TRACKER

Escrow Shortage Payment Tracker

04

TRACK REPAYMENT

Track a shortage repayment separately from the recurring tax-and-insurance escrow deposit so the temporary catch-up does not get confused with the permanent payment level.

WHEN TO USE	FEDERAL / PRIMARY REFERENCE
Track a shortage repayment separately from the recurring tax-and-insurance escrow deposit so the temporary catch-up does not get confused with the permanent payment level.	12 CFR § 1024.17(f)

Federal baseline to check

☐ A shortage is the amount by which the current escrow balance falls below the target balance at the time of analysis; it is not the same as a negative-balance deficiency.

☐ If a shortage is less than one monthly escrow payment, the servicer may leave it alone, require repayment within 30 days, or spread repayment over at least 12 months.

☐ If a shortage is at least one monthly escrow payment, the federal rule permits the servicer to leave it alone or spread repayment over at least 12 months.

BORROWER AND LOAN

Borrower name ________________________________	**Property address** ________________________________
Loan/account number ________________________________	**Servicer name** ________________________________

Shortage setup

Official shortage: $__________ Monthly escrow payment used for threshold: $__________

Notes: ____

Monthly tracking

Repayment start: __________ Planned months: ______ Shortage installment: $__________/mo

Notes: ____

End-of-period reconciliation

Catch-up end: __________ Recurring escrow after catch-up: $__________/mo

Notes: ____

Attachment checklist

☐ Escrow analysis showing shortage amount

☐ Monthly statements during the repayment period

☐ Copy of this completed template retained for your records

☐ Mailing / delivery confirmation retained if sent formally

Use notes

☐ Track the shortage catch-up separately from the new recurring escrow deposit. Paying the shortage does not erase a tax or insurance increase built into the new recurring amount.

☐ Use the repayment term actually shown by the servicer; a lump-sum payoff is not a federal entitlement for every shortage size.

☐ After the catch-up period ends, verify that the temporary shortage component disappears from the total payment when expected.

☐ Keep a complete copy of the completed template and supporting records; send copies rather than irreplaceable originals when copies are sufficient.

PRIMARY SOURCES TO CHECK

12 CFR § 1024.17(f)

Official links: https://www.consumerfinance.gov/rules-policy/regulations/1024/17/