## Important Information About Your Partial Release of Lien Request

Guardian Savings Bank understands that borrowers may occasionally request a partial release of lien or the granting of an easement on property securing their mortgage loan. This document explains what a partial release is**,** how the process works, and what is required to get started.

Please review this information carefully before submitting your request. Providing a complete and accurate request upfront will help avoid delays and prevent the need for additional follow-up.

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## What Is a Partial Release of Lien?

A partial release of lien allows Guardian Savings Bank to release its mortgage lien on a specific portion of the property, while the remainder of the property continues to secure your loan. Common reasons for requesting a partial release include, but are not limited to:

- Sale of a portion of land
- Granting an easement to a utility company or government entity
- Property subdivision
- Eminent domain or right-of-way actions

A partial release is **not automatic** and requires a full review to ensure the remaining property continues to adequately secure your mortgage loan.

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## How the Process Works – What to Expect

The partial release process occurs in steps, and nothing can be evaluated until the required documents are received.

### Step 1: Survey (This Is Where Everything Begins)

The process always starts with a survey or plat prepared by a licensed or qualified surveyor. The survey must clearly show:

- The portion of the property to be released
- The portion of the property that will remain collateral
- The location of the dwelling and any improvements
- Complete dimensions, acreage or square footage
- A clear legal description of the property to be released

**Guardian Savings Bank cannot proceed without a completed survey.**
If you have not yet obtained a survey, you should arrange that first before submitting your request.

## Step 2: Submit Your Partial Release Request

Once your survey is complete, you will submit:

- A completed Partial Release or Easement of Collateral Request Form
- A copy of the survey or plat, clearly marked
- A sales contract or agreement, if land is being sold
- Any proposed legal instruments, if applicable
- Any additional supporting documentation relevant to the request

At this stage, Guardian Savings Bank will perform an initial review to confirm your loan meets basic eligibility requirements and that all required documentation has been provided.

## Step 3: Evaluation and Valuation (If Required)

After initial review:

- Guardian Savings Bank will determine whether an appraisal is required
- Borrowers must not order their own appraisal
- If required, the appraisal will be ordered by Guardian Savings Bank
- Appraisal costs and applicable fees will be charged to your mortgage loan account

The valuation helps determine:

- The value of the property before and after the requested release
- Whether a principal reduction is required to maintain loan-to-value requirements based on loan type

## Step 4: Approval, Fees, and Completion

If your request is approved:

- Any required principal reduction, fees, and costs must be paid before documents are executed
- Once paid, Guardian Savings Bank will prepare and record the partial release or easement
- Recorded documents will be returned after completion

If required documentation is missing or not received within 30 calendar days, the request will be closed and must be resubmitted.

## Important Things to Know Up Front

- Submission of a request **does not guarantee approval**
- The remaining property must continue to fully secure the mortgage loan
- Loan type (Conventional, Fannie Mae, Freddie Mac, VA, USDA, FHLB, etc.) may impact requirements
- All borrowers on the loan must remain obligated
- Fees and appraisal costs are non-refundable, even if the request is denied after review

## Next Step: Review and Submit

Once you are ready, please review the remainder of this packet carefully and submit a fully completed request along with all required documentation using one of the methods listed.

Submitting a complete request helps us evaluate your request efficiently and reduces delays.

If you have questions after reviewing this information, our Loan Servicing team is available to help. They may be reached at (513) 842-0972 or via e-mail at customerservice@guardiansavingsbank.com.

## Partial Release or Easement of Collateral Request

### Loan Eligibility Requirements:

- Your Guardian Savings Bank ('GSB') mortgage loan must be current: The mortgage loan must not have been greater than 30 days past due more than once in the last 12-month period, or otherwise in default under the terms of the mortgage loan over the most recent 12-month period.
- At least 12 months have passed since your loan was originated.
- No current borrower is allowed to be released from liability on the loan.
- The priority of the mortgage lien must not be impacted by any claims of subordinate lienholders.
- The reduction in the value of the remaining property must not be greater than the amount of any cash consideration.
- The proposed action may not result in the property becoming inaccessible by public roads.
- Any cash consideration paid for the release, less the expense of obtaining the release, must either be:
  - Applied to the outstanding mortgage loan debt, or used for proposed property improvements after the release.
  - And, the cash consideration must be equal to or more than the fair market value of the property being released.
- The ratio of the unpaid principal balance ("UPB"), as reduced by any cash consideration, to the value of the property securing the mortgage loan after the release must not be higher than the loan to value ratio ("LTV") of the mortgage loan immediately before the release.
  - **GSB, FNMA or FHLMC Loans:** If you have a Guardian, Fannie Mae or Freddie Mac loan, the borrower must reduce the mortgage loan balance by an amount sufficient to maintain the LTV ratio immediately prior to granting the release unless the current LTV ratio is 59% or lower and the amount received from the sale is less than 5% of the original value.
  - **VA Loans**: If you have a Veteran's Affairs ("VA") loan, the full consideration received for the release must be applied to the unpaid principal balance unless the current loan to value ratio is 80% or lower.
  - **USDA Loans**: The borrower must receive adequate compensation. Any net cash proceeds must be used to reduce the principal balance of the outstanding debt or be used to improve the property. Unless the outstanding debt is paid in full the borrower should receive no cash from the transaction.
  - **FHLB Loans:** If you have a Federal Home Loan Bank ("FHLB") loan, the full consideration received for the release must be applied to the UPB if the current loan to value ratio is greater than 60% or cash consideration received is greater than 5% of the original value.

