



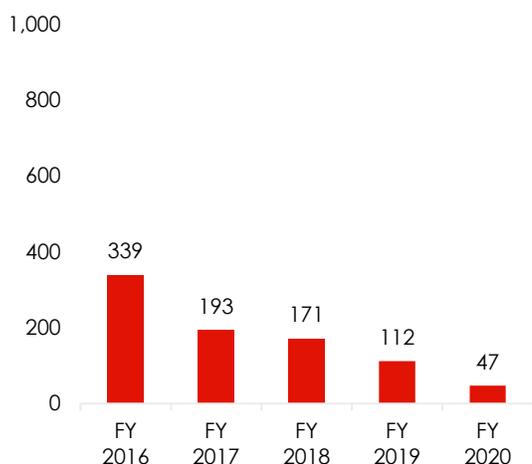
# Quick Facts

— Mortgage Fraud Offenses —

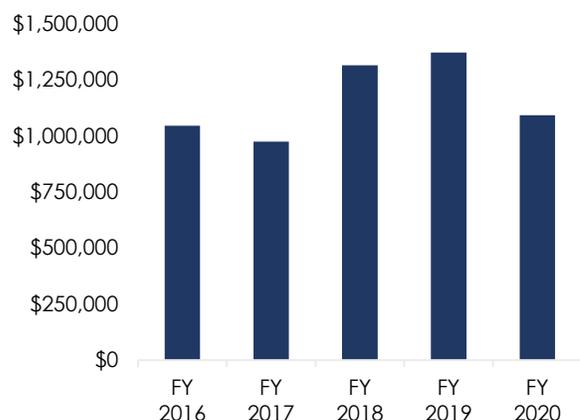
## Fiscal Year 2020

- ▶ IN FY 2020, 64,565 CASES WERE REPORTED TO THE U.S. SENTENCING COMMISSION.
- ▶ 4,356 OF THESE INVOLVED THEFT, PROPERTY DESTRUCTION, AND FRAUD.
- ▶ 1.1% OF THEFT, PROPERTY DESTRUCTION, AND FRAUD OFFENSES INVOLVED MORTGAGE FRAUD.<sup>1, 2, 3</sup>
- ▶ MORTGAGE FRAUD HAS DECREASED BY 86.1% SINCE FY 2016.

Number of Mortgage Fraud Offenders



Median Loss for Mortgage Fraud Offenses



## Offender and Offense Characteristics

- 72.3% of mortgage fraud offenders were men.
- 46.8% were White, 29.8% were Black, 17.0% were Hispanic, and 6.4% were Other races.
- Their average age was 49 years.
- 93.6% were United States citizens.
- 91.5% had little or no prior criminal history (Criminal History Category I).
- The median loss for these offenses was \$1,092,200;<sup>4</sup>
  - ◆ 18.0% involved loss amounts of \$250,000 or less;
  - ◆ 28.2% involved loss amounts greater than \$3,500,000.
- Sentences were increased for:
  - ◆ the number of victims or the extent of harm to victims (21.3%);<sup>5</sup>
  - ◆ using sophisticated means to execute or conceal the offense (31.9%);
  - ◆ using an unauthorized means of identification (2.1%);
  - ◆ deriving more than \$1 million in gross receipts from or substantially jeopardizing the safety and soundness of a financial institution (4.3%);
  - ◆ a leadership or supervisory role in the offense (17.0%);
  - ◆ abusing a public position of trust or using a special skill (17.0%);
  - ◆ obstructing or impeding the administration of justice (8.5%).
- Sentences were decreased for:
  - ◆ minor or minimal participation in the offense (6.4%).
- The top six districts for mortgage fraud offenders were:
  - ◆ Northern District of Illinois (11);
  - ◆ Eastern District of California (9);
  - ◆ Middle District of Florida (4);
  - ◆ Middle District of Georgia (3);
  - ◆ Western District of New York (3);
  - ◆ Eastern District of Virginia (3).

## Punishment

- The average sentence for mortgage fraud offenders was 18 months.
- 87.2% were sentenced to prison.
- 4.3% were convicted of an offense carrying a mandatory minimum penalty; of those offenders, none were relieved of that penalty.

