



Quick Facts

- ▶ THERE WERE 67,742 CASES REPORTED TO THE UNITED STATES SENTENCING COMMISSION IN FISCAL YEAR 2016.
- ▶ OF THESE CASES, 6,986 INVOLVED THEFT, PROPERTY DESTRUCTION, OR FRAUD.¹
- ▶ 4.9% OF THEFT, PROPERTY DESTRUCTION, AND FRAUD OFFENSES INVOLVED MORTGAGE FRAUD.²

Mortgage Fraud Offenses²



Top Five Districts Mortgage Fraud Offenders FY 2016

Eastern District of California (N=44)
Northern District of Illinois (N=32)
District of New Jersey (N=28)
Central District of California (N=19)
Middle District of Florida (N=15)



In fiscal year 2016, there were 339 mortgage fraud offenders, who accounted for 0.5%³ of all offenders sentenced under the guidelines. The number of mortgage fraud offenders decreased by 59.5% from fiscal years 2013 to 2016.

Offender and Offense Characteristics

- In fiscal year 2016, almost three-quarters of mortgage fraud offenders were male (72.6%).
- Over half were White (52.5%) followed by Hispanic (22.1%), Black (18.0%), and Other Races (7.4%).
- The average age of these offenders at sentencing was 47 years.
- Almost all mortgage fraud offenders were United States citizens (94.7%).
- The majority of mortgage fraud offenders had little or no prior criminal history (82.9% of these offenders were assigned to Criminal History Category I).
- The median loss for these offenses was \$1,045,750.
 - ◆ 18.6% of mortgage fraud offenses involved loss amounts greater than \$3,500,000.⁴
 - ◆ 33.1% of mortgage fraud offenses involved loss amounts of \$550,000 or less.
- Sentences for mortgage fraud offenders were increased for:
 - ◆ Use of sophisticated means to execute or conceal the offense (29.2%).⁵
 - ◆ Use of an unauthorized means of identification (2.4%).
 - ◆ Deriving more than \$1 million in gross receipts from or substantially jeopardizing the safety and soundness of a financial institution (6.8%).
 - ◆ Leadership or supervisory role in the offense (15.3%).
 - ◆ Abusing a public position of trust or using a special skill (15.6%).
 - ◆ Obstructing or impeding the administration of justice (3.8%).
- Sentences for mortgage fraud offenders were decreased for:
 - ◆ Minor or minimal participation in the offense (14.8%).

¹ 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.

² 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.

Quick Facts

Mortgage Fraud Offenses

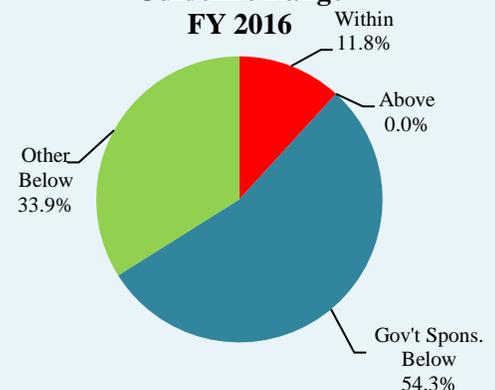
Punishment

- The majority of mortgage fraud offenders were sentenced to imprisonment (84.7%).
- The average sentence length for mortgage fraud offenders was 22 months.

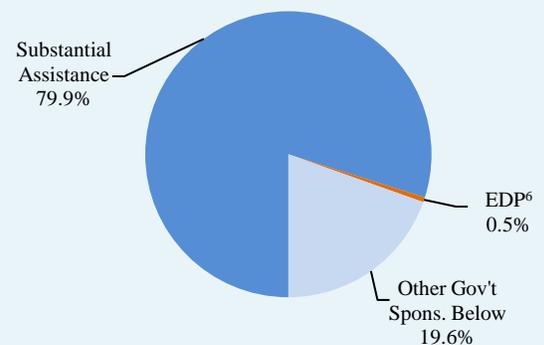
Sentences Relative to the Guideline Range

- During the past four years, the rate of within range sentences for mortgage fraud offenders has decreased from 18.3% in fiscal year 2013 to 11.8% in fiscal year 2016.
- In each of the past four years, approximately half of mortgage fraud offenders received a sentence below the applicable guideline range because the government sponsored the below range sentence.
 - ◆ Substantial assistance departures were granted in approximately 40 to 43 percent of mortgage fraud cases in each of the past four years.
 - ◇ These offenders received an average reduction of 69.2% in their sentence during the four year time period.
 - ◆ Other government sponsored departures were granted in approximately seven to eleven percent of mortgage fraud cases in each of the past four years.
 - ◇ These offenders received an average reduction of 59.8% in their sentence during the four year time period.
- The rate of non-government sponsored below range sentences increased slightly during the past four years from 31.6% of mortgage fraud cases in fiscal year 2013 to 33.9% in fiscal year 2016.
 - ◆ These offenders received an average reduction of 55.2% in their sentence during the four year time period.
- Both the average sentence and the average guideline minimum for mortgage fraud offenders varied slightly during the past four years.
 - ◆ The average sentence imposed ranged from 22 months to 27 months during this time period.
 - ◆ The average guideline minimum ranged from 42 months to 49 months during this time period.

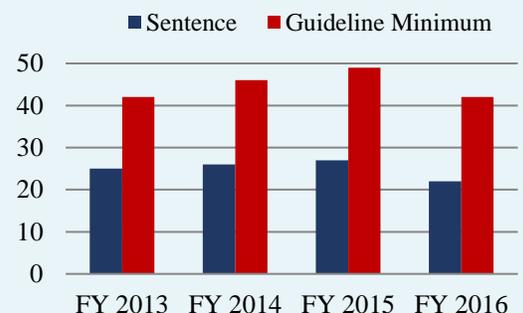
Sentence Relative to the Guideline Range FY 2016



Government Sponsored Below Range Sentences FY 2016



Average Sentence and Average Guideline Minimum (in months)



³ Of the 67,742 offenders sentenced in fiscal year 2016, 5,784 were excluded from this analysis due to incomplete guideline application information.

⁴ The Loss Table was amended effective November 1, 2015.

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

⁶ "Early Disposition Program (or EDP) departures" are departures where the government sought a sentence below the guideline range because the defendant participated in the government's Early Disposition Program, through which cases are resolved in an expedited manner. See USSG §5K3.1.

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One Columbus Circle, N.E.
Suite 2-500, South Lobby
Washington, DC 20002-8002
T: (202) 502-4500
F: (202) 502-4699
www.uscc.gov
@theussc.gov