**PROPERTY OWNER PARTIAL RELEASE OF MORTGAGE ACKNOWLEDGEMENT**

lpabp1549 – Owner Acknowledgement 5/2023

This document outlines the description of clear title, WisDOT’s policy, and how this policy affects property owner(s) within the local program project limits when right of way is needed.

**Introduction**

A clear title is a property title without any kind of lien or levy from creditors or other parties and poses no question as to legal ownership. To secure clear title on a parcel acquisition where the acquisition is only a portion of the subject property, WisDOT’s policy is to obtain a partial release of a mortgage (or lien release) on all acquisitions, except for temporary limited easements (TLE). This policy applies regardless of complexity or dollar amount. Securing a clear title benefits not only the property owner, but also protects the resulting highway facility and the traveling public. Because this project contains federal or state funding in the design or construction, WisDOT policy is followed.

**What is a partial release of mortgage?**

A partial release of a mortgage is a partial satisfaction of a mortgage. The lender acknowledges that the portion of the property being acquired has been fully satisfied and the mortgage is no longer a lien on that portion of real property. There may be times when securing a partial release of mortgage is not viable because either the mortgage company (or other lien holder) will not cooperate; the fees to obtain a release are cost prohibitive; or the time to get the partial release of mortgage does not meet the project schedule.

**Notice to property owner(s) – when complete clear title is not obtained**

When the project acquisition is $25,000 or less, and otherwise considered minor/insignificant and not complex, the local public agency may choose to acquire the property without encumbrances on the property being alleviated. As a property owner, it is important to understand how this may affect you. In most mortgage agreements, it is a violation to sell any property under the mortgage without the consent of the lender. Before signing the acquisition document and this acknowledgement, the property owner(s) is encouraged to read the terms of their mortgage. For instance, the lender can:

 *“…declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender’s prior written consent, of all or ANY PART of the Real Property, or any interest in the Real Property.” (Taken from a JPMorgan Chase Bank Mortgage Agreement)*

Property owners are encouraged to read and evaluate the terms of their mortgage(s). For additional questions or concerns the property owner should contact the project sponsor.

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**Instructions:** check appropriate boxes, sign and date.

Project Description in Brief

Project ID: Click or tap here to enter text.

Highway Project: Click or tap here to enter text.

Project Sponsor: Click or tap here to enter text.

County: Click or tap here to enter text.

Parcel No: Click or tap here to enter text.

The undersigned property owner(s) acknowledges that the term **clear title** has been explained by the project sponsor along with the options below.

[ ]  Property owner(s) acknowledges that the project sponsor will not be contacting their mortgage company to inquire whether a partial release of mortgage is required.

* By checking this box the property owner(s) understands that their mortgage company will not be notified of this project and acquisition. (Note: Some mortgage companies may require part or all proceeds go towards the mortgage payoff.)
* The property owner is encouraged to read the terms of their mortgage.

[ ]  Property owner(s) requests that the LPA or its consultant contact the mortgage company and inquire if a partial release of mortgage is required for this project acquisition and to pursue acquiring one if necessary.

[ ]  There are no parties of interest other than the property owner(s) involved in this transaction and a partial release of mortgage is not necessary. Checks will be delivered in the property owner’s name at closing.

**PROPERTY OWNER(S) ACKNOWLEDGEMENT**

*The undersigned certifies that he/she is authorized to acknowledge this risk to the project listed above.*

Signature Date

Click here to enter text.

Print Name

Signature Date

Click or tap here to enter text.

Print Name