



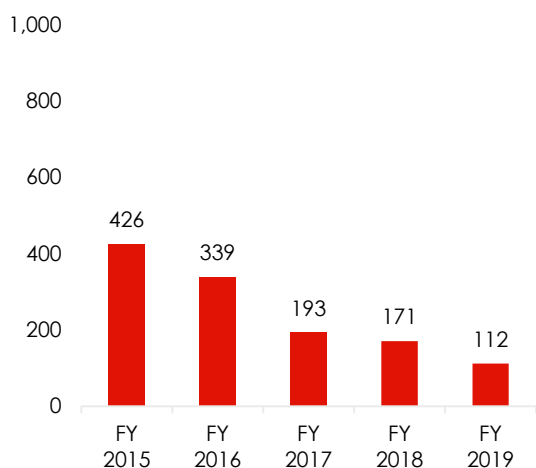
Quick Facts

— Mortgage Fraud Offenses —

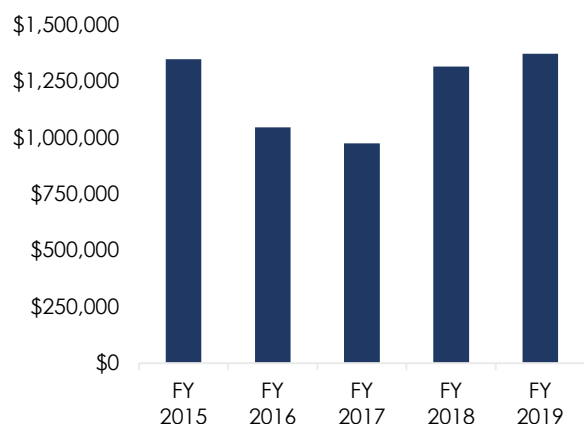
Fiscal Year 2019

- ▶ IN FY 2019, 76,538 CASES WERE REPORTED TO THE U.S. SENTENCING COMMISSION.
- ▶ 5,707 OF THESE INVOLVED THEFT, PROPERTY DESTRUCTION, AND FRAUD.
- ▶ 2.0% OF THEFT, PROPERTY DESTRUCTION, AND FRAUD OFFENSES INVOLVED MORTGAGE FRAUD.^{1, 2, 3}
- ▶ MORTGAGE FRAUD HAS DECREASED BY 73.7% SINCE FY 2015.

Number of Mortgage Fraud Offenders



Median Loss for Mortgage Fraud Offenses



Offender and Offense Characteristics

- 79.5% of mortgage fraud offenders were men.
- 48.2% were White, 22.3% were Black, 15.2% were Other races, and 14.3% were Hispanic.
- Their average age was 51 years.
- 90.2% were United States citizens.
- 79.5% had little or no prior criminal history (Criminal History Category I).
- The median loss for these offenses was \$1,372,368.⁴
 - ◆ 20.2% involved loss amounts of \$250,000 or less.
 - ◆ 25.0% involved loss amounts greater than \$3,500,000.
- Sentences were increased for:
 - ◆ the number of victims or the extent of harm to victims (16.1%);
 - ◆ using sophisticated means to execute or conceal the offense (41.1%);⁵
 - ◆ using an unauthorized means of identification (3.6%);
 - ◆ deriving more than \$1 million in gross receipts from or substantially jeopardizing the safety and soundness of a financial institution (8.9%);
 - ◆ leadership or supervisory role in the offense (20.5%);
 - ◆ abusing a public position of trust or using a special skill (15.2%);
 - ◆ obstructing or impeding the administration of justice (4.5%).
- Sentences were decreased for:
 - ◆ minor or minimal participation in the offense (7.1%).
- The top five districts for mortgage fraud offenders were:
 - ◆ Northern District of Illinois (28);
 - ◆ Eastern District of California (11);
 - ◆ Southern District of Florida (10);
 - ◆ Eastern District of New York (7);
 - ◆ Eastern District of Pennsylvania (6).

Punishment

- The average sentence length for mortgage fraud offenders was 23 months.
- 94.6% were sentenced to prison.
- 3.6% were convicted of an offense carrying a mandatory minimum penalty; of those offenders, 25.0% were relieved of that penalty.

