

Supreme Court of the State of New York
Appellate Division: Second Judicial Department

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ALAN D. SCHEINKMAN, P.J.
WILLIAM F. MASTRO
REINALDO E. RIVERA
MARK C. DILLON
RUTH C. BALKIN, JJ.

2017-09581

OPINION & ORDER

In the Matter of Ryan Saraco, admitted as Ryan
Ronald Saraco, a suspended attorney.

Grievance Committee for the Tenth Judicial District,
petitioner; Ryan Saraco, respondent.

(Attorney Registration No. 4404141)

The respondent was admitted to the Bar at a term of the Appellate Division of the Supreme Court in the Second Judicial Department on September 20, 2006, under the name Ryan Ronald Saraco. By order to show cause dated February 1, 2018, the respondent was immediately suspended pursuant to Judiciary Law § 90(4)(f) and 22 NYCRR 1240.12(c)(2)(ii) based on his conviction of a serious crime, and he was directed to show cause why a final order of suspension, censure, or disbarment should not be made based on his conviction of a serious crime.

Catherine A. Sheridan, Hauppauge, NY, for petitioner.

PER CURIAM.

On or about May 29, 2015, before United States Magistrate Judge Vera M. Scanlon, United States District Court for the Eastern District of New York, the respondent pleaded guilty to housing and urban development fraud, in violation of 18 USC § 1012. On June 5, 2017, United States District Judge Nicholas G. Garaufis, United States District Court of the Eastern District of New York, sentenced the respondent to a term of probation of two years, and imposed a fine in the sum of \$5,000. In addition, the respondent was “suspended from

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practicing of law for five (5) years effective *nunc pro tunc* to the date of his guilty plea,” and was directed to perform 150 hours of community service.

A misdemeanor information charged the respondent, who during the relevant period of time worked at Express Modifications, Inc., a mortgage loan modification company, with participation in a “mortgage flip scheme,” pursuant to which he provided false and fraudulent information on a loan application. The Federal Housing Administration (hereinafter FHA) is an agency within the U.S. Department of Housing and Urban Development (hereinafter HUD) that insured residential mortgage loans made by FHA-approved lenders. To qualify for an FHA-insured loan, residential mortgage loan applicants were required to, inter alia, pay a portion of the purchase price of the home as a down payment. Specifically, the misdemeanor information charged the respondent with the following acts:

“¶5. In or about and between April 2009 and September 2010, the defendant RYAN SARACO defrauded HUD by making false statements in a Loan Application for an FHA-approved lender. SARACO, together with others, submitted a Loan Application to the FHA through All American Home Mortgage, LLC in connection with the purchase of residential real estate located at 1934 Prospect Place, Brooklyn, New York (the “Property”) that falsely stated that SARACO made a down payment and intended to live in the Property.

“¶6. In furtherance of the scheme to defraud HUD, the defendant RYAN SARACO, together with others, submitted to FHA closing documents that falsely stated that SARACO provided cash at closing in partial payment for the Property, when, in fact, the money was returned to SARACO after the closing. Based on this fraudulent conduct, the FHA insured the loan associated with SARACO’s Loan Application in connection with the purchase of the Property.

“¶8. On or about and between April 1, 2009 and September 21, 2010, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant RYAN SARACO, together with others, did knowingly and intentionally make false statements and reports to the U.S. Department of Housing and Urban Development, to wit: statements that SARACO had made a down payment and intended to live in the Property, when, in fact, as he then knew, he had not made a down payment and had no intention of living in the Property.”

On September 18, 2017, the Grievance Committee for the Tenth Judicial District

moved to suspend the respondent from the practice of law based on his conviction of a serious crime pursuant to Judiciary Law § 90(4)(f), and to direct the respondent to show cause pursuant to 22 NYCRR 1240.12(c)(2)(i) why a final order of suspension, censure, or disbarment should not be made based on his conviction of a serious crime. Although personally served with a copy of the motion, the respondent failed to respond or request additional time in which to do so. The motion of the Grievance Committee resulted in this Court issuing an order to show cause dated February 1, 2018, as amended by a decision and order on motion of this Court dated February 6, 2018, which immediately suspended the respondent pursuant to Judiciary Law § 90(4)(f) based on his conviction of a serious crime, and he was directed to show cause pursuant to 22 NYCRR 1240.12(c)(2)(i) why a final order of suspension, censure, or disbarment should not be made based on his conviction of a serious crime, by the filing of an affidavit with the Clerk of the Court on or before March 22, 2018. To date, the respondent has neither served a response, nor has he requested additional time in which to do so.

In view of the respondent's knowing participation in a fraudulent scheme, i.e., a mortgage flip scheme, his failure to respond to this Court's order to show cause, and the absence of any mitigating factors, we conclude that the respondent's criminal conduct warrants a suspension from the practice of law for two years (*see Matter of Pellegrini*, 95 AD3d 179).

SCHEINKMAN, P.J., MASTRO, RIVERA, DILLON and BALKIN, JJ., concur.

ORDERED that the respondent, Ryan Saraco, admitted as Ryan Ronald Saraco, is suspended from the practice of law for a period of two years, effective immediately, and continuing until further order of this Court. The respondent shall not apply for reinstatement earlier than February 7, 2020. In such application (*see* 22 NYCRR 691.11, 1240.16), the respondent shall furnish satisfactory proof that during said period he: (1) refrained from practicing or attempting to practice law, (2) fully complied with this order and with the terms and provisions of the rules governing the conduct of disbarred or suspended attorneys (*see* 22 NYCRR 1240.15), (3) complied with the applicable continuing legal education requirements of 22 NYCRR 691.11, and (4) otherwise properly conducted himself; and it is further,

ORDERED that the respondent, Ryan Saraco, admitted as Ryan Ronald Saraco, shall continue to comply with the rules governing the conduct of disbarred or suspended attorneys (*see* 22 NYCRR 1240.15); and it is further,

ORDERED that pursuant to Judiciary Law § 90, during the period of suspension and until the further order of this Court, the respondent, Ryan Saraco, admitted as Ryan Ronald Saraco,

shall continue to desist and refrain from (1) practicing law in any form, either as principal or agent, clerk, or employee of another, (2) appearing as an attorney or counselor-at-law before any court, Judge, Justice, board, commission, or other public authority, (3) giving to another an opinion as to the law or its application or any advice in relation thereto, and (4) holding himself out in any way as an attorney and counselor-at-law; and it is further,

ORDERED that if the respondent, Ryan Saraco, admitted as Ryan Ronald Saraco, has been issued a secure pass by the Office of Court Administration, it shall be returned forthwith to the issuing agency and the respondent shall certify to the same in his affidavit of compliance pursuant to 22 NYCRR 1240.15(f).

ENTER:

A handwritten signature in black ink that reads "Aprilanne Agostino". The signature is written in a cursive, flowing style.

Aprilanne Agostino
Clerk of the Court