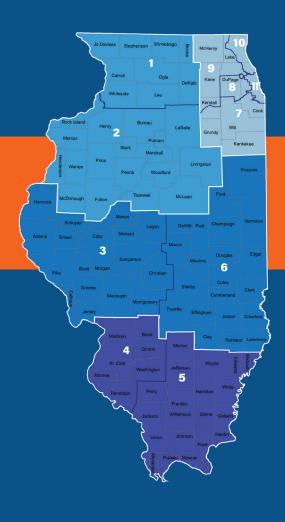


# **Phase 3: Recovery Guidance**

for Real Estate Licensees and Consumers



# RESTORE ILLINOIS

A Public Health Approach to Safely Reopen Our State

- Real Estate Brokerage
  - Appraisers
  - Home Inspectors
    - Auctioneers
- Community Association Managers

# **Mission Statement**

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**

Greetings from the Division of Real Estate,

I hope that you are healthy and well. Due to the COVID-19 global pandemic, day to day functions have significantly been altered as we navigate through these unprecedented times together. Under Governor JB Pritzker's great stewardship, we have seen the State of Illinois be a national leader in its handling of the pandemic.

To help prevent the further spread of COVID-19, on March 20, 2020, Governor Pritzker issued his first executive order related to COVID-19, requiring all Illinoisans to stay in their homes beginning on March 21, 2020. Subsequently, on April



1, 2020, Governor Pritzker issued Executive Order 2020-18 extending the first executive order through and including April 30, 2020. Under Subsection (1)(12)(r) of Executive Order 2020-10, "real estate services (including appraisal, and title services)" were included as essential businesses and operations that may continue to provide their professional services. Home inspector and auction services were similarly permitted. More recently, Governor Pritzker issued Executive Order 2020-32 which underscored the need for social distancing and the importance of using appropriate personal protective equipment ("PPE"). Throughout this entire time period, I thank the real estate industry for its professionalism and care in ensuring that essential real estate services continued in a safe and thoughtful manner.

On May 5, 2020, the Governor and the Department of Commerce and Economic Opportunity ("DCEO") issued the "Restore Illinois" plan for gradually reopening Illinois on a phased-in basis. After reviewing the advice and consulting with numerous experts, the State of Illinois is entering "Phase 3: Recovery" of the "Restore Illinois" plan on May 29, 2020. In response to consumer and licensee inquiries and consistent with our Division's mission and promise, this brochure is intended to address ongoing questions about permitted real estate services during Phase 3. While this brochure provides one resource for our real estate professionals that complements and supplements the "Restore Illinois" plan, I encourage you to review pertinent guidance and publications from the Governor's Office, the Illinois Department of Public Health, and the Department of Commerce and Economic Opportunity.

During Phase 3, the health and welfare of the residents of Illinois continues to be my primary concern. I hope this Division of Real Estate guidance provides best practices as we move forward in reopening our great state. Together we can ensure that the Illinois real estate industry continues to move forward as our licensees provide critical services to Illinois residents and consumers.

Best,

lario Treto, Jr.

Director

# Basic Guidelines for All Real Estate Professions

# **General Operation of Real Estate Businesses**

Governor Pritzker's Executive Orders are permissive in allowing essential businesses and operations to operate but do not mandate or require operation. Phase 3 of the "Restore Illinois" plan anticipates that more Illinois businesses will reopen to the public and identifies ways in which to do this safely and with public health concerns (and, especially, minimizing the risk of exposure and transmission) at the forefront of decision-making by individual businesses. Licensees, including individuals and business entities, may use their discretion whether or not to continue to operate the essential services of their business within the parameters outlined in this document. All licensees are encouraged to work from home or remotely. Individuals may take a variety of concerns into consideration including, but not limited to, health and financial circumstances. Self-employed individuals and independent contractors may wish to consult with the Illinois Department of Employment Security as Illinois gradually reopens to determine the effect on eligibility for Pandemic Unemployment Assistance ("PUA").

#### **General Office Guidelines**

As a general rule, all employees and independent contractors who can work from home should continue to do so. If an employee or independent contractor is working from the office, several precautions should be taken, including:

- 1. Require employees and independent contractors to wear face coverings over their nose and mouth when within six (6) feet of others;
- 2. Offices should designate with signage, tape, or by other means six (6) foot spacing for individuals in line to maintain appropriate distance;
- Provide hand washing capability or disinfectant/hand sanitizer to all persons;
- 4. Encourage frequent hand washing by employees and independent contractors, and provide an adequate supply of soap and paper towels;
- 5. Sanitize and disinfect common gathering places and frequently touched items, such as door handles, knobs and gate latches, seating and arm rests in lobbies, etc.;
- 6. Implement separate operating hours for elderly and vulnerable customers; and
- 7. Post operating hours online and how best to reach the office/facility and continue services by phone or remote means.

The Illinois Department of Commerce & Economic Opportunity ("DCEO") has published "Offices Guidelines" that set forth minimum standards for health monitoring and minimum guidelines for the physical workspace. For the complete document, visit:

https://dceocovid19resources.com/assets/Restore-Illinois/businessguidelines3/offices.pdf.



# Basic Guidelines for All Real Estate Professions

#### **General Meeting Guidelines**

All meetings between real estate professionals and clients or prospective customers should take place remotely via phone, video, or other electronic means. If meetings cannot take place remotely, all the Social Distancing Requirements described above, including face coverings for all participants, should be in place in order for the meeting to occur in a physical office location. In addition, the DCEO guidance for offices should be observed.

