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FILED

NORTH CAROLINA
WAKE COUNTY

1979 JAN 23 AM 9:40

B.E. JAMES, SEC.
THE N. C. STATE BAR

BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
78 DHC 21

THE NORTH CAROLINA STATE BAR,)
)
Plaintiff,)
)
vs.)
)
WILLIAM T. COMBS, JR.,)
Attorney,)
)
Defendant)

FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

This cause coming on to be heard and being heard before the under-
signed hearing committee of the Disciplinary Hearing Commission of The North
Carolina State Bar at a regularly scheduled hearing held on January 5, 1979,
in the office of The North Carolina State Bar, 107 Fayetteville Street Mall,
Raleigh, North Carolina, and said hearing committee having heard the evidence
and arguments and contentions of counsel, make the following findings of fact:

1. The plaintiff, The North Carolina State Bar, is a body duly organized under the laws of North Carolina, and is the proper party to bring this proceeding under the authority granted it in Chapter 84 of the General Statutes of North Carolina.
2. The defendant, William T. Combs, Jr., is a citizen and resident of Rockingham County, North Carolina and was admitted to The North Carolina State Bar in 1951 and is, and was at all times relevant to this proceeding, an attorney at law licensed to practice law in the State of North Carolina and was and is subject to the Rules, Regulations, Canons of Ethics and Code of Professional Responsibility of The North Carolina State Bar and the laws of the State of North Carolina.
3. J. W. Gilbert, father of Janice G. Shreve, paid \$4,500.00 in July, 1976 and \$10,500.00 in September, 1976, to William T. Combs, Jr. for the purchase of six acres of real property. On October 21, 1976, William T. Combs, Jr. conveyed 36 acres, including the six acres previously purchased

by J. W. Gilbert for Janice G. Shreve, to his son, Anthony R. Combs. In January, 1977, William T. Combs, Jr. delivered to Janice G. Shreve a warranty deed from Anthony R. Combs to Janice G. Shreve for the six acres previously purchased.

4. All negotiations for the sale of the property had been between Janice G. Shreve, Tony W. Shreve and William T. Combs, Jr., who had represented in June, 1976, to the Shreves that the property was free and clear of encumbrances. All negotiations for the sale of the property were handled as if William T. Combs, Jr. were the owner of the property, and only upon receipt of the deed in January, 1977, did the Shreves determine that Anthony Combs had any interest in the property. At no time during the negotiations for the sale of the property did William T. Combs, Jr. inform the Shreves of any encumbrances against the property.

5. William T. Combs, Jr. had previously served as attorney for the Gilbert family and was considered by the Shreves to also be their attorney and the parties relied on William T. Combs, Jr.'s statements to their financial detriment that he would provide good title to the property for them.

6. Construction on a residence for the Shreves on the six acres was interrupted in March, 1977, when Janice G. Shreve determined that the property was encumbered.

7. During the summer of 1977, the extent of the encumbrances was discovered when Janice G. Shreve retained an attorney to examine the title of the property. It was determined that the six acres were subject to a Deed of Trust executed by William T. Combs, Jr. to North Carolina National Bank in the face amount of \$250,000.00, a Deed of Trust executed by William T. Combs, Jr. to Southern National Bank in the face amount of \$48,669.12, and a United States Internal Revenue Service lien in the face amount of \$73,821.79, all of which were duly recorded prior to June, 1976.

8. The Shreves have been unable to continue construction on their home because a loan is not available from any lending institution while the property purchased from William T. Combs, Jr. is encumbered. Having been made aware of this situation by the Shreves and their attorney, William T. Combs, Jr. has failed to provide title to the property free and clear of all encumbrances.

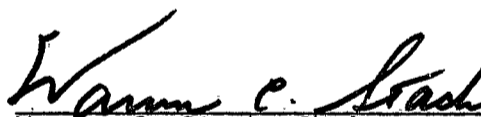
9. William T. Combs, Jr. had not made any refund of the money paid him by J. W. Gilbert and has displayed by his actions and attitude toward the parties a complete disregard for the attorney-client relationship and has taken advantage of that relationship for his own financial gain at the expense of his clients, the Shreves.

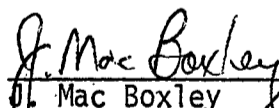
10. William T. Combs, Jr. has failed to appear at the hearing and has failed to file Answer in this matter or to offer any evidence in his behalf.

