

# Attorney Discipline Board



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## NOTICE OF SUSPENSION

FILE NO: 199-82

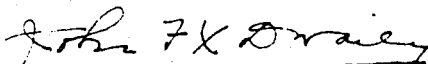
HENRY LEE, (P16505), 26261 Evergreen, Suite 120, Southfield, MI 48076, by Macomb County Hearing Panel #1.

- (1) Suspension
- (2) For a period of 60 days.
- (3) Effective October 10, 1984

The Hearing Panel found that: In addition to Respondent's law practice he was active in the area of investments and syndications; Clients of Respondent contacted him regarding the availability of investment opportunities; pursuant to repeated inquiries of the clients, Respondent persuaded the clients to loan certain monies to a condominium conversion project in which the Respondent had a personal interest. Over a period of several years Respondent acquired from the clients a total of \$1,070,000 all of which was invested in a condominium conversion project owned by a corporation in which Respondent and his wife were the sole stockholders. Respondent applied a portion of the funds to purposes other than the condominium project without the knowledge or consent of said clients; the balance of the monies were expended in furtherance of the completion of the condominium project. By reason of general economic conditions, the project failed to prosper and Respondent, with the knowledge and participation of said clients, amended the land contract and financing agreements to secure an extension of the repayment terms. Respondent did not affirmatively advise the clients to consult independent counsel regarding the advisability of the initial investment and Respondent's position and interest in the venture. Further, Respondent offered the clients no security for said loans, nor was any evidence of indebtedness voluntarily furnished until a specific request for the same was made by the clients.

The Panel found violations of GCR 1963, 953(2). Costs were assessed in the amount of \$2,947.64.

Dated: 10-15-84

  
JOHN F. X. DWAINY, Executive Director  
General Counsel