

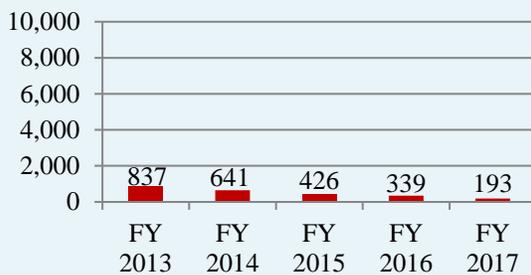


Quick Facts

- ▶ THERE WERE 66,873 CASES REPORTED TO THE UNITED STATES SENTENCING COMMISSION IN FISCAL YEAR 2017.
- ▶ OF THESE CASES, 6,237 INVOLVED THEFT, PROPERTY DESTRUCTION, OR FRAUD.¹
- ▶ 3.1% OF THEFT, PROPERTY DESTRUCTION, AND FRAUD OFFENSES INVOLVED MORTGAGE FRAUD.²

Mortgage Fraud Offenses²

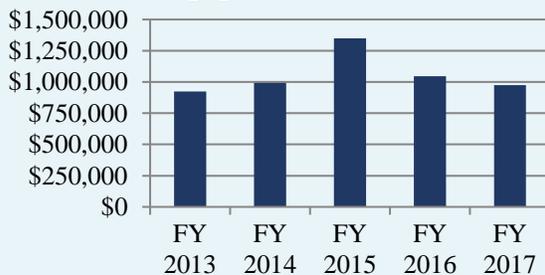
Number of Mortgage Fraud Offenders



Top Five Districts Mortgage Fraud Offenders FY 2017

Southern District of Florida (N=23)
Northern District of Illinois (N=18)
District of New Jersey (N=16)
Eastern District of New York (N=13)
Central District of California (N=9)

Median Loss for Mortgage Fraud Offenses



In fiscal year 2017, there were 193 mortgage fraud offenders, who accounted for 0.3%³ of all offenders sentenced under the guidelines. The number of mortgage fraud offenders decreased by 76.9% from fiscal years 2013 to 2017.

Offender and Offense Characteristics

- In fiscal year 2017, over three-quarters of mortgage fraud offenders were men (77.2%).
- Over half were White (53.4%) followed by Hispanic (23.8%), Black (18.7%), and Other Races (4.1%).
- The average age of these offenders at sentencing was 48 years.
- Almost all mortgage fraud offenders were United States citizens (92.2%).
- The majority of mortgage fraud offenders had little or no prior criminal history (83.4% of these offenders were assigned to Criminal History Category I).
- The median loss for these offenses was \$974,871.⁴
 - ◆ 15.1% of mortgage fraud offenses involved loss amounts greater than \$3,500,000.
 - ◆ 31.6% of mortgage fraud offenses involved loss amounts of \$550,000 or less.
- Sentences for mortgage fraud offenders were increased for:
 - ◆ The number of victims or the extent of harm to victims (11.4%);
 - ◆ Use of sophisticated means to execute or conceal the offense (25.4%);⁵
 - ◆ Use of an unauthorized means of identification (5.2%);
 - ◆ Deriving more than \$1 million in gross receipts from or substantially jeopardizing the safety and soundness of a financial institution (7.8%);
 - ◆ Leadership or supervisory role in the offense (18.1%);
 - ◆ Abusing a public position of trust or using a special skill (19.2%); and
 - ◆ Obstructing or impeding the administration of justice (5.2%).
- Sentences for mortgage fraud offenders were decreased for:
 - ◆ Minor or minimal participation in the offense (14.5%).

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.

Quick Facts

Mortgage Fraud Offenses

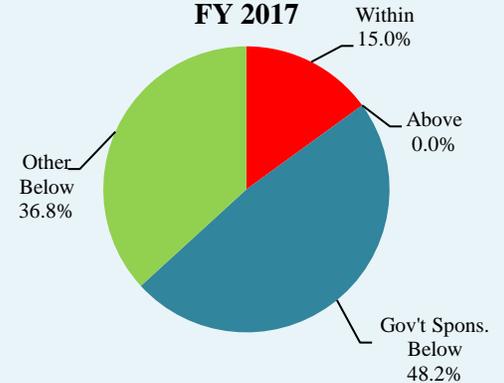
Punishment

- The majority of mortgage fraud offenders were sentenced to imprisonment (81.3%).
- The average sentence length for mortgage fraud offenders was 20 months.

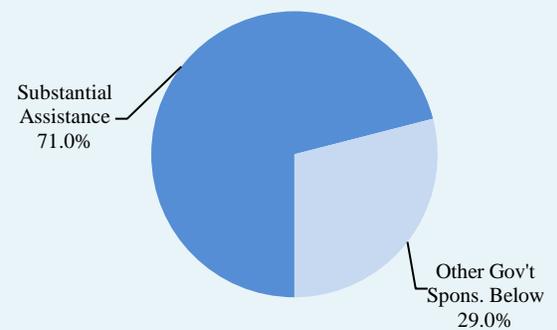
Sentences Relative to the Guideline Range

- During the past five years, the rate of within range sentences for mortgage fraud offenders has decreased from 18.3% in fiscal year 2013 to 15.0% in fiscal year 2017.
- In each of the past five 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 34 to 43 percent of mortgage fraud cases in each of the past five years.
 - ◇ These offenders received an average reduction of 70.2% in their sentence during the five-year time period.
 - ◆ Other government sponsored departures were granted in approximately seven to 14 percent of mortgage fraud cases in each of the past five years.
 - ◇ These offenders received an average reduction of 61.6% in their sentence during the five-year time period.
- The rate of non-government sponsored below range sentences increased slightly during the past five years from 31.6% of mortgage fraud cases in fiscal year 2013 to 36.8% in fiscal year 2017.
 - ◆ These offenders received an average reduction of 55.0% in their sentence during the five-year time period.
- Both the average sentence and the average guideline minimum for mortgage fraud offenders varied slightly during the past five years.
 - ◆ The average sentence imposed ranged from 20 months to 27 months during this time period.
 - ◆ The average guideline minimum ranged from 42 months to 49 months during this time period.

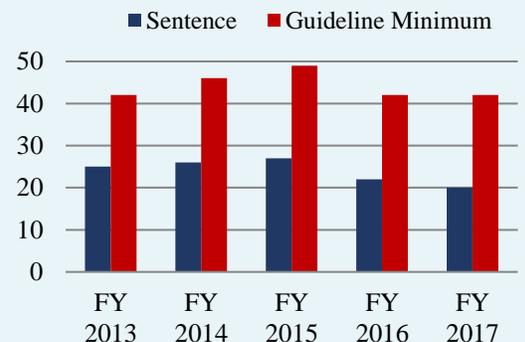
Sentence Relative to the Guideline Range FY 2017



Government Sponsored Below Range Sentences FY 2017



Average Sentence and Average Guideline Minimum (in months)



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.

³ Of the 66,873 offenders sentenced in fiscal year 2017, 4,956 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.

For other *Quick Facts* publications, visit www.ussc.gov/research/quick-facts.



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