

MORTGAGE ARREARS – WHAT ATTORNEYS AND ACCOUNTANTS SHOULD KNOW

Southern District of Texas
Bankruptcy Bench Bar Conference



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Today's Topics

I. Introduction to Proof of Claims (Basic/Quick Overview)



II. Breaking Down the Arrears & Local Rule 3001-1



III. Escrow Shortage



IV. Discussion

I. Introduction to Claims and Claim Objections

1. Who may file a proof of claim

- 11 U.S.C. § 501:

(a) A creditor or an indenture trustee may file a proof of claim. An equity security holder may file a proof of interest



2. What to do if they don't file a proof of claim.

RULE 3004. FILING OF CLAIMS BY DEBTOR OR TRUSTEE

If a creditor does not timely file a proof of claim under Rule 3002(c) or 3003(c), the debtor or trustee may file a proof of the claim within 30 days after the expiration of the time for filing claims prescribed by Rule 3002(c) or 3003(c), whichever is applicable. The clerk shall forthwith give notice of the filing to the creditor, the debtor and the trustee.

I. Introduction to Claims and Claim Objections

2. The form for filing a proof of claim

- Form B10
- <http://uscourts.gov> > Forms & Fees > Bankruptcy Forms > Part I
- http://www.uscourts.gov/uscourts/RulesAndPolicies/rules/BK_Forms_Current/B_010.pdf



B10 (Official Form 10) 04/13

UNITED STATES BANKRUPTCY COURT		PROOF OF CLAIM
Name of Debtor:	Case Number:	
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property):		
Name and address where notices should be sent:		COURT USE ONLY <input type="checkbox"/> Check this box if this claim amends a previously filed claim.
Telephone number: email:		Court Claim Number: (If known)
Name and address where payment should be sent (if different from above):		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
Telephone number: email:		
1. Amount of Claim as of Date Case Filed: \$ _____		
If all or part of the claim is secured, complete item 4.		
If all or part of the claim is entitled to priority, complete item 5.		
<input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
2. Basis for Claim: (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor:	3a. Debtor may have scheduled account as: (See instruction #3a)	3b. Uniform Claim Identifier (optional): (See instruction #3b)
4. Secured Claim (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information.		
Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe:		Basis for perfection: _____
Value of Property: \$ _____		Amount of Secured Claim: \$ _____
Annual Interest Rate: _____ % <input type="checkbox"/> Fixed <input type="checkbox"/> Variable (when case was filed)		Amount Unsecured: \$ _____
5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.		
<input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507 (a)(1)(A) or (a)(1)(B)	<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,475*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier - 11 U.S.C. § 507 (a)(2)	<input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507 (a)(3)
<input type="checkbox"/> Up to \$2,775* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507 (a)(4)	<input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507 (a)(5)	<input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507 (a)(6) - _____
*Amounts are subject to adjustment on 4/01/16 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.		
6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)		

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7. Documents. Attached are redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. If the claim is secured by the debtor's principal residence, the Mortgage Proof of Claim Attachment is being filed with this claim. (See instruction #7 and the definition of "redacted.")

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

8. Signature: (See instruction #8)

Check the appropriate box:

I am the creditor. I am the creditor's authorized agent. I am the trustee, or the debtor, or their authorized agent. (See Bankruptcy Rule 3004.) I am a guarantor, surety, indorser, or other obligor. (See Bankruptcy Rule 3005.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: _____
Title: _____
Company: _____
Address and telephone number (if different from notice address above): _____ (Date) _____
Signature: _____
Telephone number: _____ email: _____

Penalty for providing fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 351.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed by Proof of Claim form

1. Amount of Claim as of Date Case Filed: Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

2. Basis for Claim: State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services to as avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor: State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

4. Debtor May Have Scheduled Account As: Report a charge on the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

5. Uniform Claim Identifier: If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 21-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

6. Secured Claim: Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

7. Documents: Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest and documents required by FRBP 3001(c) for claims based on an open-end or revolving consumer credit agreement or secured by a security interest in the debtor's principal residence. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

8. Date and Signature: The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 3005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a service, identify the corporate service as the company. Criminal penalties apply for making a false statement on a proof of claim.