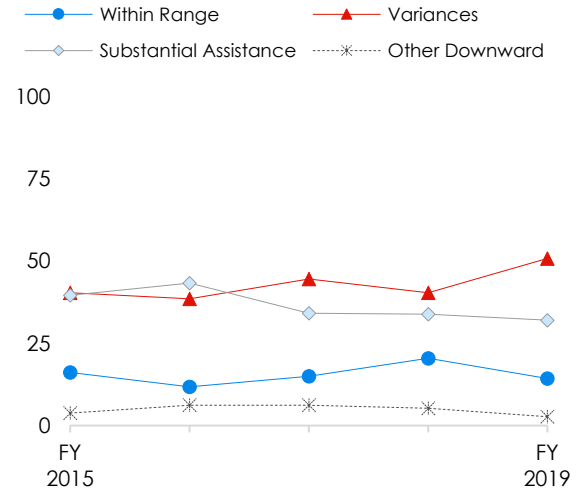


— Mortgage Fraud Offenses —

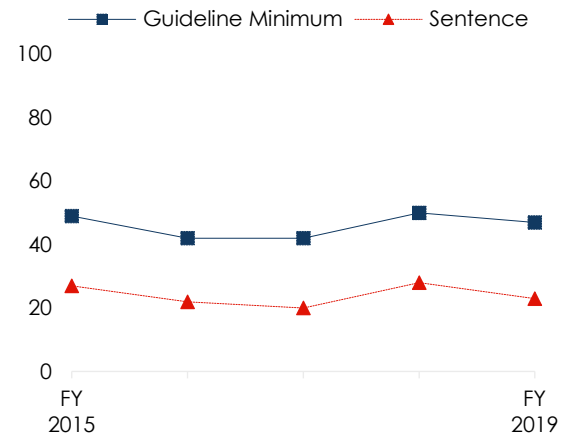
Sentences Relative to the Guideline Range

- Of the 49.1% of mortgage fraud offenders sentenced under the *Guidelines Manual*:
 - ◆ 29.1% were sentenced within the guideline range.
 - ◆ 65.5% received a substantial assistance departure.
 - ◇ Their average sentence reduction was 78.7%.
 - ◆ 5.4% received some other downward departure.
 - ◇ Their average sentence reduction was 34.6%.
- 50.9% received a variance; of those offenders:
 - ◆ 96.5% received a downward variance.
 - ◇ Their average sentence reduction was 57.8%.
 - ◆ 3.5% received an upward variance.
- The average guideline minimum and average sentence imposed have fluctuated slightly over the past five years.
 - ◆ The average guideline minimum decreased from 49 months in fiscal year 2015 to 47 months in fiscal year 2019.
 - ◆ The average sentence imposed decreased from 27 months in fiscal year 2015 to 23 months in fiscal year 2019.

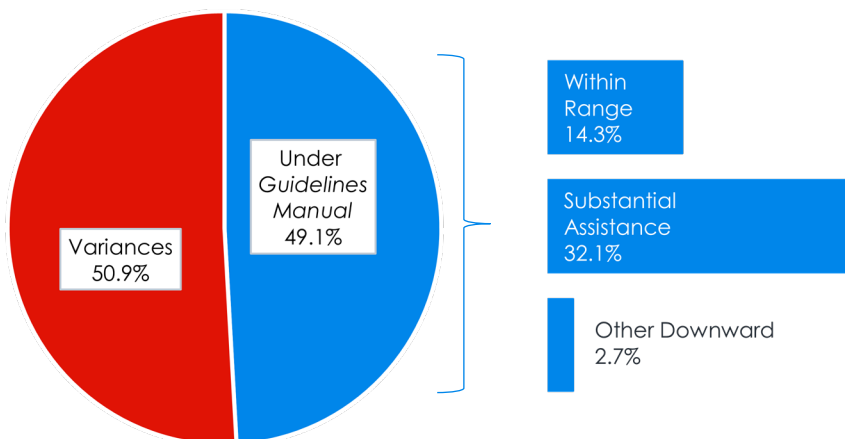
Sentence Relative to the Guideline Range (%)



Average Guideline Minimum and Average Sentence (months)



Sentence Imposed Relative to the Guideline Range FY 2019



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 November 1, 2015.