#### **General Face Covering Guidance**

Wherever face coverings are required, individuals should wear face coverings over their nose and mouth when within six (6) feet of other individuals. Cloth masks are preferred. Exceptions may be made where accommodations are appropriate. For comprehensive guidance regarding the use of face coverings, please see the Illinois Department of Human Right's Face Coverings Guidance.

## **Important Information**

Please be aware that as the COVID-19 pandemic is rapidly changing, so are the policies and procedures pertaining to the conduct of essential businesses. Additionally, please note that local jurisdictions may have different policies and procedures in place relating to matters addressed in the Executive Orders. Please note that where local jurisdictions have policies and procedures that are more restrictive than the state, those applicable local policies and procedures must be followed.





# **Profession Specific Guidance**

### Real Estate Brokerage

**Open Houses.** While virtual or remote open houses are still encouraged, physical or in-person open houses may be conducted only if no more than ten (10) persons are present at the open house. Physical distancing and the use of face coverings are still required. The use of disposable gloves and foot booties are also encouraged.

**Showings.** For purposes of this guidance, individual and group showings consisting of the licensee and others, not to exceed a total of ten people including the licensee, are permitted. Physical distancing and the use of face coverings are still required. The use of disposable gloves and foot booties are also encouraged.

**Unoccupied or Vacant Properties.** Real estate licensees may conduct individual or group showings of unoccupied or vacant properties. However, real estate licensees should comply with all Executive Order requirements, including limiting gatherings to no more than ten (10) persons.

**Owner-Occupied Properties.** While virtual or remote showings are still encouraged, individual and group showings are permitted for owner-occupied properties. For all owner-occupied properties, in order to conduct individual or group showings, showings should be scheduled in advance and the real estate brokerage professional should receive consent from the owner of that property. In all instances, the real estate licensee should comply with all social distancing requirements and PPE requirements specified in Executive Orders 2020-32.

**Occupied Rental Properties** Individual or group showings are permitted for occupied rental properties when the tenant has consented to the showing and all other requirements of Executive Order 2020-32 are satisfied. For all occupied rental properties, in order to conduct individual or group showings, showings should be scheduled in advance and the tenant should receive appropriate notice. Owners and tenants are encouraged to work together on an amicable solution for both parties. Lease terms and local ordinances may dictate what notice is required.

**Closings.** Real estate closings are permitted to occur either through remote means or with all applicable social distancing and PPE requirements in place and restrictions on the number of persons who may be present (a maximum of ten persons) for any in-person transaction.

While Phase 3 represents a less restrictive time for Illinois businesses, including real estate professionals, it remains vitally important that we all follow a safe and deliberate



# **Profession Specific Guidance**

### **Appraisers**

Appraisal services are permitted under the Executive Orders. However, because appraisal standards and qualifications are authorized by United States Congress, licensed appraisers should comply with both state and federal regulations.

Any real estate appraisal service that can be conducted within an office or outside of a subject property is permitted. Where consent is granted by the property owner and an appraisal is required by a financial institution, interior inspections are permitted by licensed real estate appraisers only when complying with all applicable social distancing and PPE requirements specified in the Executive Orders. If a property owner does not grant access to the interior of the property due to COVID-19 concerns, alternative arrangements should be pursued.

As it relates to modified alternative appraisals, such as desktop appraisals, as permitted by their government-sponsored enterprise ("GSE") or federal agencies, appraisers are encouraged to pursue these appraisal methods. Appraisers should educate themselves on all matters related to these modified alternative appraisals.

At the time of this publication, federal guidance has been provided by the Appraisal Foundation, Fannie Mae, Freddie Mac, the Federal Deposit Insurance Corporation, the United States Department of Agriculture, Veterans Administration, and the Federal Housing Administration. The Department encourages licensees to regularly review federal requirements and updates.

#### **Auctioneers**

This guidance applies to auctions regulated through the Division of Real Estate. These businesses are strongly encouraged to take steps to protect employees, customers, and the general public from exposure and the spread of COVID-19.

Virtual or remote auctioneer services are permitted. During Phase 3, live auctions may only be conducted when there are no more than ten (10) persons present at the auction and social distancing and PPE requirements are met.

**Auction Preparation.** Post signage, restricting access to only those who are healthy to protect the well-being of employees and auction attendees. Individuals with a chronic medical condition are strongly encouraged to refrain from participating in live auctions. Entrances to the sales area should be limited to auction employees and those with visible bidder cards. Consignors should unload items for auction and leave the premises unless they are bidding. Consignor registration is encouraged.



# **Profession Specific Guidance**

#### Auctioneers (continued)

**Auction Workforce Preparation.** Auctioneers should provide guidance for handwashing and handling materials. All employees should be encouraged to avoid large gatherings and practice social distancing. Employee break or lunch times should be staggered to promote social distancing between employees.

#### **Home Inspectors**

Home inspector services are permitted under the Executive Orders. Home inspectors should continue to obtain valid consent prior to entering the subject property from the real estate brokerage professional authorized by the property owner to give consent or from the property owner. When conducting the home inspection, all applicable social distancing and PPE requirements specified in the Executive Orders should be met.

### Community Association Managers

Community Association Manager services are permitted under the Executive Orders. Community Association Managers should comply with all applicable social distancing requirements specified in the Orders. The customer-facing offices of Community Association Managers should comply with the requirements for offices discussed earlier in this publication.





Thank you to the Division of Real Estate team for their hard work and dedication to our licensees and consumers during these unprecedented times. A special thank you to Jeremy Reed, Adrienne Levatino, Gabriela Nicolau, Brian Weaver, and Laurie Murphy for their significant contributions to this publication.