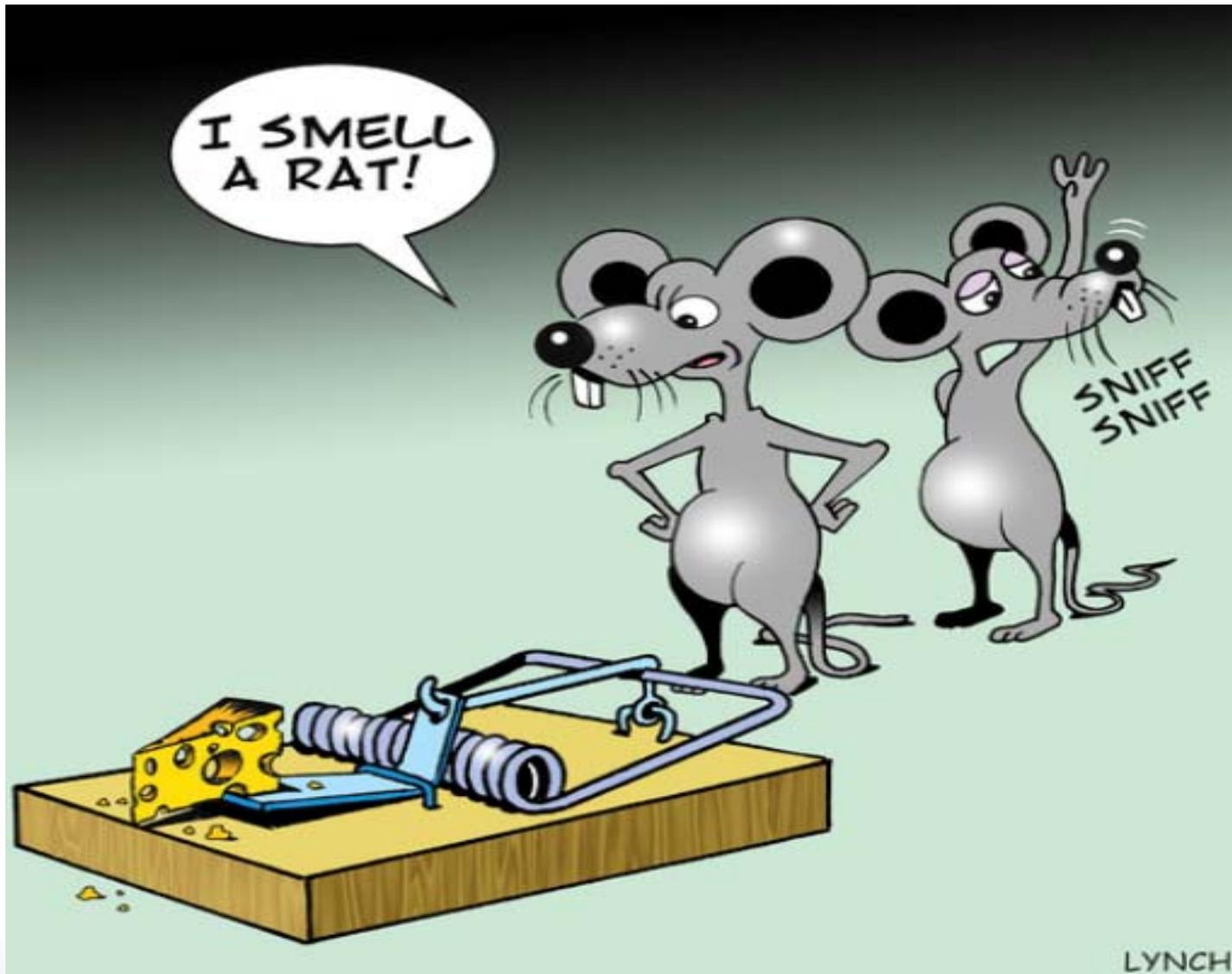
B10 (Official Form 10) 04/13

DEFINITIONS	INFORMATION
Debtor A debtor is the person, corporation, or other entity that has filed a bankruptcy case.	A claim also may be secured if the creditor owes the debtor money (has a right to setoff).
Creditor A creditor is a person, corporation, or other entity to whom the debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. § 101 (19).	Unsecured Claim An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.
Claim A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. § 101 (5). A claim may be secured or unsecured.	Claims Entitled to Priority Under 11 U.S.C. § 507 (a) Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.
Proof of Claim A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.	Offers to Purchase a Claim Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 or any), and any applicable orders of the bankruptcy court.
Secured Claim Under 11 U.S.C. § 506 (a) A secured claim is one backed by a lien on property of the debtor. The claim is secured to the extent the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.	Evidence of Perfection Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

