

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2 In the Matter of the Removal and Prohibition of:

No. 11F-BD018-BNK

3 **SYLVIA GONZALEZ MORISSE**

No. 230532

4 ASPC – Perryville

Santa Cruz Unit

5 2014 N. Citrus Road

Goodyear, AZ 85395

6 Respondent.

**CONSENT ORDER**

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DEPT. OF FINANCIAL  
INSTITUTIONS

7  
8 On January 31, 2011, the Arizona Department of Financial Institutions (“Department”)  
9 issued a Notice of Hearing, alleging that Respondent had violated Arizona law. Wishing to resolve  
10 this matter in lieu of an administrative hearing, Respondent does not contest the following Findings  
11 of Fact and Conclusions of Law, and consents to the entry of the following Order.

12 **FINDINGS OF FACT**

13 1. Respondent Sylvia Gonzalez Morisse (“Ms. Morisse”) was employed as a loan  
14 processor and office manager by Village Oaks Financial Group, Inc. dba Village Oaks Mortgage  
15 (“Village Oaks”), located at 3550 North Lane, Suite 102, Bullhead City, AZ 86442, for on or around  
16 twenty (20) or more years, until August 20, 2007.

17 2. Village Oaks was at all material times licensed by the Department as a mortgage  
18 broker, license number MB-0007848.

19 3. On or around August 20, 2007, Village Oaks became aware of fraudulent mortgage  
20 broker activity being conducted by Ms. Morisse over the previous seven (7) years, while at all times  
21 an employee of Village Oaks. Victims of Ms. Morisse’s fraudulent activity reported the conduct to  
22 the Bullhead City Police Department (“BCPD”), who conducted a thorough investigation.

23 4. The investigation revealed that Ms. Morisse sought out private investors for personal  
24 loans and used the investors’ money to create numerous phony loans. Ms. Morisse forged deeds of  
25 trust which she then recorded with the Mohave County Recorder, fraudulently using the  
26 identification of forty nine (49) individuals. Ms. Morisse converted the money she received from

1 private investors for her own personal use, which amounted to millions of dollars over the seven  
2 year period. Of that amount, a total of six hundred sixteen thousand sixty seven dollars  
3 (\$616,067.00) of the investors' money was not unaccounted for.

4 5. On December 6, 2007, a Grand Jury Felony Indictment was filed against Mrs.  
5 Morisse in *State of Arizona v. Sylvia Gonzalez Morisse*, Mohave County Superior Court No.  
6 CR2007-1770 ("*State v. Morisse*"), charging Ms. Morisse with:

- 7 a. One count of Fraudulent Schemes and Artifices, a Class 2 Felony, for obtaining  
8 more than \$100,000.00 by falsely represents to victims that victims' investments  
9 were loans to home owners and that the loans were secured by valid deeds of trust  
10 recorded against the home owners' real property in the Bullhead City area, in  
11 violation of A.R.S. §§ 13-2310, 13-2310(C), 13-2301, 13-701 and 13-801;
- 12 b. Three counts of Theft, a Class 2 Felony, for committing theft of more than  
13 \$100,000.00 from three victims by falsely misrepresenting to the victim that the  
14 victim's investments were loans, secured by valid deeds of trust, in violation of  
15 A.R.S. §§ 13-802, 13-802(F), 13-1801, 13-701 and 13-801;
- 16 c. Two counts of Theft, a Class 3 Felony for committing theft of more than  
17 \$4,000.00 from two victims by falsely misrepresenting to the victim that the  
18 victim's investments were loans, secured by valid deeds of trust, in violation of  
19 A.R.S. §§ 13-1802, 13-1801, 13-701 and 13-801; and
- 20 d. Six counts of Forgery for committing forgery on six deeds of trust purportedly  
21 signed by six individuals and recording the forged deeds of trust with the Mohave  
22 County Recorder, in violation of A.R.S. §§ 13-2002, 13-2001, 13-701 and 13-801.

