



IDFPR

Illinois Department of Financial and Professional Regulation

Division of Real Estate

www.idfpr.com

JB PRITZKER
Governor

MARIO TRETO, JR.
Acting Secretary

LAURIE MURPHY
Acting Director

Illinois Department of Financial & Professional Regulation, Division of Real Estate
Real Estate Administration and Disciplinary Board
OPEN Minutes

Date: March 10, 2022

Call to Order: 9:34 a.m. –Monica Gutierrez – Chairperson

Location: IDFPR – Division of Real Estate
Remotely via interactive webinar and/or telephonically because the Governor of the State of Illinois has issued a disaster declaration related to public health concerns and an in-person meeting is not practical or prudent because of the disaster described in that declaration, and because the Secretary of the Illinois Department of Financial and Professional Regulation has determined pursuant to the provisions of Section 7 of the Open Meetings Act that an in-person meeting is not practical or prudent because of a disaster

Board Member(s) Present: Valerie Acosta, Loretta Alonzo-Deubel, Joe Castillo, Gaspar Flores Jr., Oralia Herrera, Shirin Marvi, Carol Meinhart, Joseph Nery, Michael Oldenettel, Nykea Pippion McGriff, Everett Ward, Norm Willoughby

Board Member(s) Absent: Laura Ellis, Michael Prodehl

Division Staff Present: Adrienne Levatino – Associate General Counsel, Geetu Naik – Chief of Prosecutions, Jeremy Reed – Chief of Licensing and Education, Donielle Walters – Policy Manager, Sheilah O’Grady Krajniak – Real Estate Staff Attorney, Elliot Dubin –Real Estate Staff Attorney, Susan Sigourney – Board Liaison Debra Malinowski - Board Liaison

Guest(s) Present: Larry Toban – Real Estate Institute, Rocky Esposito – AHI Real Estate, Kirk Antkiewicz – Chicago Association of Realtors, Carrie Elliott – Illinois Realtors Licensing & Training Center, Young Brockhouse – Illinois Realtors Licensing & Training Center, Edward Williams – Williams & Nickl Law Firm, Wayne Paprocki – Real Estate Instructor

Topic	Discussion	Action
	<p>Due to recent amendments to the Open Meetings Act, Chairperson Monica Gutierrez made the following statement at the READ's Board meeting:</p> <p>"This meeting is being conducted by audio or video conference without the physical presence of a quorum of the members because the Governor of the State of Illinois has issued a disaster declaration related to public health concerns and an in-person meeting is not practical or prudent because of the disaster described in that declaration. This meeting is further being conducted by audio or videoconference because the Secretary of the Illinois Department of Financial and Professional Regulation has determined pursuant to the provisions of Section 7 of the Open Meetings Act that an in-person meeting is not practical or prudent because of a disaster."</p>	
Call to Order	Chairperson Monica Gutierrez opened the meeting.	The meeting was called to order at 9:34 am.
Approval of Open Minutes	The Board reviewed the Open Minutes from the February 10, 2022 Real Estate Administration and Disciplinary Board Meetings.	Motion made by Oldenettel seconded by Nery to approve the Open Minutes from the February 10, 2022 meeting.
Public Comments	There were no public comments.	
Licensing Report	<p>The Licensing Report for activity conducted in February, 2022 was presented and discussed. A copy of the report is attached to and made a part of these minutes.</p> <p>Mr. Reed reported that, as of March 9, 2022, there have been approximately 10,000 real estate broker renewal applications processed.</p> <p>Mr. Reed reported that Licensing has received approximately 10 real estate virtual office applications. Licensing has noticed that some of the proposed digital platforms submitted with the virtual office applications do not satisfy the Department's requirements. Licensing is working through these applications and communicating any deficiencies to the applicants. Mr. Reed mentioned that there is an FAQ for virtual offices on IDFPR's website. Mr. Reed mentioned that any questions regarding this</p>	

