



# IDFPR

## Illinois Department of Financial and Professional Regulation

Division of Real Estate

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**JB PRITZKER**  
Governor

**MARIO TRETO, JR.**  
Secretary

**LAURIE MURPHY**  
Director

Illinois Department of Financial & Professional Regulation  
Real Estate Valuation Task Force  
OPEN Minutes

Date: February 21st, 2024

Call to Order: 11:05 a.m. –Ericka Johnson

Location: IDFPR - Division of Real Estate ("DRE")  
555 West Monroe Street 4<sup>th</sup> Floor, Chicago Room  
Chicago, IL 60661  
And  
Via Interactive Video Conference at IDFPR  
320 West Washington Street, 2<sup>nd</sup> Floor, Conference Room 258  
Springfield, IL 62786

Board Member(s) Present: Adrienne Suits Bailey, Paul D. Brown, Jamie Cumbie, Javier Gumucio, Dan Hofacker, Steven Monroy, Tito Quinones, Anthony E. Simpkins not present (Sarah Brune from NHS asked to appear in his stead), Ericka D. Johnson, Ashia Walker, Cassandra Halm.

Board Member(s) Absent: Jeffery Baker, Deborah Fears, and Leader Marcus Evans,

Division Staff Present: Ericka D. Johnson- Deputy Secretary, Adrienne Levatino- Associate General Counsel, Jennifer Rossiter Moreno- DRE Operations Manager, Tia Davis- Legislative Liaison,

Guest(s) Present: Laurie Murphy- DRE Director, Jeremy Reed- DRE Deputy Director, Chris Posey- IDFPR Appraisal Board Member, Heather Barnes- CEO of Rebirth, Kevin Jackson- Chicago Rehab Network, Lutalo McGee- Chicago Association Realtors, Marisol Miramontes, Sofia Papoutsis- Cozen O'Conner,

Topic	Discussion	Action
Call to Order	With no Chair or Vice Chair present, member Ericka D. Johnson opened the meeting.	The meeting was called to order at 11:05 am.
Roll Call	<p>Speaker of the House: Leader Marcus Evans- Absent</p> <p>Minority Leader of the House: Dan Hofacker- Present</p> <p>Minority Leader of the Senate: Jeffrey Baker- Absent</p> <p>Director of the Department of Commerce and Economic Opportunity or Designee: Tito G. Quinones - Present</p> <p>Director of Department of Human Rights or Designee: Steven Monroy - Present</p> <p>Director of Department of Revenue or Designee: Adrienne Suits Bailey - Present</p> <p>Executive Director of the Illinois Housing Development or Designee: Javier Gumucio - Present</p> <p>Representative of Statewide Banking Association Representing banks of all asset size: Ashia Walker - Present</p> <p>Representative of Statewide Banking Association exclusively representing banks with assets below \$20,000,000,000: Jamie Cumbie - Present</p> <p>Representative of a Statewide Association representing Credit Unions: Deborah Fears - Absent</p> <p>Representative of an Agency, Organization, or Association advocating for Fair Housing: Anthony E. Simpkins - Present via Sarah Brune</p> <p>Representative of an Agency, Organization, or Association for Consumer Protection: Cassandra Halm - Present</p> <p>Representative of a Statewide Appraisal Organization: Paul D. Brown - Present</p> <p>Secretary of Department of Financial and Professional Regulation or Designee: Ericka D. Johnson- Present</p>	Members Leader Marcus Evans, Jeffery Baker, and Deborah Fears were absent.
Approval of Minutes	<ul style="list-style-type: none"> <li>• Ericka D. Johnson went over the last meeting's minutes and asked task force if they were any edits.</li> <li>• Dan Hofacker said that on page 8, the spelling of Freddie Mac, PAREA and Fannie Mae needed to be corrected.</li> <li>• Miss Johnson asked if there were any other edits.</li> </ul>	Mr. Hofacker motioned to adopt edits. Adrienne Suits Bailey seconded him. Miss Johnson asked for approval of minutes. Miss Johnson asked for those who disapprove and there was no answer. Minutes were approved.

