

NOTICE OF REVOCATION
(By Consent)

Case No. 93-38-GA

Robert T. Johnson, P-15546, Pukalani, Hawaii (formerly of Muskegon, Michigan), by Attorney Discipline Board Tri-County Hearing Panel #17.

- 1) Revocation;
- 2) Effective July 23, 1994.

The respondent and the Grievance Administrator filed a stipulation for consent order of discipline pursuant to MCR 9.115(F)(5), which was approved by the hearing panel and the Attorney Grievance Commission.

Respondent asked a long-time client to loan him \$100,000 to be repaid in a one to two year period. The client loaned respondent that sum, and respondent executed a Real Estate Sale and Repurchase Agreement, warranty deeds and an Assignment of Land Contract, all prepared by respondent, to secure the loan. Respondent pled nolo contendere to charges that he failed to advise his client to seek the advice of independent counsel and/or a financial advisor concerning the loan; failed to record the documents he prepared as security for the loan; failed to advise his client to record the documents in question; and failed to timely repay the loan.

When respondent was unable to repay the loan as agreed, he requested and was given a one year extension for repayment pursuant to a Land Contract and Promissory Note for \$120,000. Respondent pled nolo contendere to charges that he failed to advise his client to seek the advice of independent counsel and/or a financial advisor concerning the extension repayment agreement; failed to fully and fairly disclose his financial circumstances and ability to comply with the terms of the agreement; failed to record the land contract and note executed in conjunction with the extension repayment agreement; failed to advise his client to record the documents in question; failed to timely repay the loan under the extension repayment agreement or to honor the promissory note; and failed to advise his client that the stated interest rate in the Promissory Note was usurious and unenforceable.

Respondent's conduct was alleged to be in violation of MCR 9.104(1)-(4); Michigan Rules of Professional Conduct 1.8(a)(1)-(3); and 8.4(a)-(c); and Canons 1 and 5 of the then-applicable Code of Professional Responsibility, DR 1-102(A)(1),(4)and(6) and DR 5-104(A).

Costs were assessed in the amount of \$152.59.