REFUND LETTER

Missing Annual Escrow Surplus Refund Follow-Up Letter

30

TRACE REFUND

Use this after an annual or initial escrow analysis shows a refund-eligible surplus of at least $50, the borrower was current at analysis, and the expected refund has not arrived. Payoff escrow refunds use a different resource and timeline.

WHEN TO USE	FEDERAL / PRIMARY REFERENCE
Use this after an annual or initial escrow analysis shows a refund-eligible surplus of at least $50, the borrower was current at analysis, and the expected refund has not arrived. Payoff escrow refunds use a different resource and timeline.	12 CFR § 1024.17(f)(2) · 12 CFR § 1024.36 if records are requested

Federal baseline to check

☐ For a borrower who is current at the analysis, a surplus of at least $50 must generally be refunded within 30 days of the escrow analysis.

☐ A surplus below $50 may be refunded or credited against the next year's escrow payments.

☐ The current-status test generally treats payments received within 30 days of their due dates as current for this rule; a non-current borrower's surplus may be retained under the mortgage documents.

BORROWER AND LOAN

Borrower name	Property address
______________________________	______________________________
Loan/account number	Servicer name
______________________________	______________________________

Analysis and surplus

Analysis date: __________ Surplus: $__________ Current at analysis? Yes / No / Unsure

Relevant date(s): ____________________ Amount(s): $____________________

30-day clock

30-calendar-day refund checkpoint: __________

Notes: ____

Delivery record

Refund issued? Yes / No / Unsure Issue date: __________ Method / destination: ____________________

Notes: ____

Reissue / trace requested

Trace / reissue / written status requested; reference or follow-up date: ____________________

Notes: ____

Draft letter body

Date: _________________

To: [Servicer correspondence / escrow address shown on the statement or servicer website]

Re: Trace refund - mortgage loan/account _________________

I am writing about the escrow servicing issue identified below and request a written status, accounting, or correction as applicable. I am providing dates, amounts, and supporting records so the account can be reviewed accurately.

Issue / request: ____
____

Supporting facts and records: ____
____

Requested correction, information, or written explanation: _____________________________________
____

Signature: ____________________________ Date: _________________

Attachment checklist

☐ Annual escrow analysis showing the surplus

☐ Recent statement showing current status

☐ Any refund notice or check image

☐ Current mailing address confirmation

☐ Copy of this completed template retained for your records

☐ Mailing / delivery confirmation retained if sent formally

Use notes

☐ State the analysis date, surplus amount, and payment status at analysis. This distinguishes an eligibility dispute from a lost-check/reissue problem.

☐ If the servicer says the refund was issued, request the issue date, amount, delivery method, destination, and whether it was returned or negotiated.

☐ Do not use this letter for a loan paid in full; the remaining escrow balance after payoff is governed by the separate 20-business-day framework.

☐ 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)(2) • 12 CFR § 1024.36 if records are requested

Official links: https://www.consumerfinance.gov/rules-policy/regulations/1024/17/ | https://www.consumerfinance.gov/rules-policy/regulations/1024/36/