

BEFORE THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL	:	No. 694, Disciplinary Docket
Petitioner	:	No. 3 – Supreme Court
	:	
	:	No. 136 DB 2001 – Disciplinary Board
v.	:	
	:	Attorney Registration No. 62734
MARIA DEL SOL MORELL	:	
Respondent	:	(Out of State)

REPORT AND RECOMMENDATIONS OF  
THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

TO THE HONORABLE CHIEF JUSTICE AND JUSTICES  
OF THE SUPREME COURT OF PENNSYLVANIA:

Pursuant to Rule 208(d)(2)(iii) of the Pennsylvania Rules of Disciplinary Enforcement, the Disciplinary Board of the Supreme Court of Pennsylvania (“Board”) herewith submits its findings and recommendations to your Honorable Court with respect to the above-captioned Petition for Discipline.

I. HISTORY OF PROCEEDINGS

By Supreme Court Order dated September 24, 2001, Respondent, Maria Del Sol Morell, was placed on temporary suspension based on her criminal conviction for

making false statements to a financial institution. A Petition for Discipline was filed by Petitioner, Office of Disciplinary Counsel, against Respondent on October 9, 2001. Respondent filed an Answer on November 5, 2001 and admitted to the allegations contained in the Petition for Discipline.

A disciplinary hearing was held on February 26, 2002, before Hearing Committee 1.05 comprised of Dennis T. Kelly, Esquire, and Francis J. Martin, Esquire. Alexander Z. Talmadge, Esquire, chaired the hearing but later recused himself. Samuel C. Stretton, Esquire, represented Respondent. Petitioner introduced nine exhibits and Joint Stipulations of Law and Fact. Respondent offered her own testimony, called four character witnesses, and introduced one exhibit.

Following briefing by the parties, the Hearing Committee filed a Report on February 13, 2003 recommending that Respondent receive a two year suspension.

The parties declined to file Briefs on Exception.

This matter was adjudicated by the Disciplinary Board at the meeting of May 14, 2003.

## II. FINDINGS OF FACT

The Board makes the following findings of fact:

1. Petitioner, whose principal office is situated at Suite 1400, 200 North Third Street, Harrisburg, Pennsylvania 17101, is invested, pursuant to Pa.R.D.E. 207, with the power and duty to investigate all matters involving alleged misconduct of any attorney admitted to practice law in the Commonwealth of Pennsylvania and to prosecute all disciplinary proceedings brought in accordance with the various provisions of said Rules of Disciplinary Enforcement.

2. Respondent was born in 1963 and was admitted to practice law in Pennsylvania in 1991. Her last registered office address was 4216 Evergreen Lane, Suite 123, Annandale VA 22003. Respondent is subject to the disciplinary jurisdiction of the Disciplinary Board of the Supreme Court.

3. On January 12, 2001, the Office of the United States Attorney filed in the United States District Court for the Eastern District of Virginia, Alexandria Division, a one-count Criminal information, in a criminal prosecution captioned United States of America v. Maria Del Sol Morell, Criminal No. 1:01CR00016-001.

4. On January 12, 2001, Respondent pleaded guilty to the crime of making false statements to a financial institution, in violation of 18 U.S.C. §1014.

5. On April 20, 2001, the Honorable Albert V. Bryan, Jr., sentenced Respondent to three years of supervised probation and to pay restitution in the amount of \$20,074, a fine of \$3,000, and a special assessment of \$100. Respondent has paid the fine and made restitution and has fully cooperated with her probationary term.

6. By Order dated September 24, 2001, the Supreme Court of Pennsylvania, pursuant to Pa.R.D.E. 214(d)(1), placed Respondent on temporary suspension and referred her criminal conviction matter to the Disciplinary Board pursuant to Pa.R.D.E. 214(f)(1).

7. Since 1990, Respondent has been the owner of Morell Bilingual Settlements, Inc. (hereinafter MBS), a real estate settlement firm with offices in Virginia and Maryland.

8. At MBS Respondent acted as a settlement agent.

9. Respondent was responsible for conducting real estate settlements and for preparing a document entitled HUD –1 Settlement Statement for each real estate transaction.

10. A HUD-1 must accurately reflect the source of all monetary disbursement and the persons or entities that receive disbursements.