Topic	Discussion	Action
Report Outline	<p>Miss Johnson discussed with the task force that the task force has to complete a report to the GA by the end of the year and shared with the meeting an outline for the report. Miss Johnson said that she and Mr. Hofacker have volunteered for some sections already and that Vice Chair Simpkins has sent in some edits to the outline as well. Miss Johnson explained that she would like to use the time to walk through each section and discuss how the outline is laid out and then have members volunteer for different sections. That the idea is to have several meetings where people can come in to present and inform members on each section of the report. Miss Johnson asked if there were any comments or ideas as she would like to hear from task force members.</p> <p>Mr. Hofacker said that the outline is a good approach to the report.</p> <p>Miss Johnson said thank you to Mr. Hofacker and then shared her screen. Miss Johnson said that VC Simpkins edits on it and that the task force would walk through the outline to see if everyone agrees with it.</p> <p>Miss Johnson first discussed point one of the outline:</p> <ol style="list-style-type: none"> <li>1. Introduction <ol style="list-style-type: none"> <li>a. Miss Johnson said that this portion of the outline would discuss the background of the task force and who bought the bill to create the task force.</li> <li>b. Tito Quinones said that he would volunteer to do this section.</li> </ol> </li> </ol> <p>Miss Johnson then addressed the task force and told them that she would have the meeting finished before the Governor's Budget Address at 12pm.</p> <ol style="list-style-type: none"> <li>2. History <ol style="list-style-type: none"> <li>a. Miss Johnson moved on to the next section of the outline and said that under this section, it would be best to discuss how appraisal got to this point and then pointed out the edits VC Simpkins made to the document. Miss Johnson said that this section would cover Great Depression, Redlining in the 1930's, Fair Housing, Dodd-Frank Regulation and PAVE task force</li> <li>b. Mr. Hofacker said that the outline should read 1930's to present and not 1800s to present.</li> <li>c. Sarah Brune who was present on behalf of VC Simpkins said that the VC wants to use this section to acknowledge race based bias and that NHS would be willing to help with this section.</li> <li>d. Miss Johnson said she will put VC Simpkins and NHS down for helping with this section and asked if anyone else wants to volunteer. When no one spoke up, Miss Johnson said that people can be added at a later date.</li> </ol> </li> <li>3. Current Regulatory Structure <ol style="list-style-type: none"> <li>a. Miss Johnson said that she wanted to make sure this was included because now there are bills that don't consider regulatory structure and that there is both State and Federal oversight. That this section would give some background on what the State can do.</li> </ol> </li> </ol>	

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	<ul style="list-style-type: none"> <li>a. Miss Johnson said she could draft a portion of this section and asked for any edits or changes.</li> <li>b. Mr. Hofacker said he would be happy to volunteer for this section but would add FFIEC to the first bullet point under Appraisal Subcommittee because FFIEC is responsible for regulation of appraisers within the appraisal subcommittee.</li> <li>c. Miss Johnson added FFIEC to the outline and asked if 7 or 8 groups make up the committee. Mr. Hofacker said yes to all the groups Miss Johnson put under FFIEC.</li> <li>d. Miss Johnson asked if there were any edits.</li> <li>e. Miss Suits Bailey said that Aisha Walker put in the text box that she would like to help with the history of the report. Miss Suits Bailey then said she could look into appraisal designation. Miss Suits Bailey asked if assessors would be good to include because of the overlap between assessors and appraisers.</li> <li>f. Miss Johnson asked if Mr. Quinones had a comment because his hand was still raised remotely. Mr. Quinones said no.</li> <li>g. Miss Johnson asked how the task force felt about including assessors. Paul Brown said that he doesn't want to muddy up appraisers and assessors, so doesn't want to include them.</li> <li>h. Miss Suites Bailey said that she agrees but wanted to contribute in some matter in case the committee wanted more information.</li> <li>i. Miss Johnson said she agrees to not include assessors and would be happy to talk to Miss Suites Bailey.</li> </ul> <p>4. Task Force Findings</p> <ul style="list-style-type: none"> <li>a. Guidance and Standards Real Estate Valuation <ul style="list-style-type: none"> <li>i. Miss Johnson said that this section directly addresses duties of the task force outlined in the act. Miss Johnson said this section starts off by offering some guidance and standards for Real Estate Valuation and valuation methods. Miss Johnson then volunteered for appraisal standards and guidance. Miss Johnson asked for other volunteers.</li> <li>ii. Mr. Brown said he could assist from the appraisal side but not lending. Miss Johnson said she understands and agree.</li> </ul> </li> <li>b. Collateral Underwriting Standards and Common Challenges <ul style="list-style-type: none"> <li>i. Miss Brune said that NHS would be able to assist with this section. Miss Johnson said she would put them down. Jamie Cumbie said she would be happy to help as well.</li> <li>ii. Miss Johnson said the goal is to take the outline a couple of sections at a time and invite people to give a presentation to the task force over each section that person is an expertise in.</li> </ul> </li> </ul>	

