

## Caveats on Property Titles: Implications, Types, and Steps for Resolution

A Caveat is a document lodged at the Lands Titles Office over a Certificate of Title to indicate that a third party has an interest or potential interest in the land.

If a Caveat has been registered on a Title, consider it a warning or caution – “buyer beware”. A Caveat can only be lodged over land if you have a connection with that land.

### Caveats can be lodged for the following reasons and are not limited to:

1. Registering a new or second mortgage over a property (including a refinance)
2. Registering a subdivision application to divide the land
3. Unpaid rates and taxes or unpaid stamp duty by authorities

### There are 2 different types of Caveats:

1. The first is a Permissive Caveat – this allows further registration of documents against the title with the caveators consent.
2. The second is an Absolute Caveat, this forbids registration of any future dealings.

When a Caveat has been registered on a Title the Registered Proprietor is notified by the Lands Titles Office.

### What should you do if you receive a notice from the Lands Titles Office?

Contact Tuckfields, we can order a copy of the caveat for review and provide you with professional advice.

If you are a potential purchaser and a Caveat is registered over a property Tuckfields can provide you with details on why the Caveat has been registered and what steps can be taken to withdraw or remove the Caveat, prior to settlement.