Topic	Discussion	Action
	<p>topic may be submitted to his email address or fpr.realestate@illinois.com.</p> <p>Mr. Reed mentioned that Miranda Little will be transferring to CMS next week and the Department is working on hiring an individual for this position.</p> <p>Ms. Marvi inquired if the Department can provide “sites” that would be acceptable for the virtual office software apps. Mr. Reed mentioned that because we are a regulatory agency, he would not be able to recommend specific software apps.</p> <p>Mr. Willoughby inquired if the Department is reviewing the managing broker curriculum due to the fact that the pass rate was extremely low for the month of February. Mr. Reed mentioned that he has informed the Director and is reviewing the managing broker pre-license curriculum and will reiterate the urgency of this topic. There were additional comments made.</p>	
Education Report	The 2022 Education Report through the month of February was presented and distributed. A copy of the report is attached to and made a part of these minutes.	
Complaints Report	The 2022 Complaints Report through the month of February was presented and distributed. A copy of the report is attached to and made a part of these minutes.	
Audits Reports	The Audits Report for activity conducted in February, 2022 was presented and distributed. A copy of the report is attached to and made a part of these minutes.	
Investigations Report	The 2022 Investigations Report through the month of February was presented and distributed. A copy of the report is attached to and made a part of these minutes.	
Prosecutions Report	<p>The 2022 Prosecutions Report through the month of February was presented and distributed. A copy of the report is attached to and made a part of these minutes.</p> <p>Ms. Naik introduced Sheilah O’Grady-Krajniak and Elliot Dubin as the new attorneys that joined the Prosecutions Team on February 16, 2022 and gave a brief bio of them.</p>	
Real Estate Recovery Fund Report	The Real Estate Recovery Fund Report for the 2022 Fiscal Year through February 2022 was presented and distributed. A copy of	

Topic	Discussion	Action
	the report is attached to and made a part of these minutes.	
Formal Hearing Schedule	There are three formal hearings scheduled.	
Old Business	Ms. Levatino reminded the READ Board Members to review their badge to ensure that the badge has not or is not going to expired. If their badge has or is going to expire, please notify Chairperson Gutierrez or Deb Malinowski.	
New Business	There was no new business discussed	
Motion to go into Closed Session	Roll Call Vote: Valerie Acosta, yes Loretta Alonzo-Deubel, yes Joe Castillo, yes Gaspar Flores Jr., yes Oralia Herrera, yes Shirin Marvi, yes Carol Meinhart, yes Joseph Nery, yes Michael Oldenettel, yes Nykea Pippion-McGriff, yes Everett Ward, yes Norm Willoughby, yes	A motion made by Alonzo-Deubel seconded by Marvi to go into Closed Session for purposes of reviewing Closed Minutes and for deliberations pursuant to Section 2 (c) (4) and (15) of the Open Meetings Act at 9:56 a.m. Motion carried by roll call vote.
Closed Session	The February 10, 2022 closed meeting minutes were reviewed by the Board. The Board reviewed the Consumer Complaints Review and Case File Review Committee’s reports for: <u>February 16, 2022</u> 2 Cases Recommended for Closure by Investigations 5 Cases for Closure by Prosecutions 9 Complaints Referred to Investigations 2 Complaints Recommended for Closure <u>March 2, 2022</u> 3 Cases Referred to Prosecutions from Investigations 4 Cases for Closure by Prosecutions 12 Complaints Referred to Investigations 7 Complaints Recommended for Closure The Board deliberated on pending enforcement actions.	

Topic	Discussion	Action
Motion to go into Open Session		A motion made by Alonzo-Duebel seconded by Meinhart, to go into Open Session at 11:11 a.m. Motion carried by roll call vote.
Approval of February 10, 2022 Closed Minutes		Motion made by Alonzo-Duebel, seconded by Flores Jr. to approve the February 10, 2022 Closed Minutes. Motion carried by roll call vote.
Recommendations	1 Case was deliberated during Closed Session IDFPR v. Mario Garcia Case #2018-10927	
The Board signed 1 Findings of Facts, Conclusions of Law and Recommendations to the Director		The Board does not accept the Administrative Law Judge's recommendation but recommends a revocation of Mario Garci's license, and imposition of a \$5000.00 fine, upon Mario Garcia. The Board members agreed to have their electronic signatures affixed to the Findings of Fact In Contravention reflecting its disciplinary recommendation in IDFPR v. Mario Garcia #2018-10927