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	<ul style="list-style-type: none"> <li>c. Limited and Inactive Markets               <ul style="list-style-type: none"> <li>i. Miss Johnson asked if anyone would like to take address this section and could put herself down as a volunteer.</li> <li>ii. Miss Brune asked if there was a Realtor involved in the task force. Miss Johnson said that the task force has a Realtor. Its Jeffery Baker who is the CEO of IL Realtors. Miss Johnson said she would ask Mr. Baker about volunteering for the section. Mr. Brown said that he knows Mr. Baker and that his team would be able to help.</li> <li>iii. Miss Johnson thanked Mr. Brown and Miss Brune and said that she would talk to Jeff this week.</li> </ul> </li> <li>ci. Reconsideration of Value               <ul style="list-style-type: none"> <li>i. Miss Johnson said that Mr. Hofacker has already volunteered for this section and asked if there were any other volunteers from banking. Mr. Brown said that he could help from the appraisal perspective and volunteered. Miss Johnson said that would be valuable as Consumer, appraisal and lending are all important sides to know.</li> <li>ii. Miss Johnson asked if there was anyone for consumer education. Cassandra Halm said that she could have some input for consumer education and volunteered.</li> <li>iii. Mr. Brown said that Chris Posey would be great for data collection if appropriate.</li> <li>iv. Miss Johnson said that yes, those from the public can come talk to the task force.</li> </ul> </li> <li>cii. Evaluation of Barriers to Entry in the Appraisal Profession               <ul style="list-style-type: none"> <li>i. Miss Johnson said that Mr. Hofacker has volunteered for this section and asked if there were any others who want to volunteer.</li> <li>ii. Mr. Brown said he will volunteer but from the perceptive of an appraisal. Miss Johnson said that was great and can volunteer herself as well.</li> </ul> </li> <li>ciii. Racial Disparities in Real Estate Valuation               <ul style="list-style-type: none"> <li>i. Miss Johnson said that she can volunteer for this section and would talk to Mr. Baker about volunteering. Miss Brune volunteered VC Simpkins and NHS to help. Steven Monroy said that he can volunteer.</li> <li>ii. Miss Johnson said thank you to Mr. Monroy and informed the task force that they were coming to the end of the report outline.</li> </ul> </li> <li>civ. Recommended Changes to Address Racial Disparities in Real Estate Valuation               <ul style="list-style-type: none"> <li>i. Miss Johnson said that she doesn't think that any one person needs to be assigned to this section as its just the summary of the whole report.</li> <li>ii. Mr. Hofacker said he agreed it is the summary of the report.</li> </ul> </li> </ul>	

