DECISION WORKSHEET

Small Escrow Shortage: 30-Day vs 12-Month Options Worksheet

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COMPARE SHORTAGE

Compare the Regulation X treatment choices when an escrow shortage is less than one monthly escrow payment and separate those choices from a larger shortage.

WHEN TO USE	FEDERAL / PRIMARY REFERENCE
Compare the Regulation X treatment choices when an escrow shortage is less than one monthly escrow payment and separate those choices from a larger shortage.	12 CFR § 1024.17(f)

Federal baseline to check

☐ This worksheet applies when the shortage is less than one monthly escrow payment, not one total mortgage payment.

☐ For that smaller shortage, the servicer may do nothing, require repayment within 30 days, or spread repayment in equal monthly payments over at least 12 months.

☐ A different rule applies when the shortage is at least one monthly escrow payment: if repayment is required under the federal rule, it is spread over at least 12 months.

BORROWER AND LOAN

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

Threshold test

Monthly escrow payment: $__________ Shortage: $__________ Under one-month threshold? Yes / No

Notes: ____

Servicer option shown

Servicer option(s) actually shown: Leave / 30-day / 12+ months / Other: ____________________

Notes: ____

30-day cash effect

30-day amount (only if applicable/offered): $__________ Due: __________

Notes: ____

12-month cash effect

Spread term: ______ months Monthly shortage installment: $__________

Notes: ____

Questions for servicer

Question / option to confirm with servicer: ______________________________

Notes: ____

Attachment checklist

☐ Annual or off-cycle escrow analysis

☐ Mortgage statement showing monthly escrow amount

☐ Copy of this completed template retained for your records

☐ Mailing / delivery confirmation retained if sent formally

Use notes

☐ Calculate the threshold using the monthly escrow deposit shown on the analysis, excluding P&I and other non-escrow payment components.

☐ Record the option the servicer actually selected; Regulation X gives the servicer choices and does not let the borrower automatically choose among all three.

☐ If the analysis uses a different shortage amount than your reconstruction, reconcile the trial balance before comparing repayment options.

☐ 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/