Southern District Mortgage Company files POC for \$152,156.40 with \$11,975.74 arrears

Name of Creditor (the person or other entity to whom the debtor owes money or property): SOUTHERN DISTRICT MORTGAGE COMPANY		COURT USE ONLY
Name and address where notices should be sent: SOUTHERN DISTRICT MORTGAGE COMPANY 1234 THATAWAY ST CORPUS CHRISTI, TX 78401 Telephone number: (800)555-1234 email: N/A		<input checked="" type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: (If known) Filed on:
Name and address where payment should be sent (if different from above): Telephone number: (800)555-1234 email:		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
1. Amount of Claim as of Date Case Filed: \$152,156.40 If all or part of the claim is secured, complete item 4. If all or part of the claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
2. Basis for Claim: <u>Money loaned/Mortgage Note</u> (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor: XXXX1234	3a. Debtor may have scheduled account as: _____ (See instruction #3a)	3b. Uniform Claim Identifier (optional): _____ (See instruction #3b)
4. Secured Claim (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information. Nature of property or right of setoff: <input checked="" type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: 1225 MYHOUSE WAY, CORPUS CHRISTI, TX Value of Property: \$175,000 PER CAD Annual Interest Rate: 5.9% <input checked="" type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)		Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$11,975.74 Basis for perfection: <u>Deed of Trust</u> Amount of Secured Claim: \$152,156.40 Amount Unsecured: \$ _____

You're a little Dubious about the Figures



So you start to review the B10A breakdown

Part 1: Statement of Principal and Interest Due as of the Petition Date

Itemize the principal and interest due on the claims as of the petition date (included in the Amount of Claim listed in Item 1 on your Proof of Claim form).



1. Principal due

(1) \$146,245.06

2. Interest due

Interest rate	From	To	Amount
5.9%	01/01/2014	06/18/2014	\$4,035.61
_____ %	mm/dd/yyyy	mm/dd/yyyy	\$ _____
_____ %	mm/dd/yyyy	mm/dd/yyyy	\$ _____
Total interest due as of the petition date			\$4,035.61

copy total here ► (2) + \$ 4,035.61

3. Total principal and interest due

(3) \$150,280.67



Part 2: Statement of Prepetition Fees, Expenses, and Charges

Itemize the fees, expenses, and charges due on the claim as of the petition date (included in the Amount of Claim listed in Item 1 on the Proof of Claim form)

Description	Dates occurred		Amounts
1. Late charges	Jan 15, 2014 – June 15, 2014 = 6 @ \$47.45	(1)	\$284.70
2. Non-sufficient funds (NSF) fees		(2)	\$
3. Attorney's fees	June 2, 2014	(3)	\$450.00
4. Filing fees and court costs		(4)	\$
5. Advertisement costs		(5)	\$
6. Sheriff/auctioneer fees		(6)	\$
7. Title costs	June 2, 2014	(7)	\$180.00
8. Recording fees		(8)	\$
9. Appraisal/broker's price opinion fees	May 15, 2014	(9)	\$130.00
10. Property inspection fees	March 8, 2014, April 22, 2014, May 27, 2014 @ \$11.00	(10)	\$33.00
11. Tax advances (non-escrow)		(11)	\$
12. Insurance advances (non-escrow)		(12)	\$
13. Escrow shortage or deficiency (Do not include amounts that are part of any installment payment listed in Part 3.)		(13)	\$3,698.04
14. Property preservation expenses. Specify _____		(14)	\$
15. Other. Specify: _____		(15)	\$
16. Other. Specify _____		(16)	\$
17. Other. Specify _____		(17)	\$
18. Total pre-petition fees, expenses and charges. Add all of the amounts listed above		(18)	\$4,775.74

Part 3. Statement of Amount Necessary to Cure Default as of the Petition Date

Does the installment payment amount include an escrow deposit? ■

No

■ Yes. Attach to the Proof of Claim form an escrow account statement prepared as of the petition date in a form consistent with applicable non-bankruptcy law.



