

# North Palm Beach mortgage scam operators must forfeit thousands

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By [Kimberly Miller](#) - Palm Beach Post Staff Writer

The operators of a North Palm Beach law firm that bilked homeowners nationwide out of an estimated \$12 million received final judgments this week that include forfeiting tens of thousands of dollars in luxury watches, diamond jewelry and firearms.

Negotiated settlements in the federal civil complaint against Hoffman Law Group managers Michael Harper, of North Palm Beach, and Palm Beach Gardens resident Benn Willcox, ban the duo from working in loan modification or debt collection businesses and requires them to surrender a combined \$140,000 in assets.



[Richard Graulich](#)

Consumer Financial Protection Bureau and Florida Office of the Attorney General paperwork is taped to the front door of the Hoffmnan Law Group, P.A. offices in North Palm Beach on July 16, 2014. (Richard Graulich/The Palm Beach Post)

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The Florida Supreme Court on April 24 revoked the license for at least five years of the attorney who lent his name to the operation. The court judgment, which was signed Wednesday by U.S. District Court Judge James Cohn, bars Marc Hoffman, 65, from the loan modification industry and requires he work with the court to identify former clients.

The judgments come nearly a year after a dramatic afternoon raid of the Hoffman Law Group offices on U.S. 1 where employees watched agents representing the Consumer Financial Protection Bureau and Florida attorney general's office shut the business down.

An estimated 1,200 struggling homeowners from the Pacific Northwest to South Florida were clients of the Hoffman Law Group, which took up front fees of \$6,000 and monthly payments of \$495 to add them to so-called "mass joinder" lawsuits.

The lawsuits, which the Federal Trade Commission has called a "scam targeting financially strapped homeowners," usually languish in court or are dismissed.

Homeowners were either solicited by mailings, TV commercials, or Hoffman employees operating from a boiler room sales center. Some found the company online.

That's how Rochester, N.Y.-resident Melvin Baity became a client, shelling out a total of \$6,800 with nothing to show for it, he said.

Baity said he also thought the company was defending him in his foreclosure case, but when he showed up for court in New York, he had no representation.

"We couldn't believe our lawyer wasn't there," Baity said Wednesday. "I'm not saying they should get jail time, but Hoffman shouldn't be able to practice law anymore."

Hoffman, who was a 40-year member of the Florida Bar, was just a front man for the operation, according to court records filed by the receiver appointed to oversee the shutdown of the firm and reclaim funds.

"Hoffman Law was owned by Marc Hoffman although, as will be discussed below, the firm was not controlled by Hoffman," wrote attorney Mark Bernet of Akerman LLP, who has reclaimed about \$1 million from bank accounts, in cash, and from the auction of Willcox's jet skis. "(Hoffman) had only a vague notion of the nature of the lawsuits that the firm filed."

Bernet said Harper, 34, and Willcox, 35, ran the show.

Both must surrender assets that include watches with the brand names Zenith, Rolex, Cartier, Breitling and Tag Heuer. Diamond jewelry, a Ruger .380 pistol and a Glock .45 handgun must also be turned over.

Harper's attorney refused comment. Willcox's attorney did not return a message left at her office.

Attorney Hector Lora, who represented Hoffman, said the settlement was the "best that could be reached under the circumstances."

"This has not been an easy process for him but he will survive," Lora said about Hoffman.

It's unclear when or how former Hoffman clients may be reimbursed for some of their losses. The Consumer Financial Protection Bureau refused to comment on the case. Whitney Ray, a spokesman for Attorney General

Pam Bondi, said the office is refusing comment until judgments are entered against corporate entities connected to the Hoffman firm.

Orlando resident Regino Becerra is unlikely to recoup his losses. He said he paid about \$10,000 to the Hoffman Law Group and lost his house to foreclosure.

“I was promised everything and they were all lies,” Becerra said.

To contact receiver Mark Bernet, go to <http://www.bernet-receiver.com>.

### **What the Post found**

The Palm Beach Post reported in April 2014 that homeowners nationwide were complaining they paid thousands of dollars to the Hoffman Law Group but felt duped by its pitch that they could get a lower mortgage and better credit rating through mass litigation lawsuits. The firm was raided three months later and shutdown