Topic	Discussion	Action
Orders	2 Consent Orders were reviewed and discussed in Closed Session.	<p>Motion made Ward seconded by Alonzo-Deubel to ratify the actions of Consumer Complaint Review (CCR) and Case File Review Committee (CRC) and to approve the Board's recommendations that includes Everett Ward authorizing his electronic signature on the orders presented in Closed Session. Motion carried by roll call vote.</p> <p>The Board signed 2 Consent Orders.</p>
Adjournment	The next meeting is scheduled for April 14, 2022.	There being no further business to discuss motion made by Willoughby, seconded by Marvi to adjourn at 11:14 a.m. Motion carried by roll call vote.

LICENSE REPORT
CALENDAR YEAR 2022
FEBRUARY

PROFESSION	SPONSOR CHG.	INITIAL LIC.	RENEWALS	ACTIVE
RE Managing Broker	73	34	19	15,390
Residential Leasing Agent	39	62	7	4,361
Real Estate Broker	639	532	7,797	62,276
RE Branch Office	11	11	1	1,194
Real Estate Broker Corporation	1	5	5	3,419
Real Estate Broker Partnership	0	1	0	30
RE Limited Liability Firm	9	14	2	2,234
RE Virtual Office	0	0	0	-
RE Education Provider	0	0	0	67
RE Pre-Lic Instructor	0	3	1	251
RE Pre-Lic Course	0	1	0	473
RE CE Instructor	0	3	1	160
Real Estate CE Course	0	9	1	577
TOTAL	772	675	7,834	90,432

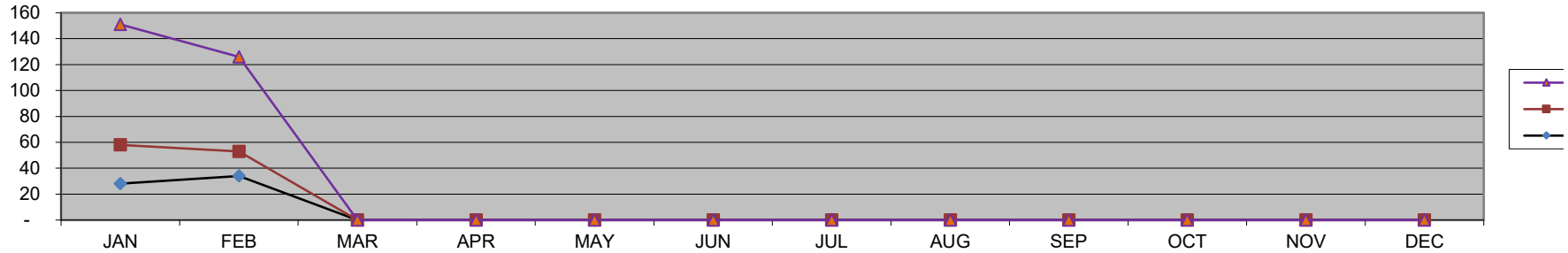
MANAGING BROKER 2022

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
INITIAL LIC.	28	34										
RENEWALS	30	19										
SPONSOR CHG.	93	73										
TOTAL ACTIVE	15,353	15,390										