1. Installment payments due	Date last payment received by creditor	12/19/2013
	Number of installments due	(6) _____
2. Amount of installment payments due	6 installments @	<u>\$1,200.00</u>
	_____ installments @	\$ _____
	_____ installments @	\$ _____
Total installment payments due as of the petition date		\$ <u>7,200.00</u>

Copy total here ► (2) \$7,200.00

3. Calculation of cure amount

Add total prepetition fees, expenses and charges

Copy total from Part 2 here ► \$4,775.74

Subtract total unapplied funds (funds received but not credited to account)

- \$ _____

Subtract amounts for which debtor is entitled to a refund

- \$ _____

Total amount necessary to cure default as of the petition date

\$11,975.74

Copy total onto Item 4 of Proof of Claim

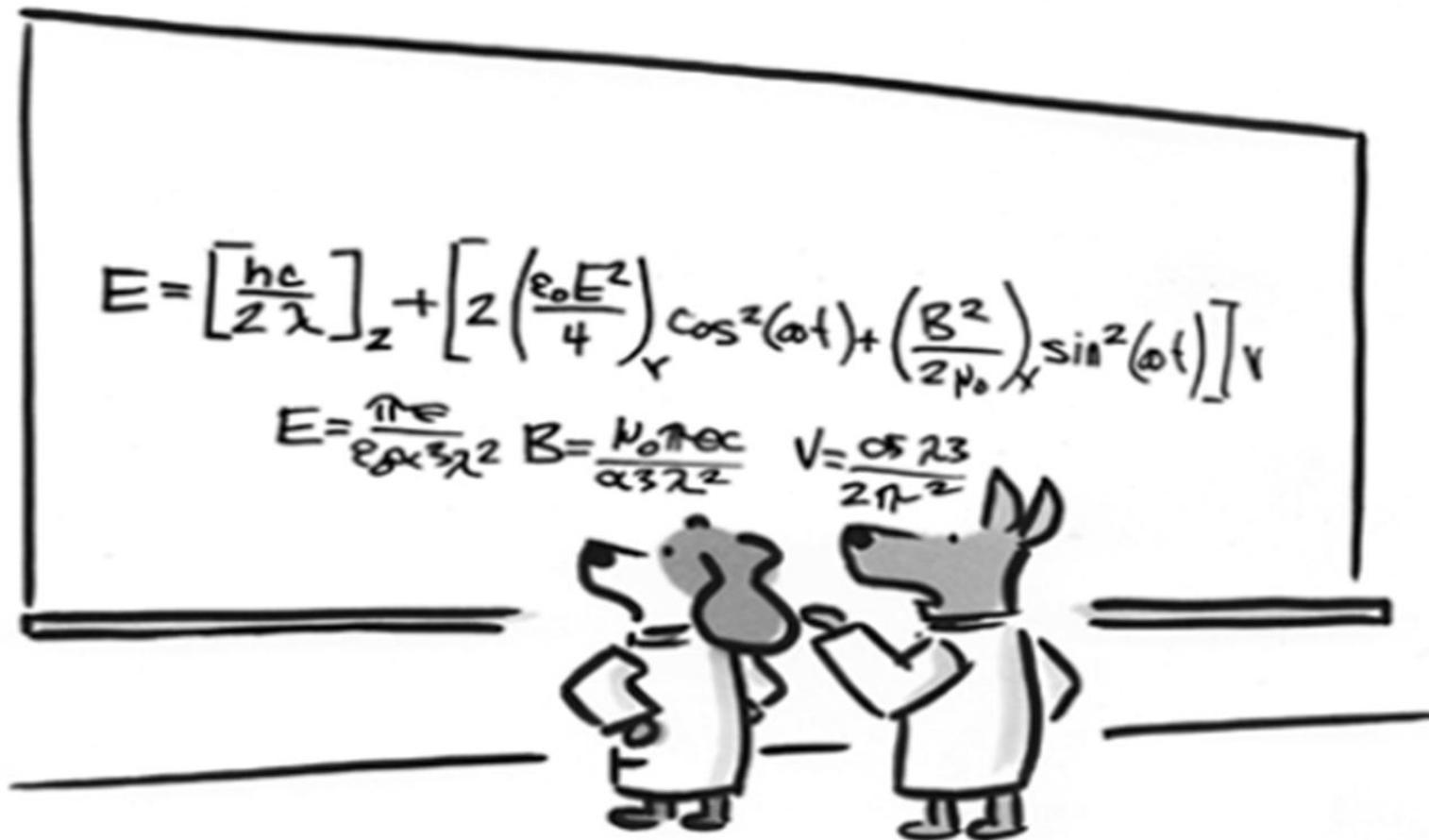


**Post-petition payment amount \$1,349.02 due on July 1, 2014

II. Breaking Down the Arrears and Local Rule 3001-1

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"There it is. You forgot to convert to dog years."