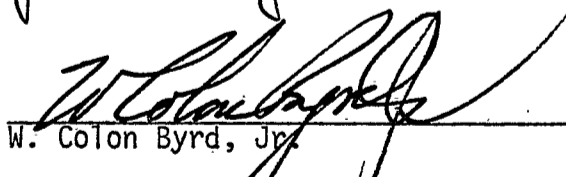
Based upon the foregoing findings of fact, the Hearing Committee hereby makes the following CONCLUSIONS OF LAW:

1. The defendant, a duly licensed attorney in the State of North Carolina subject to the Code of Professional Responsibility and of the laws of the State of North Carolina made false representations in negotiating for the sale of property and fraudulently prepared and delivered a warranty deed for the property when he knew the property was not free and clear of all encumbrances, and that such acts involved professional conduct prejudicial to the administration of justice and professional conduct that adversely reflects upon his fitness to practice law, all in violation of Disciplinary Rules 1-102(A)(4) and (6) of the Code of Professional Responsibility of The North Carolina State Bar.

This 19th day of January, 1979.


Warren C. Stack, Chairman


J. Mac Boxley


W. Colon Byrd, Jr.

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BEFORE THE
DISCIPLINARY HEARING COMMISSION
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NORTH CAROLINA STATE BAR
78 DHC 21

THE NORTH CAROLINA STATE BAR,
Plaintiff

vs.

WILLIAM T. COMBS, JR., Attorney,
Defendant

ENTRY OF DEFAULT

WHEREAS, it has been made to appear to the undersigned Hearing Committee of the Disciplinary Hearing Commission of The North Carolina State Bar that:

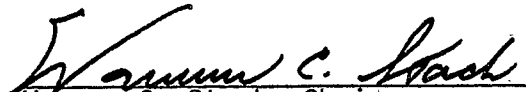
1. The North Carolina State Bar filed the Complaint in this action on September 25, 1978;
 2. The Summons and Notice and Complaint were served on the defendant on October 2, 1978 by a Deputy Sheriff of Rockingham County by reading the Summons and Notice to defendant and leaving two copies of Summons and Notice and Complaint with defendant;
 3. More than twenty days have elapsed since service of Complaint and the defendant has failed to file Answer admitting, denying or explaining the Complaint, or asserting grounds for failing to do so;
 4. The defendant has failed to make any appearance in this action;
- and

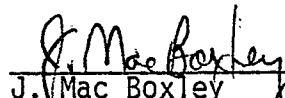
WHEREAS, the defendant is neither an infant nor incompetent, and
WHEREAS, this Hearing Committee has personal jurisdiction over defendant under the provisions of Chapter 84 of the General Statutes of North Carolina and Article IX of the Rules and Regulations of The North Carolina State Bar, and

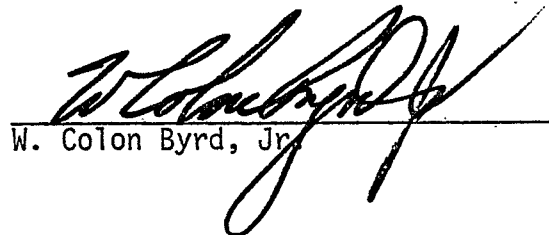
WHEREAS, The North Carolina State Bar having filed a timely motion for default;

NOW, THEREFORE, default is hereby entered against WILLIAM T. COMBS, JR., the defendant in this action, as provided by Section 14(6), Article IX of the Rules and Regulations of The North Carolina State Bar.

This the 19th day of January, 1979.


Warren C. Stack, Chairman


J. Mac Boxley


W. Colon Byrd, Jr.

NORTH CAROLINA
WAKE COUNTY

BEFORE THE
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ORDER

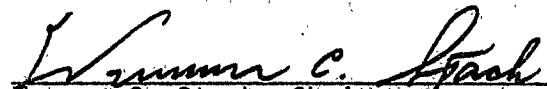
THE NORTH CAROLINA STATE BAR,
Plaintiff
vs.
WILLIAM T. COMBS, JR.,
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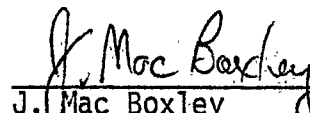
Based upon the foregoing Findings of Fact and Conclusions of Law and pursuant to Section 9 of Article IX, Discipline and Disbarment of Attorneys, the undersigned Hearing Committee of the Disciplinary Hearing Commission hereby issues the following Order.

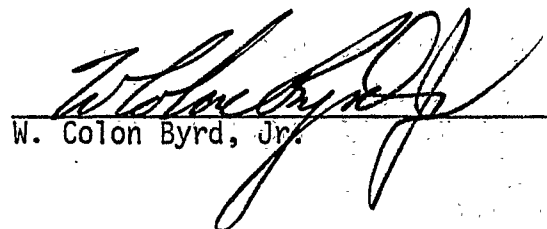
IT IS HEREBY ORDERED that the defendant, William T. Combs, Jr., be suspended from the practice of law in the State of North Carolina for a period of three years.

IT IS FURTHER ORDERED that William T. Combs, Jr. be taxed with the costs of this hearing.

This 19th day of January, 1979.


Warren C. Stack, Chairman


J. Mac Boxley


W. Colon Byrd, Jr.