

IN RE: ELIZABETH WOLFE

S.J.C. Judgment of Disbarment entered by Justice Cordy on April 6, 2004, with an effective date of May 6, 2004.¹

SUMMARY²

The respondent, who was a member of both the Massachusetts and Florida bars and maintained offices in both Boston and West Palm Beach, took a series of fraudulent actions with regard to a parcel of real estate in South Boston. Prior to 1990, she was the legal and beneficial owner of the property. In December of that year, she transferred legal title to her mother as trustee of a realty trust. This transfer was later set aside as fraudulent by the Massachusetts Superior Court, but the respondent did not comply with the judgment. Instead, she caused her mother to transfer title to a person with whom the respondent had shared living quarters for some time. In February, 2000, in Florida, she caused her friend to execute a deed whereby title to the South Boston property was transferred back to her for one dollar. She did not record the deed.

In the summer of 2002, the respondent, purporting to act as attorney for the owner of record and using her Boston address, caused the South Boston property to be offered for sale through a real estate broker. A standard-form purchase-and-sale agreement was signed on September 10, 2002. The respondent signed the agreement, or caused it to be signed, with the name of the record owner as seller. She did not disclose that she was the beneficial and legal owner.

The P&S agreement required the buyers to provide a deposit to be held in escrow and designated the respondent's law firm as escrow agent, giving the firm's Boston address. The respondent signed the agreement as escrow agent and took possession of \$54,250 to be held in escrow; without seeking the buyers' permission, she deposited the funds in a bank in West Palm Beach, Florida. The account was labeled an IOLTA account, but was used by the respondent for personal as well as professional purposes. Prior to the date set for closing, she intentionally converted substantially all the escrow funds to her own use by expending those funds for personal, business, and other expenses not connected with the sale of 817 East Fourth Street. By the date scheduled for the closing, she had expended more than \$50,000 for personal and business expenses, including \$7,200 transferred to her personal account. The balance in her IOLTA account on that day was \$3,889.

At the time that the respondent signed the purchase-and-sale agreement, she was well aware that she would not be able to convey "good and clear record and marketable title" to the property. She knew that there were numerous liens and other claims against the property, including claims filed by her personal creditors on the theory of fraudulent conveyance. In October, 2002, the lawyer retained by the buyers' mortgage lenders to close the loan notified the respondent that title was not clear. He provided a written list of twelve defects to "good, clear, and marketable title." Although the buyers granted extensions, the respondent took no steps to clear up the defects. On November 19, 2002, the buyers requested the return of their deposit unless the closing had been conducted by November 21. When the closing was not held, the buyers demanded the return of the deposit. At that point, the respondent falsely asserted that the record owner had been ready, willing, and able to deliver marketable title on November 21. She falsely stated that she had delivered the escrow funds to her client. She then refused to provide any further information. The escrow funds have not been returned.

The conversion of the escrow funds and the respondent's other acts of dishonesty, fraud, deceit, and misrepresentation violated Mass. R. Prof. C. 8.4(c) and constituted conduct that adversely reflected on her fitness to practice law in violation of Mass. R. Prof. C. 8.4(h). In addition,

Her failure to segregate and safeguard client funds was a violation of Mass. R. Prof. C. 1.15(a) and (b).

Her knowing disobedience of a court order was a violation of Mass. R. Prof. C. 3.4(c);

Her deposit of the escrow funds outside the Commonwealth was a violation of Mass. R. Prof. C. 1.15(a), and

Her failure to seek the lawful objectives of the parties to the escrow agreement was a violation of Mass. R. Prof. C. 1.2(a);

The respondent failed to file any answer to the Petition for Discipline, and her default was recorded. Bar Counsel and the Board recommended disbarment. An order of disbarment was entered.

¹ The complete Order of the Court is available by contacting the Clerk of the Supreme Judicial Court for Suffolk County.

² Compiled by the Board of Bar Overseers based on the record before the Court.

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