LOAN HISTORY

John and Jane Doe		Case #	568654		Lender/Servicer:		Southern District Mortgage Company							
Transaction Date	Installment Payment Due this Date (Principal, Interest and Escrow)	Total Funds Received This Date	Payment Shortage	*****Funds Applied*****					Tax, Insurance or Other Advance from Escrow	Principal Balance	Escrow Balance	Suspense Balance	Late Fees and other charges	Balance of Late Fees and Other Charges
				Principal	Interest	Escrow	Suspense	Late Fees and Other charges						
										\$146,701.65	\$3,500.00	\$0.00		
6	11/1/2013	\$1,200.00	\$1,200.00				\$0.00			\$146,701.65	\$3,500.00	\$0.00		\$0.00
7	11/5/2013		\$1,200.00	\$227.74	\$721.28	\$250.98	\$0.00			\$146,473.91	\$3,750.98	\$0.00		\$0.00
8	12/1/2013	\$1,200.00	\$1,200.00				\$0.00			\$146,473.91	\$3,750.98	\$0.00		\$0.00
9	12/1/2013		\$1,200.00				\$0.00		\$1,200.00	\$146,473.91	\$2,550.98	\$0.00		\$0.00
10	12/2/2013		\$1,200.00	\$228.85	\$720.16	\$250.98	\$0.01			\$146,245.06	\$2,801.96	\$0.01		\$0.00
11	1/1/2014	\$1,200.00	\$1,200.00				\$0.00			\$146,245.06	\$2,801.96	\$0.01		\$0.00
12	1/5/2014		\$1,200.00				\$0.00		\$3,600.00	\$146,245.06	(\$798.04)	\$0.01		\$0.00
13	1/15/2014		\$1,200.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01	\$47.45	\$47.45
14	2/1/2014	\$1,200.00	\$2,400.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01		\$47.45
15	2/15/2014		\$2,400.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01	\$47.45	\$94.90
16	3/1/2014	\$1,200.00	\$3,600.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01		\$94.90
17	3/8/2014		\$3,600.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01	\$11.00	\$105.90
18	3/15/2014		\$3,600.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01	\$47.45	\$153.35
19	4/1/2014	\$1,200.00	\$4,800.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01		\$153.35
20	4/15/2014		\$4,800.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01	\$47.45	\$200.80
21	4/22/2014		\$4,800.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01	\$11.00	\$211.80
22	5/1/2014	\$1,200.00	\$6,000.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01		\$211.80
23	5/15/2014		\$6,000.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01	\$47.45	\$259.25
24	5/15/2014		\$6,000.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01	\$130.00	\$389.25
25	5/27/2014		\$6,000.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01	\$11.00	\$400.25
26	6/1/2014	\$1,200.00	\$7,200.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01		\$400.25
27	6/2/2014		\$7,200.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01	\$450.00	\$850.25
28	6/2/2014		\$7,200.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01	\$180.00	\$1,030.25
29	6/15/2014		\$7,200.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01	\$47.45	\$1,077.70
30			\$7,200.00				\$0.00			\$146,245.06	(\$798.04)	\$0.01		\$1,077.70

Borrower Information

Borrower Name John and Jane Doe
 Property Address/Description 1225 Myhouse Way, Corpus Christi, TX
 Bankruptcy Case # Dec-56
 Last 4 digits of SSN 5555

Escrow Information

Escrowed for taxes? yes
 Escrowed for insurance? yes
 Petition date escrow balance: (\$798.04)
 If all pre-petition payments had been made in the amount set forth on the attached as the "Total Due", would the escrow account have the balance required by RESPA (including any reserves)? n
 If not, what would be the amount of the escrow shortfall as of the petition date if all payments had been made? \$3,698.04

Loan Information

Is interest fixed or variable? fixed
 If fixed, list interest rate 5.90000%

If variable, list each historic rate change:

