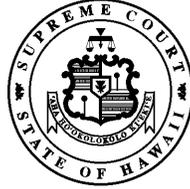


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FOR IMMEDIATE RELEASE  
Date: April 29, 2016

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PRESS RELEASE

HONOLULU -- The Hawai'i Supreme Court disbarred Honolulu attorney **LANCE CASTROVERDE** from the practice of law in Hawai'i effective May 23, 2016. The Order of Disbarment recites numerous violations of the Hawai'i Rules of Professional Conduct as grounds for the decision to disbar him.

Castroverde became embroiled in multiple conflicts of interests while representing both the buyers and the sellers of a Wailuku, Maui home under an unrecorded Agreement of Sale he prepared where the interests of the parties were directly adverse to each other. He failed to disclose to his clients his pre-existing representation of, and responsibilities to, a mortgage broker who introduced the buyers and sellers to Castroverde and failed to obtain their consent to the potential conflict. He misappropriated client funds during his representation of the clients. He was found to have charged his clients an unreasonable fee while acting as the escrow for the transaction. He failed to timely render accounts to the parties for funds he held in trust while acting as the escrow for the transaction. He failed to record the Agreement of Sale to protect the buyers' rights and interests. By failing to record the Agreement of Sale, Castroverde assisted his client in successfully obtaining a mortgage on the property under false pretenses and failed to disclose the unrecorded Agreement of Sale to the new mortgagee of the property.

MORE

He made interest payments to the sellers from funds he was paid by the buyers in a manner which mischaracterized the payments as interest paid on a loan to his family trust. He did this to aid the sellers in meeting income requirements for a loan concerning other property in Wailuku.

Castroverde borrowed funds from the sellers out of the buyers' downpayment which he held in his client trust account on terms which were not fair and reasonable to the sellers, without affording the sellers a reasonable opportunity to seek independent legal advice about the transaction, and without obtaining their written consent to the conflicts inherent in the transaction.

He made another loan with one of the individual sellers on terms which were not fair and reasonable to the individual seller. In doing so, he failed to fully disclose in writing the transaction or its terms, and did not afford the client a reasonable opportunity to consult an independent attorney concerning the transaction.

Castroverde failed to provide the Office of Disciplinary Counsel upon request with copies of documents relevant to the underlying complaint against him. He was also found to have violated other rules governing the maintenance of his client trust account.

Castroverde, 59, was admitted to the Hawai'i State Bar on October 15, 1982.

The public is cautioned and advised that Castroverde is barred from the practice law effective May 23, 2016, until such time as he is granted reinstatement by order of the Hawai'i Supreme Court. Castroverde may not accept any new retainers, clients, or legal matters while he is disbarred.

[A copy of the Supreme Court's Order of Disbarment is available upon request.]

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