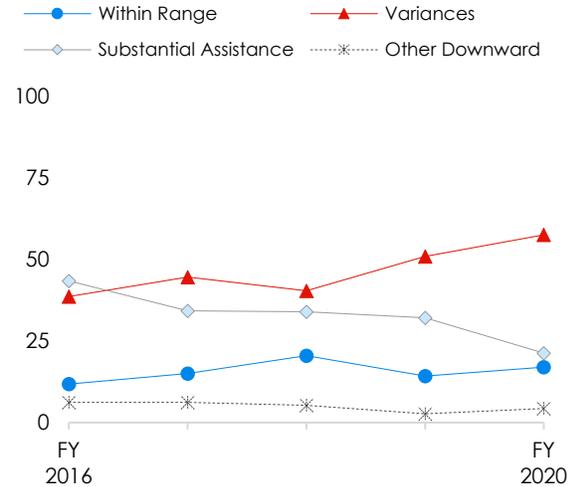


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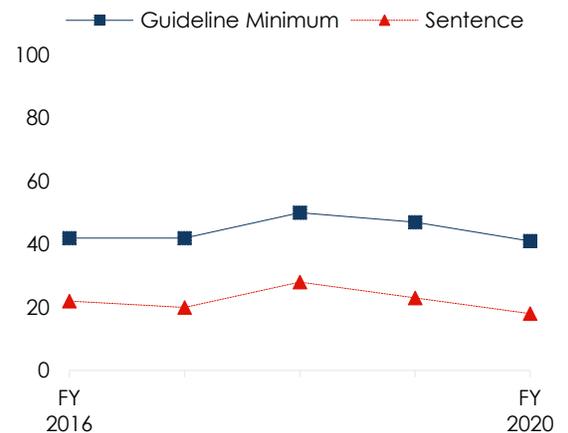
**Sentences Relative to the Guideline Range**

- Of the 42.6% of mortgage fraud offenders sentenced under the *Guidelines Manual*:
  - ◆ 40.0% were sentenced within the guideline range.
  - ◆ 50.0% received a substantial assistance departure.
    - ◇ Their average sentence reduction was 75.5%.
  - ◆ 10.0% received some other downward departure.
- 57.4% received a variance; of those offenders:
  - ◆ 100.0% received a downward variance.
    - ◇ Their average sentence reduction was 67.5%.
- The average guideline minimum fluctuated and the average sentence imposed decreased over the past five years.
  - ◆ The average guideline minimum increased and decreased throughout the fiscal years. The average guideline minimum was 42 months in fiscal year 2016 and 41 months in fiscal year 2020.
  - ◆ The average sentence imposed decreased from 22 months in fiscal year 2016 to 18 months in fiscal year 2020.

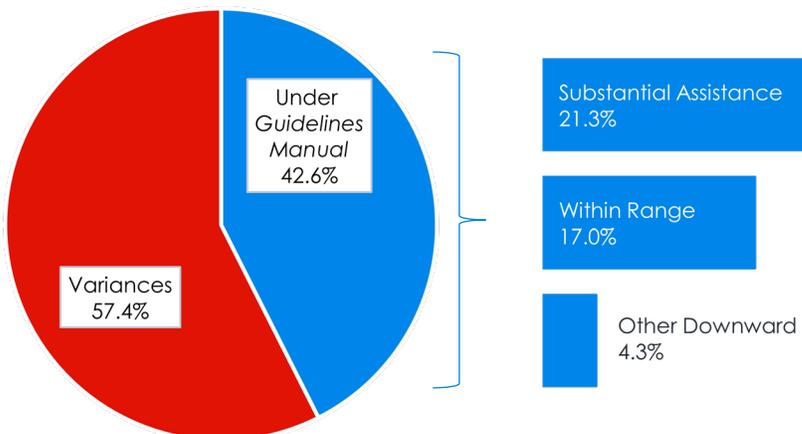
**Sentence Relative to the Guideline Range (%)**



**Average Guideline Minimum and Average Sentence (months)**



**Sentence Imposed Relative to the Guideline Range FY 2020**



<sup>1</sup> Cases with incomplete sentencing information were excluded from the analysis.

<sup>2</sup> 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](http://www.ussc.gov/research/quick-facts) for the Quick Facts on §2B1.1 offenders.

<sup>3</sup> 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.

<sup>4</sup> The Loss Table was amended effective November 1, 2001 and November 1, 2015.

<sup>5</sup> The Victims Table and Sophisticated Means adjustment were amended effective November 1, 2015.