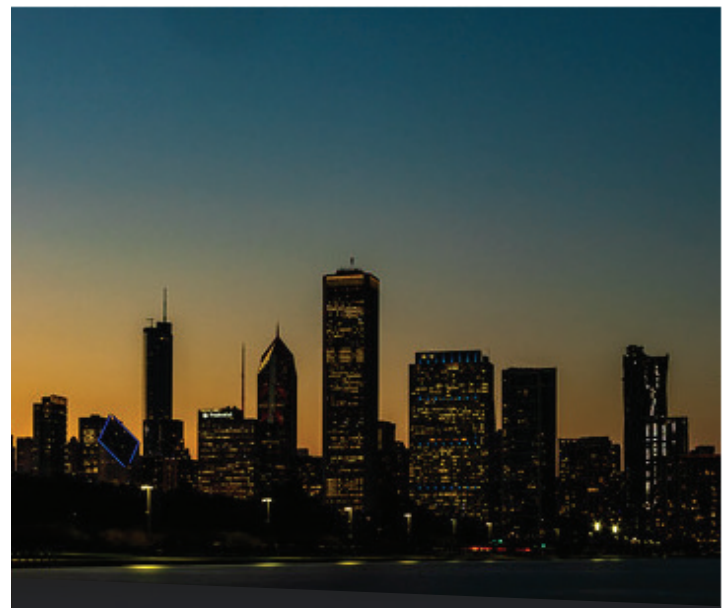
These include the following FAQs (“Frequently Asked Questions”):

- What Are The Documents That Govern An Association?
- How Do You Adopt Rules and Regulations?
- What Are The Benefits Of Incorporation For Associations?
- What Insurance Is An Association Required To Maintain?
- How Does An Association Adopt A Budget?
- What Are The Requirements For Meetings?
- What Is Closed Session and What Can Be Decided There?
- How Are Declarations and Rules Enforced?
- How Does A Condo Association Adopt A Special Assessment?
- Which Law Governs My Association?
- How Does a Deconversion Work?

In addition, the Ombudsperson has written three publications:

- “Condominium Unit Owners Rights and Responsibilities Handbook”
- “Rights and Responsibilities of Association Board Members”
- “COVID-19 Guidance for Condominiums and Common Interest Community Associations”

The CCIC Ombudsperson’s 2018 and 2019 Reports to the Illinois General Assembly, which contain statistics and other information concerning inquiries received by the CCIC Ombudsperson, may also be found on the CCIC Ombudsperson’s website.





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