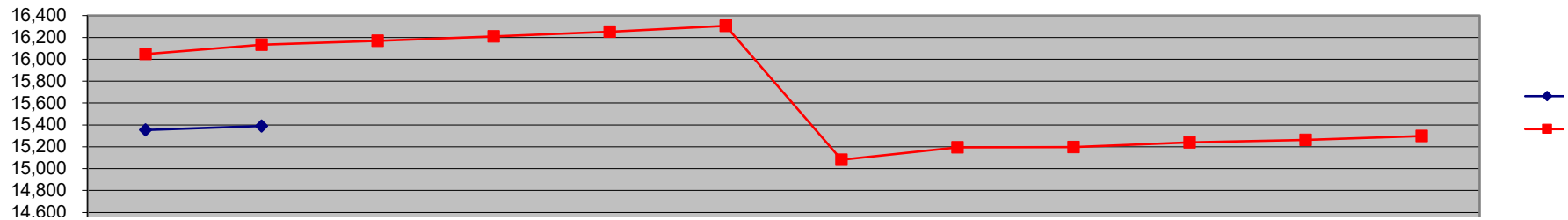
MANAGING BROKER 2021

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
INITIAL LIC.	7	93	37	35	54	54	41	34	39	25	22	22
RENEWALS	8	3,437	2,239	6,994	1,425	110	35	70	40	27	22	21
SPONSOR CHG.	126	93	105	124	88	78	77	98	87	85	90	126
TOTAL ACTIVE	16,048	16,134	16,168	16,209	16,251	16,306	15,081	15,194	15,196	15,239	15,263	15,299

MANAGING BROKER 2022



ACTIVE MANAGING BROKERS 2022 vs. 2021



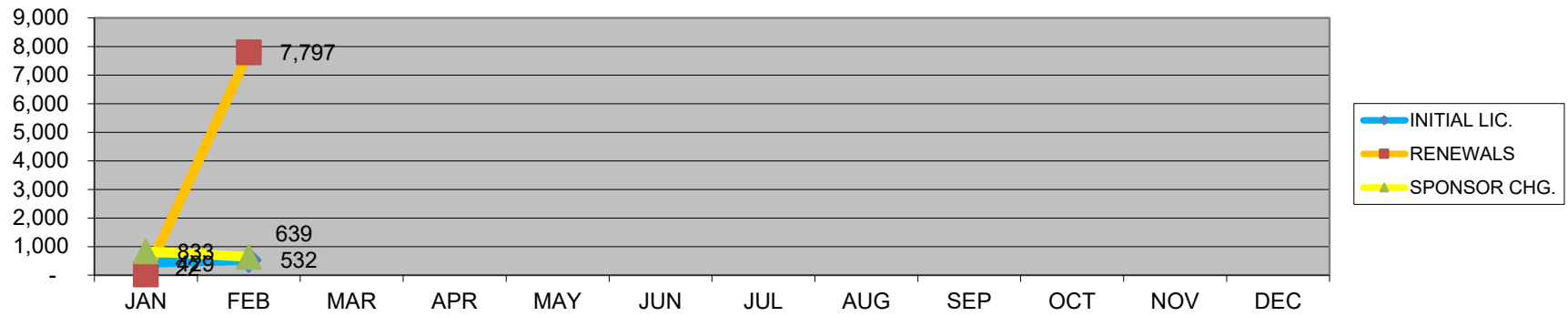
BROKER 2022

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
INITIAL LIC.	429	532										
RENEWALS	22	7,797										
SPONSOR CHG.	833	639										
TOTAL ACTIVE	62,790	63,276										

BROKER 2021

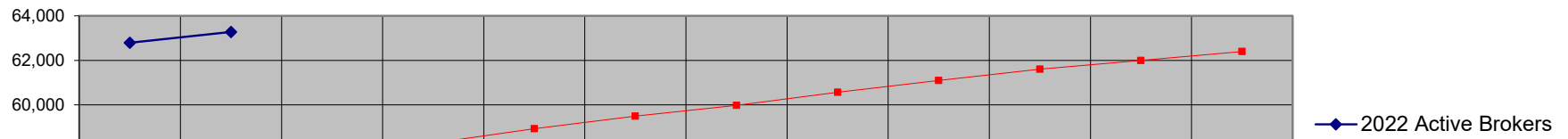
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
INITIAL LIC.	492	484	654	644	623	558	498	623	534	575	455	440
RENEWALS	239	174	150	231	75	61	32	38	21	19	17	19
SPONSOR CHG.	926	668	697	670	569	508	516	604	619	676	607	1,057
TOTAL ACTIVE	56,134	56,718	57,492	58,284	58,938	59,497	59,985	60,573	61,104	61,609	61,993	62,397