23 6. On March 19, 2008, a Stipulated Guilty Plea was filed in *State v. Morisse*, wherein  
24 Ms. Morisse pled guilty to one count of Fraudulent Schemes and Artifices (More Than  
25 \$100,000.00), a Class 2 Felony; one count of Theft (More Than \$100,000.00), a Class 2 Felony; and  
26 six counts of Forgery, a Class 4 Felony. The Court accepted Ms. Morisse's guilty plea at the Change

1 of Plea Hearing conducted on March 19, 2008.

2 7. On May 27, 2008, the Court entered its Judgment and Sentence of Imprisonment  
3 against Ms. Morisse, finding her guilty of one count of Fraudulent Schemes and Artifices (more than  
4 \$100,000.00), a Class 2 Felony, in violation of A.R.S. §§ 13-2310, 13-2310(C), 13-701 and 13-801;  
5 one count of Theft (more than \$100,000.00), a Class 2 Felony, in violation of A.R.S. §§13-1802,  
6 13-1802(F), 13-701 and 13-801; and six counts of Forgery, a Class 4 Felony, in violation of A.R.S.  
7 §§ 13-2002, 13-701 and 13-801. The Court sentenced Ms. Morisse to a term of imprisonment at the  
8 Arizona Department of Corrections, commencing on May 27, 2008, for term of ten (10) years as to  
9 the Fraudulent Schemes and Artifices count; ten (10) years as to the Fraud count, to be served  
10 concurrently, and two and one half (2 1/2) years as to each of the six Forgery counts, to be served  
11 concurrently. Ms. Morisse was further ordered to pay restitution in the amount of \$616,546.00, and  
12 she was further ordered to serve one year and five months of supervised release after she has served  
13 her sentence of imprisonment.

14 8. On May 27, 2008, an Order Voiding Recorded Documents was entered by the Court  
15 in *State v. Morisse*, invalidating and releasing a total of forty (40) recorded documents, which had  
16 been forged by Ms. Morisse and recorded by her with the Mohave County Recorder.

17 9. Ms. Morisse is presently incarcerated at the Arizona State Prison Complex –  
18 Perryville, in Goodyear, Arizona. She is scheduled for supervised release on June 6, 2018.

### 19 CONCLUSIONS OF LAW

20 1. Pursuant to Title 6, Chapter 9, of the Arizona Revised Statutes, the Superintendent  
21 has the authority and duty to regulate all persons engaged in the mortgage broker business and with  
22 the enforcement of statutes, rules, and regulations relating to mortgage brokers.

23 2. By the conduct set forth above in the Complaint, Ms. Morisse has violated statutes  
24 governing mortgage brokers as follows:

- 25 a. A.R.S. § 6-909(F) by recording or causing to be recorded documents that would  
26 give rise to liability under and in violation of A.R.S. § 33-420;

- 1           b. A.R.S. § 6-909(K) by failing to receive or disburse monies in servicing or  
2           arranging mortgage loans in accordance with the requirements set forth in A.R.S.  
3           § 6-906(C);
- 4           c. A.R.S. § 6-909(L) by making a false promise or misrepresentation or concealing  
5           an essential or material fact in the course of the mortgage broker business;
- 6           d. A.R.S. § 6-909(M) by failing to truthfully account for the monies belonging to  
7           parties to mortgage loan transactions or failing to disburse monies in accordance  
8           with mortgage loan agreements; and
- 9           e. A.R.S. § 6-909(N) by engaging in illegal or improper business activities.

10           3.       The conduct of Ms. Morisse, as set forth above, constitutes acts, omissions, and  
11       practices which demonstrate personal dishonesty and unfitness to continue in office or to participate  
12       in the conduct of the affairs of any financial institution or enterprise and is grounds for removal and  
13       the prohibition of Ms. Morisse from participating in any manner in the conduct of the affairs of any  
14       financial institution or enterprise within the meaning of A.R.S. § 6-161(A)(1).

