

Revere attorney allegedly discriminated against Latino homeowners

By [Deirdre Fernandes](#) | GLOBE STAFF MAY 08, 2015

The Massachusetts Commission Against Discrimination has found that a Revere lawyer specifically targeted Latino clients for home loan modification services that he promised would save them from foreclosure, but pushed some of them further into financial peril.

In a decision last week, a commission hearing officer ruled that David Zak provided “substandard service to Latino clients because of their national origin” and should pay 17 families more than \$220,000 in damages. Whether they will receive any compensation is uncertain as Zak has filed for bankruptcy.

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“I think they feel very vindicated that somebody listened to them,” said Nadine Cohen, a managing lawyer at Greater Boston Legal Services who represented the families in the case.

Zak is also facing disciplinary action by the Massachusetts Board of Bar Overseers and could lose his license to practice law. He is appealing the disbarment recommendation and also plans to appeal the discrimination ruling, he said Friday.

Zak said he has helped hundreds of Spanish-speaking families modify their home loans and has never discriminated against them.

“There were misunderstandings that arose with a small group of clients and those misunderstandings were blown out of proportion and mistakenly labeled as discrimination,” Zak said.

But former clients, employees, and a business partner said that Zak made derogatory comments about Latinos and said they were “easy targets,” according to the discrimination commission’s decision. One employee said Zak told homeowners they would be “mucho estúpido” if they didn’t hire him, according to the discrimination commission’s decision.

Zak launched a home loan modification business in 2009, as struggling homeowners faced ballooning payments on their mortgages and saw their property values drop below what they owed the banks. To help keep people in their homes, the federal government urged lenders to modify qualifying loans.

Zak advertised with Spanish- and Portuguese-speaking publications and radio stations, hired staff with ties to the Latino community to bring in clients, and claimed to be the only lawyer who had helped Latino families avoid foreclosure, according the commission’s decision.

He and his employees charged families an initial \$2,500 to provide a simple breakdown showing his firm could significantly reduce interest rates and monthly mortgage payments, but failed to mention that banks usually rejected that initial analysis, according to the commission’s ruling. He charged thousands more to file modification documents.

But in many cases, families still lost their homes; in one case, Zak never responded to a bank modification offer, the decision stated.

The Massachusetts attorney general’s office also has a complaint against Zak.

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