BROKER 2022



ACTIVE BROKERS

2022 vs. 2021



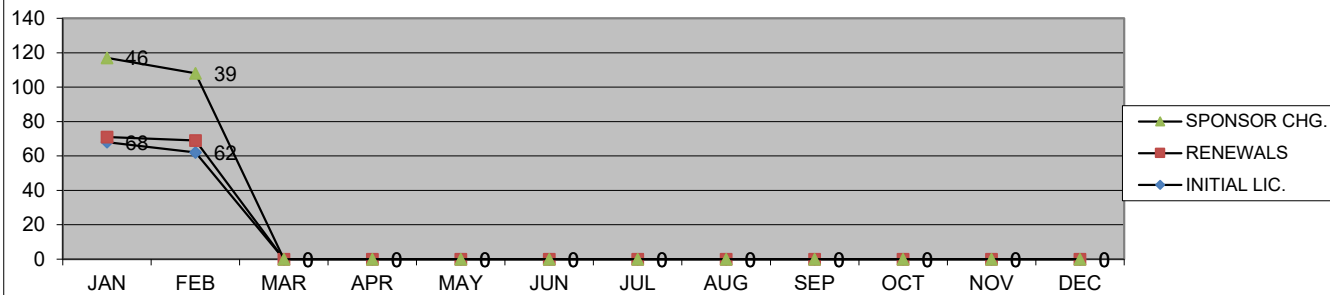
RESIDENTIAL LEASING AGENT 2022

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
INITIAL LIC.	68	62										
RENEWALS	3	7										
SPONSOR CHG.	46	39										
TOTAL ACTIVE	4,314	4,361										

RESIDENTIAL LEASING AGENT 2021

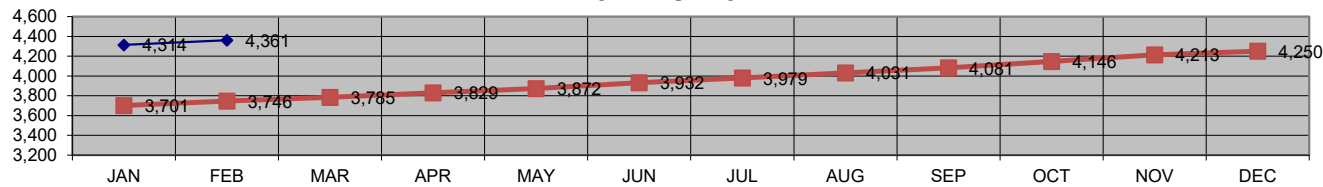
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
INITIAL LIC.	54	45	53	47	41	62	51	62	52	75	74	59
RENEWALS	24	16	23	12	14	9	11	8	3	1	7	3
SPONSOR CHG.	31	30	38	62	23	23	32	35	32	30	32	35
TOTAL ACTIVE	3,701	3,746	3,785	3,829	3,872	3,932	3,979	4,031	4,081	4,146	4,213	4,250

LEASING AGENT 2022



ACTIVE RESIDENTIAL LEASING AGENTS

2022 vs. 2021



as of...

1/31/2022

2/28/2022

License prefix	License Type	Active Licenses	Active Licenses
440	Licensed Auctioneer	285	285
441	Licensed Auctioneer	717	720
444	Licensed Auction Firm	173	174
445	Licensed Auction CE School	5	5
446	Licensed Auction CE Course	46	46
Totals		1,226	1,230

License prefix	License Type	Active Licenses	Active Licenses
553	Certified General Real Estate Appraiser	1,295	1,312
555	Licensed Appraiser Education Provider	20	20
556	Certified Residential Real Estate Appraiser	1,777	1,782
557	Associate Real Estate Trainee Appraiser	336	346
558	Appraisal Management Company	160	157
572	Temporary Practice Real Estate Appraiser	43	44
573	Licensed Appraiser Pre-Lic Course	117	120
575	Licensed Appraiser CE Course	385	393
Totals		4,133	4,174

License prefix	License Type	Active Licenses	Active Licenses
261	LICENSED COMMUNITY ASSOCIATION MANAGER	1,694	1,724
Totals		1,694	1,724

