

Document Class:	EXEMPTIONS
Document Name:	Mortgages
Document Description:	Caveat
Document Code:	EX

Introduction

This guide note refers to a caveat pursuant to the *Real Property Act 1886* that protects an interest arising under an unregistered mortgage.

If the mortgage to which the caveat relates has **not** been stamped, the caveat must be stamped under one of these document headings:

- [Mortgages – Prime Mortgage – Land](#) (MP)
- [Mortgages – Prime Mortgage – Other](#) (M)

If the caveat does **not** protect an interest that is arising under an unregistered mortgage the caveat does **not** require stamping.

What *documents* can I stamp under this document heading?

- A LTO Form C1 – Caveat

What types of *transactions* can I stamp under this document heading?

A caveat is deemed **suitable** for self-stamping under this document heading where:

- the caveat is over real property;
- the caveat protects an interest in an unregistered mortgage; and
- the mortgage document has been stamped.

What stamp duty is payable on this document?

Exempt.

What evidence do I need to retain for audit purposes?

For audit purposes, you will need to retain the following documentation:

- a copy of the stamped document; and
- a copy of the stamped mortgage (if applicable).

Example 1 – Caveat (mortgage stamped)

Bill lends Bob \$25,000. A mortgage has been executed and stamped but not registered.

Bill wants to secure the repayment of the \$25,000 and wants to register a caveat on the Certificate of Title of Bob's house.

The caveat is stamped as Exempt under this document heading.

Example 2 – Caveat (mortgage unstamped)

Troy lends Matt \$11,000. A mortgage has been executed but **not** stamped.

Matt intends to do some renovations to his home.

Troy wants to secure the repayment of the \$11,000 and wants to register a caveat on the Certificate of Title of Matt's home.

The caveat is stamped as a mortgage under the document heading:

- [Mortgages – Prime Mortgage – Land](#) (MP)

What section of the SD Act applies?

Section 82