



Quick Facts

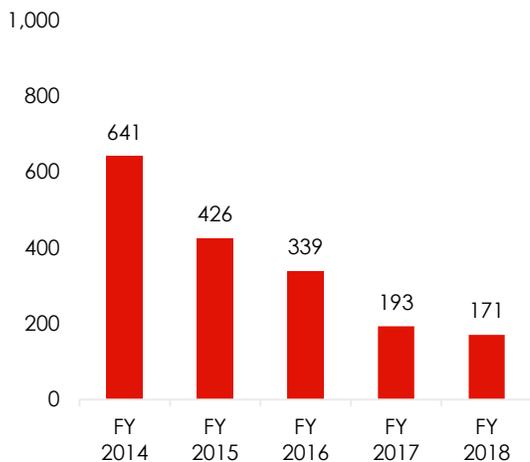


— Mortgage Fraud Offenses —

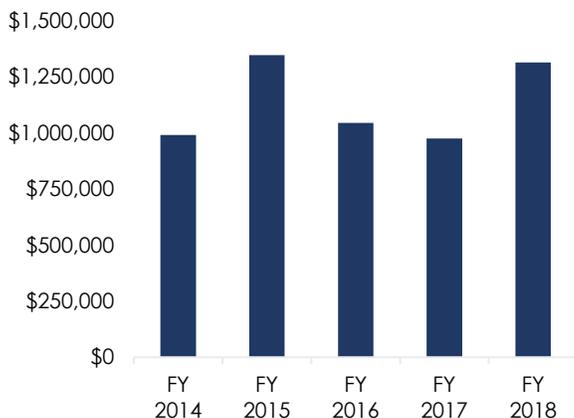
Fiscal Year 2018

- ▶ IN FY 2018, 69,425 CASES WERE REPORTED TO THE U.S. SENTENCING COMMISSION.
- ▶ 5,948 OF THESE INVOLVED THEFT, PROPERTY DESTRUCTION, AND FRAUD.^{1,2}
- ▶ 2.9% OF THEFT, PROPERTY DESTRUCTION, AND FRAUD OFFENSES INVOLVED MORTGAGE FRAUD.³
- ▶ MORTGAGE FRAUD HAS DECREASED BY 73.3% SINCE FY 2014.

Number of Mortgage Fraud Offenders



Median Loss for Mortgage Fraud Offenses



Offender and Offense Characteristics

- 73.1% of mortgage fraud offenders were men.
- 51.2% were White, 25.3% were Hispanic, 15.3% were Black, and 8.2% were Other races.
- Their average age was 49 years.
- 91.8% were United States citizens.
- 87.1% had little or no prior criminal history (Criminal History Category I).
- The median loss for these offenses was \$1,314,617.⁴
 - ◆ 27.4% involved loss amounts of \$550,000 or less.
 - ◆ 29.0% involved loss amounts greater than \$3,500,000.
- Sentences were increased for:
 - ◆ the number of victims or the extent of harm to victims (18.1%);
 - ◆ using sophisticated means to execute or conceal the offense (36.8%);⁵
 - ◆ using an unauthorized means of identification (5.9%);
 - ◆ deriving more than \$1 million in gross receipts from or substantially jeopardizing the safety and soundness of a financial institution (14.0%);
 - ◆ leadership or supervisory role in the offense (20.5%);
 - ◆ abusing a public position of trust or using a special skill (25.7%);
 - ◆ obstructing or impeding the administration of justice (4.1%).
- Sentences were decreased for:
 - ◆ minor or minimal participation in the offense (6.4%).
- The top five districts for mortgage fraud offenders were:
 - ◆ Southern District of Florida (30);
 - ◆ Northern District of Illinois (16);
 - ◆ Southern District of New York (13);
 - ◆ Central District of California (12);
 - ◆ Eastern District of New York (12).

Punishment

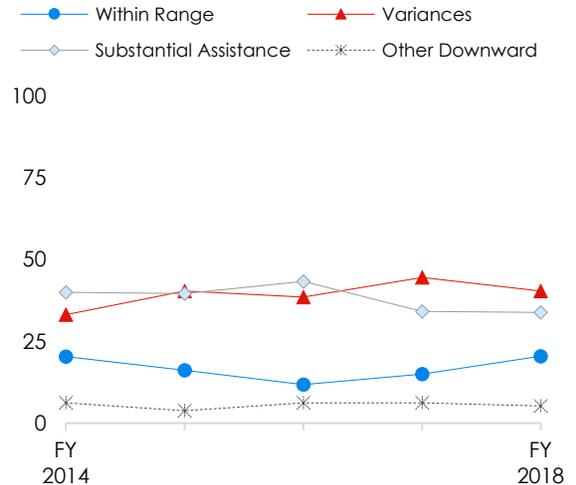
- The average sentence length for mortgage fraud offenders was 28 months.
- 87.7% were sentenced to prison.
- Less than 1% were convicted of an offense carrying a mandatory minimum penalty.