License prefix	License Type	Active Licenses	Active Licenses
450	Licensed Home Inspector	1,827	1,849
451	Licensed Home Inspector Entity	410	413
452	Licensed Home Inspector Education Provider	22	22
453	Licensed Home Inspector Pre-License Course	22	22
454	Licensed Home Inspector CE Course	97	102
Totals		2,378	2,408

Total Licenses	9,431	9,536
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2022 Real Estate Examination Pass Rates - Pass Rate

		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Managing Broker National	First Time	13%	5%										
	Repeat	26%	33%										
	Total Test Takers	88	86										
Managing Broker State	First Time	86%	69%										
	Repeat	80%	67%										
	Total Test Takers	47	45										
Managing Broker Reciprocity Exam	First Time	60%	82%										
	Repeat	0%	100%										
	Total Test Takers	5	12										
Broker National	First Time	46%	42%										
	Repeat	35%	44%										
	Total Test Takers	1026	1127										
Broker State	First Time	52%	55%										
	Repeat	47%	44%										
	Total Test Takers	853	962										
Broker Reciprocity Exam	First Time	38%	58%										
	Repeat	13%	44%										
	Total Test Takers	65	69										
Leasing Agent National	First Time	52%	58%										
	Repeat	44%	56%										
	Total Test Takers	140	131										

2021 Real Estate Examination Pass Rates - Pass Rate

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Managing Broker	39%	45%	37%	41%	43%	30%	43%	38%	26%	32%	52%	54%
First Timers	63%	60%	65%	63%	61%	50%	58%	47%	40%	50%	58%	56%
Repeaters	6%	5%	0%	13%	13%	6%	11%	20%	7%	26%	32%	44%
Total Number Tested	80	75	83	75	65	80	54	64	68	63	55	46
Broker	45%	44%	45%	41%	41%	41%	40%	37%	36%	36%	44%	46%
First Timers	52%	51%	53%	48%	47%	45%	45%	42%	41%	42%	43%	49%
Repeaters	37%	36%	34%	33%	34%	35%	33%	32%	32%	39%	42%	40%
Total Number Tested	1512	1470	1658	1608	1373	1352	1260	1197	1143	1033	969	939
Leasing Agent	49%	51%	45%	59%	56%	56%	48%	52%	52%	49%	56%	52%
First Timers	54%	56%	55%	65%	66%	59%	49%	55%	53%	52%	57%	55%
Repeaters	43%	41%	33%	49%	41%	51%	48%	49%	51%	47%	50%	48%
Total Number Tested	129	119	133	165	133	144	120	145	126	130	81	67

2020 Real Estate Examination Pass Rates - Pass Rate

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Managing Broker	41%	47%	54%	33%	40%	39%	36%	48%	47%	56%	45%	35%
Total Number Tested	78	92	71	9	30	54	59	66	87	85	60	92
Broker	46%	47%	50%	49%	57%	55%	50%	50%	48%	45%	43%	46%
Total Number Tested	935	961	613	41	315	800	850	953	1136	1511	1212	1656
Leasing Agent	52%	54%	43%	60%	60%	42%	51%	54%	55%	53%	53%	50%
Total Number Tested	151	122	92	5	47	90	142	123	128	207	117	151

Division of Real Estate
2018 Education Report

DRE Education's Pipeline

2022	(512)	(513)	(563)	(564)	(515)	DRE Education's Pipeline		
	Pre-License Instructors Licensed	Pre-License Courses Licensed	CE Instructors Licensed	CE Courses Licensed	Education Providers Licensed	Total # of Licenses Issued	# in Process	Pending Provider Info
January	0	16	3	14	2	35	22	22
February	3	1	3	9	0	16	28	28
March						0		
April						0		
May						0		
June						0		
July						0		
August						0		
September						0		
October						0		
November						0		
December						0		
YTD Total	3	17	6	23	2	51		
	512	513	563	564	515			
Total Active Licenses	247	472	156	571	67	Diane Green Nate Chandler Jeremy Reed		

February 2022
Complaint Report

Column1	New RE Complaints	New RE Complaints Assigned To Investigations	Complaints Closed At Intake Review	RE Matters Closed At CCR
January	42	19	9	14
February	33	21	3	9
March	0			
April	0			
May	0			
June	0			
July	0			
August	0			
September	0			
October	0			
November	0			
December	0			
Total	75	40	12	23

**MONTHLY AUDIT REPORT
READ Board – March 10, 2022**

Licensees that have not yet had an audit in the Chicago Area region are continuing to be assigned to the non-Chicago Area Region examiners. In the effort to accelerate the number of audits to be conducted, *Brokerage Verification Reports* are being mailed to these licensees. This report allows the examiner to assess the level of activity of the licensee then complete the audit process by mail or schedule an on-site audit. From the total number of first audits closed in February, 49 files were in this region.