### Property Valuation Requirements:

- An appraisal is generally required to determine the value of the property before and after the release of collateral. This value determination is used to calculate any required principal curtailment. You will be notified after initial review of your loan if this is a requirement.
- If required, fees and costs for ordering an appraisal are non-refundable and will be required to be paid regardless if your request is approved or denied. Potential costs are outlined under applicable fees.
- **<u>Do not order your own appraisal.</u> The appraisal must be ordered by Guardian Savings Bank.**

### Documentation Requirements:

- **A Completed Partial Release of Collateral Request Form**
- **Sales Contract**
  - An agreement between a buyer and seller covering the sale of your property.
  - If the partial release request involves the sale of land to an individual, government agency, or company, a sales contract or offer showing the cash consideration must be provided.

- **Copy of Survey or Plat**
  - A survey is used to map out the shape and boundaries of a piece of land.
  - A **copy** of a survey or plat from a licensed or qualified surveyor, showing the land to be released and the remaining land still secured by the lien, will be required.
  - The complete dimensions, square footage or acreage and location of improvements to the land must be included.
  - The survey must be **clearly** marked.
  - The dwelling location must be included.
  - The legal description of the property to be released must be included.

- **Applicable Fees**
  - Guardian Savings Bank assesses a **$100 fee** per partial release or easement to be completed. This fee is in addition to the appraisal fee and covers the cost of review, preparation and recording of the partial release documentation. Should this fee exceed **$100**, you will be notified prior to completion of the release and have option, at your cost, to have your attorney prepare this document for our review and execution.
  - Appraisal fees vary and are generally between **$250 - $500** per request, solely dependent upon the complexity of both the request and the property in question. Should the fee exceed **$500**, you will be notified and provided explanation of the increased cost.
  - Both the release/easement fee and the cost of the appraisal are assessed to your existing Guardian mortgage loan account. These fees, in addition to any principal reduction required, will be due and payable at the time of approval to proceed with release or granting of easement. Documents will not be executed or provided prior to payment of all fees and balances due. The principal reduction and fees can be paid at any local Guardian branch location or mailed directly to Guardian's Loan Servicing Department at:

    Guardian Savings Bank
    2774 Blue Rock Rd.
    Cincinnati, OH 45239
    Attn: Partial Release Request

## Partial Release or Easement of Collateral Request Form

Loan Number:______________________________________ Property Address: ____________________________________

Borrower's Full Name:_________________________________ City, State, Zip:________________________________________

**Please complete the steps below:**

**Step 1.** Review the Partial Release or Easement Request Requirements. If you have any questions, please contact our Loan Servicing department at 888-595-6949 M-F 8:30am – 05:00pm EST.

**Step 2.** Purpose of Proposed Action: Discuss the goal of the requested action. For example, the future use of any additional land or new easement, the reason for any release or subdivision, or proposed use of any land to be obtained via eminent domain action. Also discuss any restrictions or how the use of the property will be impacted by the change. Use additional paper if necessary.

_______________________________________________________________________________________________

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Cash Consideration to be received through transaction: $ ___________________

Size of property as a whole (before requested action) in square footage or acreage: ____________________________

Size of Property to be Released or Included in Easement in square footage or acreage: _____________________________

Size of property to be retained/kept (before requested action) in square footage or acreage: _________________________

**Step 3.** Gather and attach all required documents listed below. Please check each required and/or applicable box.

- ☐ Sales Contract
- ☐ Copy of Survey or Plat with location of dwelling clearly marked
- ☐ Proposed Instrument if applicable (ex. Partial Release or Easement Agreement)
- ☐ Legal Description of property subject to release or easement
- ☐ Other (Specify): ______________________________________________________________________
- ☐ The loan meets all eligibility requirements listed on the Partial Release Request Requirements page to the best of your knowledge.

**Step 4. Your signature indicates your consent for Guardian Savings Bank to order an appraisal to confirm the value of your property if necessary and to charge your mortgage loan account all fees outlined above as appropriate for your situation. You understand that if your request is submitted incompletely and/or additional documentation is needed from you and it is not received within 30 calendar days, your request will be closed as cancelled, and you will need to restart the processes from the application once again. By signing below, you also grant Guardian Savings Bank authority to speak with and disclose specific loan information to any third parties necessary, including your agents, to complete this request. This authority is revoked upon completion of this release request.**

______________________________________________________ ____________________________

**Signature** **Date**

______________________________________________________ ____________________________

**Signature** **Date**

**Step 5.** Submit this fully completed legible form and supporting documentation to:

**E-mail:** customerservice@guardiansavingsbank.com
**Fax:** 513-741-6255

**Physical Mailing Address:**
Guardian Savings Bank
2774 Blue Rock Rd
Cincinnati, OH 45239
Attn: Partial Release Request