Topic	Discussion	Action
	<p>5. Conclusion</p> <p>a. Miss Johnson said that Gabriela Nicolu will be drafting the report with the help of a law clerk. Miss Johnson stated that Gabriela was not present today but Associate General Counsel Adrienne Levatino was there in place of Miss Nicolau in case the task force needed legal guidance. Miss Johnson asked if anyone wanted to weigh in any further and if not, they can email Miss Johnson privately but that she wanted to make sure everyone has the chance to participate.</p>	
Open Discussion	<p>Miss Johnson asked if anyone on the task force has anything they would like to openly discuss.</p> <p>Due to lack of comments, Miss Johnson moved on to the next section on the agenda.</p>	
Public Comments	<p>Miss Johnson asked if anyone from the public would like to comment and to please state their first and last name:</p> <p>Brian Weaver said to take a look at the VA's Tidewater process for reconsideration on value because they have the best programs on valuation and that he can send some studies to the task force.</p> <p>Miss Johnson asked if there was anyone else and said that Chris Posey was on the call and asked him if he had anything he'd like to share. Mr. Posey said no, not today</p> <p>Miss Johnson thanked Mr. Posey and asked Heather Barnes if she had any comments. Miss Barnes said no.</p> <p>Miss Johnson asked if Kevin Jackson from Chicago Rehab Network had a comment. Mr. Jackson no and that he thinks things are moving forward. Even so, valuation bias is a real problem in communities and has an impact on household wealth so that data will be important Miss Johnson said that anecdotal evidence could be helpful to include.</p> <p>Miss Johnson asked if DRE Directors Laurie Murphy or Jeremy Reed have any public comments. Director Murphy said she had no public comments.</p> <p>Miss Johnson said she appreciates everyones input and is looking forward to the report then asked Lutlo McGee if he had a comment. Mr. McGee said no.</p> <p>Miss Johnson asked Marisol Miramontes if she had a comment Miss Miramontes said no.</p> <p>Miss Johnson asked Sofia Papoutsis if she had any comments Miss Papoutsis said no.</p> <p>Miss Johnson asked Miss Papoutsis what group she was with Miss Papoutsis said Cozen O'Connor .</p> <p>Miss Johnson asked if there was anyone else before moving on to</p>	

Topic	Discussion	Action
	<p>to discuss new business.</p> <p>Mr. Hofacker said re: Mr. Weaver's suggestion about Tidewater, that it has a free ROV process.</p> <p>Miss Johnson said thank you to Mr. Hofacker and moved on to new business.</p>	
New Business	<p>Miss Johnson asked the task force how they should move forward in future meetings. Miss Johnson asked if people had connections to Fannie Mae and Freddie Mac, as well as from the Appraisal Foundation. Miss Johnson said that people from the public can also volunteer to educate the task force and asked for any comments.</p> <p>Mr. Hofacker said that he agrees on bringing people in from Fannie Mae and Freddie Mac to talk about their studies and if there are any updates. That FHFA also has publicized and released data that would be good to discuss with the task force and that the National Fair Housing Allegiance would be good to meet with because they have great research and recommendations. Mr. Hofacker said Maureen Wap and Alisha Wright are good contacts for the National Fair Housing Alliance.</p> <p>Miss Johnson asked Mr. Hofacker if he could reach out to them and if anyone else has contacts. Miss Johnson then assured everyone that they don't have to say now if they have a contact, but to start thinking about them. Miss Johnson then informed everyone that next months agenda will be sent to task force members after Chair and VC look at it and asked if there were any other comments for new business.</p> <p>Miss Brune said that NHS can help with Freddie Mac and asked if there could be a meeting focused on consumers to discuss home buyers and seller's issues along with loan officers.</p> <p>Miss Johnson said that it would be great to have members from the community to come and speak on the issues they encounters but to discuss this with the team before having someone come to the meeting and speak; Miss Johnson said she wanted to avoid people to coming to the meeting just to share that they had an incident but rather they should come in and speak on a specific topic.</p> <p>Miss Brune said that having a loan officer come in to speak would be great because then they could discuss trends.</p> <p>Miss Johnson asked that people get time and dates for others to present and scheduling could be worked on to have these people present.</p> <p>Miss Brune said that having a realtor would also be good.</p> <p>Miss Johnson asked if there was anyone else who had new business. Miss Johnson then asked the task force to keep their communications limited outside of meetings because everything the task force does should be kept within the public sphere.</p>	

Topic	Discussion	Action
Adjournment	The next meeting is scheduled for March 20th, 2024.	There being no further business to discuss, motion made by Dan Hofacker and seconded by Paul Brown at 11:50am. Motion carried unanimously