Effective Date of Change	Interest Rate

Lender Information

Lender or Servicer Name Southern District Mortgage
 Last 4 Digits of Loan # 1234
 Date of loan 1/1/2008

Claim information:

PAYMENT SHORTAGE (Total past due payments at petition date (including principal, interest, escrow, and unpaid charges)): \$7,200.00

Principal balance at petition date \$146,245.06

Unpaid balance of late fees and other charges \$1,077.70

Total RESPA shortfall \$3,698.04

Unbilled fees and expenses

Additional interest claimed on any unpaid amounts (for payoff) \$4,035.61

Additional interest claimed on any unpaid amounts (for cure)

Total Suspense Balance \$0.01

Escrow balance (\$798.04)

TOTAL CLAIM (Loan Payoff) \$152,156.40

Total RESPA shortfall

\$3,698.04



Let's Calculate: Step 1

	Projected Disbursement	Anticipated Deposits Post-Petition Payments	Two Month Reserve	Required Balance on Petition Date
Property Taxes Due in 7 Months	\$3,600	\$2,100 ($\$3,600$ divided by 12×7)	\$600 ($\$3,600 / 12 \times 2$)	\$2,100 ($\$3,600 - \$2,100 + \600)
Insurance Due in 6 Months	\$1,200	\$600 ($\$1,200$ divided by 12×6)	\$200 ($\$1,200 / 12 \times 2$)	\$800 ($\$1,200 - \$600 + \200)
			Required Balance	\$2,900

Let's Calculate: Step 2

According to the Escrow Analysis and Loan History Form the Escrow Balance as of June 19, 2014 was NEGATIVE \$798.04

Let's Calculate: Step 3

How much escrow is already being recovered in the missed payments?

Part 3. Statement of Amount Necessary to Cure Default as of the Petition Date

Does the installment payment amount include an escrow deposit? ■

No

■ Yes. Attach to the Proof of Claim form an escrow account statement prepared as of the petition date in a form consistent with applicable non-bankruptcy law.

<input type="checkbox"/>	1. Installment payments due	Date last payment received by creditor	12/19/2013
		Number of installments due	(6) _____
	2. Amount of installment payments due	6 installments @	<u>\$1,200.00</u>
		_____ installments @	\$ _____
		_____ installments @	\$ _____
	Total installment payments due as of the petition date		\$ <u>7,200.00</u>

Copy total here ► (2) \$7,200.00

If P&I is \$949.09, then Escrow is \$250.98 x 6 missed payments for \$1,505.88 already included in Part 3

Now how'd we get that \$1,505.88 again?

Missed payments in POC were 6 payments at \$1,200 each for \$7,200.00 total. Of each payment \$949.09 is P&I and Escrow is \$250.98. So remove and add up escrow:

$\$250.98 \times 6 \text{ payments} = \$1,505.88$ escrow being recovered as part of those 6 payments.

Let's Calculate: Step 4

So what's the shortage that should be in Line 13?

Amount Required Per Step 1	\$2,900.00
Amount in Escrow on Petition Date per Step 2	+\$798.04

Difference:	 \$3,698.04
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However, amount being recovered in missed payments Step 3	-\$1,505.88
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Adjusted Amount Due and what should be on Line 13:	\$2,192.16
--	-------------------



Wait a Minute . . .

The Proof of Claim has \$3,698.04 on Line 13 for the escrow shortage as part of the \$11,975.74 arrears. But we now know that's wrong.

It should be \$2,192.16 which means the arrears are over-stated by \$1,505.88 because Mortgage Company didn't give my client credit for the \$1,505.88 escrow impound already in the missed payments. Which means the Proof of Claim Arrears should actually be \$10,469.86.

So you know what that means . . .



Judge, these guys can't do Math

Please reduce the Proof of Claim Arrears Accordingly



"Judge Wycoff is a strong advocate of swift justice."

**And I have saved my client some money they didn't owe
and the plan is that much more feasible**



Special thanks to the Honorable Marvin Isgur.

If you would like a copy of Judge Isgur's presentation *Four Things Lawyers and Bankers Should Know About Mortgage Escrow Accounts in Bankruptcy*, please feel free to contact any of us at the following email addresses:

Ryan Dove: rjd@shaklaw.com

Ken Keeling: kenk@keelinglaw.com

Michael Weems: mlw@hwa.com



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Discussion