FIRST AUDITS COMPLETED

RESOLUTION TYPE: BROKERAGE VERIFICATION REPORT – NOT PRACTICING

TOTAL COMPLETED: 37

An audit conducted by mail and the licensee has not performed licensed real estate activity within the past three years.

RESOLUTION TYPE: BROKERAGE VERIFICATION REPORT – PRACTICING

TOTAL COMPLETED: 9

An audit conducted by mail and the licensee has performed licensed real estate activity within the past three years.

RESOLUTION TYPE: INSPECTED – NOT PRACTICING

TOTAL COMPLETED: 0

An on-site audit has been conducted and the licensee has not performed licensed real estate activity within the past three years.

RESOLUTION TYPE: INSPECTED – PRACTICING

TOTAL COMPLETED: 0

An on-site audit has been conducted and the licensee has performed licensed real estate activity within the past three years.

RESOLUTION TYPE: NOT INSPECTED

TOTAL CLOSED: 2

This category is comprised of licensees not requiring an audit. This includes licensees that are out-of-state residents, deceased licensees, companies that are out of business (or license status has become “inactive”) or change of sponsorship.

RESOLUTION TYPE: REFERRED TO SUPERVISOR

TOTAL CLOSED: 3

This category is comprised of licensees that have either not responded to a *Brokerage Verification Report* after two attempts from the examiner or has failed to appear for the scheduled on-site audit after two attempts.

RESOLUTION TYPE: SUPERVISOR REFERRAL TO PROSECUTION

TOTAL CLOSED: 0

This category is comprised of licensees that have not responded to a *Brokerage Verification Report* after three attempts from the supervisor. In these instances, the licensee has either failed to notify IDFPR of their correct address or failed to respond.

FOLLOW-UP AUDITS COMPLETED BY EXAMINER

First audits conducted wherein violations have been found are required to show compliance. Completed in February:

RESOLUTION TYPE: IN COMPLIANCE

TOTAL COMPLETED: 10

RESOLUTION TYPE: ACKNOWLEDGEMENT PAGE ONLY

TOTAL COMPLETED: 2

RESOLUTION TYPE: REFERRED TO SUPERVISOR

TOTAL COMPLETED: 1

AUDITS REFERRED TO SUPERVISOR – CLOSED

Licensees with remaining issues after an initial audit and follow-up or licensees that are unresponsive are referred to supervisor for review and further action. Completed in February:

THERE WERE NO CLOSURES IN FEBRUARY.

Real Estate Recovery Fund

FY2021	Beginning Balance	Revenue	Interest	Transfers In	Expenditures	Transfers Out	Sweeps/Borrowing	Ending Balance
July	\$1,468,634.59	\$13,730.34						\$ 1,482,364.93
August	\$1,482,364.93	\$11,579.01			(\$5,752.85)			\$ 1,488,191.09
September	\$1,488,191.09	\$20,478.60						\$ 1,508,669.69
October	\$1,508,669.69	\$30,375.29						\$ 1,539,044.98
November	\$1,539,044.98							\$ 1,539,044.98
December	\$1,539,044.98	\$2,835.00						\$ 1,541,879.98
January	\$1,541,879.98	\$350,509.42						\$ 1,892,389.40
February	\$1,892,389.40	\$18,756.83						\$ 1,911,146.23
March								\$ -
April								\$ -
May								\$ -
June								\$ -
Total		\$ 448,264.49	\$ -	\$ -	\$ (5,752.85)	\$ -	\$ -	
* Statutory Transfers								