11. The lender relies upon the HUD-1 to accurately convey the disbursements made by the parties at a real estate settlement.

12. In approximately fifteen instances, from December 1996 through August 1997, Respondent deceived lenders by signing a HUD-1 that falsely stated Respondent had received from the buyers monies for down payments at settlement; in fact, Respondent knew that the sellers were the source of the down payments.

13. Respondent knew that the lenders would not have approved the loans if the lenders knew that the monies for the down payments originated from the sellers, not the buyers.

14. Respondent's criminal conduct began when a real estate agent with whom she had prior dealings informed her during the settlement of a transaction that an agreement had been reached between the buyer and seller that the seller would supply the down payment for the transaction.

15. Many of the buyers in these illegitimate transactions had provided false information on their loan applications regarding their assets and employment; there were also instances when appraisals were inflated.

16. Each of these illegitimate transactions involved the same real estate agent, assistant, and loan officer; however, the buyers and sellers were not identical.

17. Respondent was paid her usual and customary fee for each of these illegitimate real estate transactions.

18. Respondent admitted that falsifying the HUD-1 statements was wrong and she had no justification for her misconduct.

19. Respondent cooperated in the criminal investigation.

20. Respondent cooperated with Petitioner.

21. Respondent expressed sincere remorse for her misconduct.

22. Respondent has no prior record of discipline.

23. Respondent indicated that at the time of the disciplinary hearing she was in the process of selling her Virginia title company and had closed down her other offices.

24. Respondent and her husband are moving to Nicaragua to open a youth hostel. Respondent indicated she already purchased the property for this venture.

25. Respondent was granted permission from the federal judge who sentenced her to move to Nicaragua.

26. Respondent presented the testimony of four character witnesses. These witnesses testified to Respondent's very good reputation for honesty in the Spanish-speaking community.

### III. CONCLUSIONS OF LAW

By her conduct as set forth above, Respondent violated the following Rule of Disciplinary Enforcement:

1. Pa.R.D.E. 203(b)(1) – Respondent’s conviction for making false statements to a lending institution constitutes a conviction of a serious crime and is an independent basis for discipline.

#### IV. DISCUSSION

This matter is before the Disciplinary Board upon a Petition for Discipline charging Respondent with violations of the Rules of Disciplinary Enforcement based upon her conviction for making false statements to a lending institution, in violation of 18 U.S.C. §1014.

The sole issue to be determined is the extent of final discipline to be imposed since the disciplinary proceeding is based upon Respondent's conviction of a serious crime. Pa.R.D.E. 214(f)(1). In order to determine the discipline, the events surrounding the criminal charge must be taken into account. Office of Disciplinary Counsel v. Valentino, 730 A.2d 479 (Pa. 1999). All relevant aggravating and mitigating facts must be considered and evaluated. Office of Disciplinary Counsel v. Chung, 695 A.2d 405 (Pa. 1997).

The gravamen of Respondent’s misconduct was permitting down payments on homes to be reported as originating with the buyer rather than the seller, who was the actual source of the payments. Respondent’s misconduct occurred in fifteen instances

from December 1996 through August 1997 and occurred in her capacity as a settlement agent. Respondent was aware at the time that the lenders would not have approved the loans if they knew that the monies for the down payments originated from the sellers, not the buyers.

Respondent expressed sincere remorse for her misconduct and took every step she could to make amends, including cooperating with the government. Respondent has plans to sell her title companies and move to Nicaragua with her husband to open a youth hostel. Property for this venture has already been purchased. Respondent plans to live in Nicaragua permanently. Respondent was granted permission to move outside the country by the federal judge who sentenced her. Character witnesses who testified on her behalf described her as having a good reputation for honesty in their Spanish-speaking community.

A review of criminal conviction cases suggests that Respondent's criminal conviction warrants a suspension ranging between two and five years. In Office of Disciplinary Counsel v. Chung, 695 A.2d 405 (Pa. 1997), Chung was convicted of seventeen counts of making false statements to a financial institution and three counts of mail fraud. His misconduct occurred over a two and one-half year time span. He received a five year suspension due to the egregious nature of the misconduct. In the matter of In re Anonymous No. 103 DB 89, 13 Pa. D. & C. 4<sup>th</sup> 238(1991), the attorney was suspended for two years after he deceived financial institutions by failing to disclose side agreements with



prospective purchasers. The attorney expressed remorse and cooperated fully with law enforcement officials.