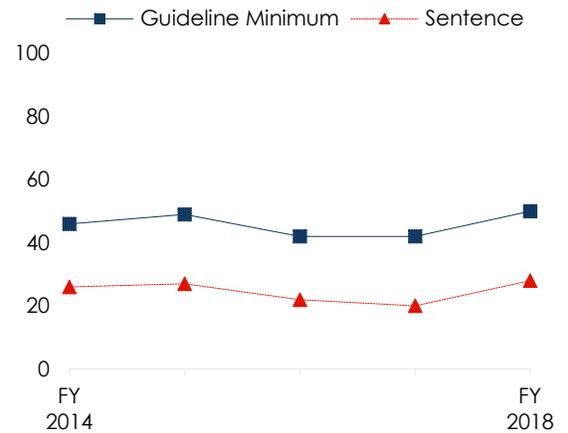
Sentences Relative to the Guideline Range

- Of the 59.6% of mortgage fraud offenders sentenced under the *Guidelines Manual*:
 - 34.3% were sentenced within the guideline range.
 - 56.9% received a substantial assistance departure.
 - Their average sentence reduction was 69.9%.
 - 8.8% received some other downward departure.
 - Their average sentence reduction was 73.0%.
- 40.4% received a variance; of those offenders:
 - 97.1% received a downward variance.
 - Their average sentence reduction was 50.1%.
 - 2.9% received an upward variance.
- The average guideline minimum and average sentence imposed have fluctuated slightly over the past five years.
 - The average guideline minimum increased from 46 months in fiscal year 2014 to 50 months in fiscal year 2018.
 - The average sentence imposed increased from 26 months in fiscal year 2014 to 28 months in fiscal year 2018.

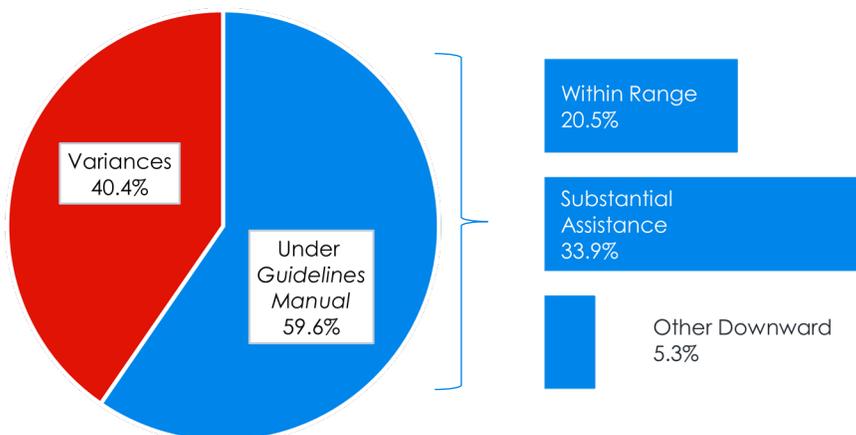
Sentence Relative to the Guideline Range (%)



Average Guideline Minimum and Average Sentence (months)



Sentence Imposed Relative to the Guideline Range FY 2018



¹ Cases with incomplete sentencing information were excluded from the analysis.

² Theft, property destruction, and fraud offenses include cases with complete guideline application information in which the offender was sentenced under §2B1.1 (Larceny, Embezzlement, and Other Forms of Theft; Offenses Involving Stolen Property; Property Damage or Destruction; Fraud and Deceit; Forgery; Offenses Involving Altered or Counterfeit Instruments Other than Counterfeit Bearer Obligations of the United States) using a *Guidelines Manual* in effect on November 1, 2001 or later. See www.ussc.gov/research/quick-facts for the *Quick Facts* on §2B1.1 offenders.

³ Mortgage fraud includes cases where the offense conduct as described in the Presentence Report involved any misrepresentation intended to obtain a home loan, the application to multiple banks for a loan on a single property, foreclosure rescue scams, or reverse mortgage scams.

⁴ The Loss Table and Victims Table were amended effective November 1, 2015.

⁵ The Sophisticated Means adjustment was amended effective November 1, 2015.