15           4.       Ms. Morisse's May 27, 2008 conviction of one count of Fraudulent Schemes and  
16       Artifices (more than \$100,000.00), a Class 2 Felony, one count of Theft (more than \$100,000.00), a  
17       Class 2 Felony, and six counts of Forgery, a Class 4 Felony, constitutes grounds for the removal and  
18       the prohibition of Ms. Morisse from participating in any manner in the conduct of the affairs of any  
19       financial institution or enterprise, pursuant to A.R.S. § 6-161(A)(4).

20           5.       Ms. Morisse's violations of A.R.S. §§ 6-903(F), (K), (L), (M) and (N) constitute  
21       grounds for the removal and the prohibition of Ms. Morisse from participating in any manner in the  
22       conduct of the affairs of any financial institution or enterprise, pursuant to A.R.S. § 6-161(A)(6).

23           6.       The violations, set forth above, constitute grounds for the Superintendent to order the  
24       removal and the prohibition of Ms. Morisse from further participation in any manner as a director,  
25       officer, employee, agent, or other person in the conduct of the affair of any financial institution or  
26       enterprise pursuant to A.R.S. § 6-161.

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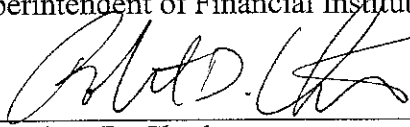
**ORDER**

1. Ms. Morisse shall be prohibited from further participation in any manner in the conduct of the affairs of any financial institution or enterprise, pursuant to A.R.S. § 6-161.

2. This Order shall become effective upon service, and shall remain effective and enforceable until such time as, and except to the extent that, it shall be stayed, modified, terminated, or set aside.

SO ORDERED this 1 day of March, 2011.

Lauren W. Kingry  
Superintendent of Financial Institutions

By   
Robert D. Charlton  
Assistant Superintendent of Financial Institutions

**CONSENT TO ENTRY OF ORDER**

1. Respondent acknowledges that she has been served with a copy of the foregoing Findings of Fact, Conclusions of Law and Order in the above-referenced matter, has read the same, is aware of her right to an administrative hearing in this matter, and has waived the same.

2. Respondent admits the jurisdiction of the Superintendent and consents to the entry of the foregoing Findings of Fact, Conclusions of Law and Order.

3. Respondent states that no promise of any kind or nature has been made to induce her to consent to the entry of this Order, and that she has done so voluntarily.

4. Respondent agrees to refrain from seeking any future employment with any financial institution or enterprise.

5. Respondent acknowledges that the acceptance of this Agreement by the Superintendent is solely to settle this matter and does not preclude the Department, any other agency or officer of this state or subdivision thereof from instituting other proceedings as may be appropriate now or in the future.

...

1 6. Respondent waives all rights to seek judicial review or otherwise to challenge or contest  
2 the validity of this Consent Order.

3 DATED this 23<sup>rd</sup> day of February, 2011.

4 By Sylvia Gonzalez Morisse  
5 Sylvia Gonzalez Morisse  
Respondent

6 ORIGINAL of the foregoing filed this 1<sup>st</sup>  
7 day of March, 2011, in the office of:

8 Lauren W. Kingry  
9 Superintendent of Financial Institutions  
10 Arizona Department of Financial Institutions  
ATTN: Sabrina Hampton  
2910 N. 44th Street, Suite 310  
Phoenix, AZ 85018

11 COPY mailed same date to:

12 Lewis D. Kowal, Administrative Law Judge  
13 Office of the Administrative Hearings  
14 1400 West Washington, Suite 101  
Phoenix, AZ 85007

15 Craig A. Raby, Assistant Attorney General  
16 Office of the Attorney General  
1275 West Washington  
Phoenix, AZ 85007

17 Robert D. Charlton, Assistant Superintendent  
18 Arizona Department of Financial Institutions  
2910 N. 44th Street, Suite 310  
19 Phoenix, AZ 85018

20 COPY MAILED SAME DATE by Certified Mail,  
21 Return Receipt Requested, to

22 Sylvia Gonzalez Morisse  
No. 230532  
23 ASPC - Perryville  
Santa Cruz Unit  
24 2014 N. Citrus Road  
Goodyear, AZ 85395  
25 Respondent

26 Sylvia Gonzalez Morisse  
# 1635898