In two matters wherein attorneys falsified information on their mortgage applications to ensure they would qualify for loans, two year suspensions were imposed. In re Anonymous No. 3 DB 1996, No.171 Disc. Docket No. 3 (Pa. July 2, 1997), In re Anonymous No. 83 DB 2000, No 587 Disc. Docket No.3 (Pa. Dec. 28, 2001).

Based on the above facts and circumstances, as well as the case law, the Board recommends that Respondent be suspended for a period of two years, retroactive to September 24, 2001, the date of her temporary suspension.

V. RECOMMENDATION

The Disciplinary Board of the Supreme Court of Pennsylvania recommends that the Respondent, Maria Del Sol Morell, be Suspended for a period of two years, retroactive to September 24, 2001.

It is further recommended that the expenses incurred in the investigation and prosecution of this matter are to be paid by the Respondent.

Respectfully submitted,

THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

By: \_\_\_\_\_  
Donald E. Wright, Jr., Member

Date: August 29, 2003

Board Members Cunningham, Peck, Rudnitsky, Newman and Brown dissented and would recommend a 30 month retroactive suspension.

Board Member Saidis dissented and would recommend a two year suspension retroactive to February 13, 2003.

Board Member Sheerer did not participate in the May 14, 2003 adjudication.

BEFORE THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

OFFICE OF DISCIPLINARY COUNSEL, :	No. 694, Disciplinary Docket No. 3
Petitioner :	Supreme Court
:	:
:	:
:	No. 136 DB 2001
v. :	:
:	:
:	Attorney Registration No. 62734
:	:
MARIA DEL SOL MORELL, :	:
Respondent :	(Out of State)

DISSENTING  
REPORT AND RECOMMENDATION  
OF THE DISCIPLINARY BOARD OF THE  
SUPREME COURT OF PENNSYLVANIA

TO THE HONORABLE CHIEF JUSTICE AND JUSTICES  
OF THE SUPREME COURT OF PENNSYLVANIA:

The report and recommendation of the Disciplinary Board is that Respondent be suspended from the practice of law for a period of two years retroactive to September 24, 2001, the date of her temporary suspension.<sup>1</sup> I am writing in dissent to recommend that Respondent be suspended from the practice of law for a period of thirty months.

On April 20, 2001, the Honorable Albert V. Bryan, Jr. of the United States District Court

---

<sup>1</sup> The Hearing Committee filed a Report on February 13, 2003, recommending a two-year suspension, but with no mention of retroactivity.

for the Eastern District of Virginia sentenced Respondent to three years of supervised probation for the crime of making false statements to a financial institution. Her probation should conclude on April 20, 2004.

A thirty-month, retroactive suspension would approximately coincide with her federal probation. In the case of a criminal conviction and where appropriate, the Board generally recommends a suspension that will not terminate long before Respondent's probation. In that way, at time of reinstatement, the Board should know whether or not Respondent has successfully completed her probation.<sup>2</sup>

Respectfully submitted,

By: \_\_\_\_\_  
Charles J. Cunningham, III  
Chair

Date: August 29, 2003

Board Members Peck, Rudnitsky, Newman and Brown join in this Dissent.

---

<sup>2</sup> Disciplinary Board Rule 89.272(b) allows Respondent to petition for reinstatement nine months before her suspension ends. Therefore, if the Court wanted to be sure that she had completed her federal probation successfully before she could even begin the reinstatement process, then the suspension would have to be for, at least, forty months retroactive to September 24, 2001. That suspension would end January 24, 2005.

“PER CURIAM:

AND NOW, this 18<sup>th</sup> day of November, 2003, upon consideration of the Report and Recommendations of the Disciplinary Board and Dissenting Report and Recommendation dated August 29, 2003, it is hereby

ORDERED that Maria Del Sol Morell be and she is suspended from the Bar of this Commonwealth for a period of thirty months, retroactive to September 24, 2001, and she shall comply with all the provisions of Rule 217, Pa.R.D.E. It is further ORDERED that respondent shall pay costs to the Disciplinary Board pursuant to Rule 208(g), Pa.R.D.E.”