

Addendum to the NSW requirements in the National Mortgage Form Specification (nmfs_v1_5_clean)

NSW requires the following adjustments to the National Mortgage Form Specification (nmfs_v1_5_clean) to enable replacement of the current mortgage forms available for lodgment.

The change is to update the NSW Information Sheet that attaches to all mortgage forms for presentation to the mortgagor. The Information Sheet does not get lodged with the Land Registry.

The updated Information Sheet will note that witnessing is not required for the mortgage signed by the mortgagor and held by the mortgagee if the mortgage is being lodged in accordance with section 56(1A) of the *Real Property Act 1900* (i.e. acceptance and lodgment scenarios 1A, 2, 3 and 4).

1. Page 113, NSW Information Sheet to be removed and replaced by the following:

MORTGAGE WITNESSING REQUIREMENTS IN NSW			
PARTY TO MORTGAGE	WHO MAY EXECUTE MORTGAGE?	DOES SIGNATURE HAVE TO BE WITNESSED?	WHO MAY BE THE WITNESS?
Mortgagor	The Mortgagor (individual).	Yes*	An "eligible witness", namely a person who: <ol style="list-style-type: none"> 1. is over 18 years of age; 2. is not a party to the mortgage; and 3. has known the person who is signing the mortgage for at least a year or has taken reasonable steps to confirm the identity of the person. See s117(4) <i>Real Property Act 1900</i> (NSW). The full name and address of the witness should be stated. (A PO Box or DX is not acceptable).
	The Mortgagor (corporation).	Depends on the method of execution.	Depends on the method of execution. For example, if a corporation executes a mortgage without using a common seal pursuant to section 127(1) of the <i>Corporations Act 2001</i> (Cth), the signatures of the directors and company secretary, as the case may be, do not need to be witnessed. If a corporation executes a mortgage with a common seal pursuant to section 127(2) of the <i>Corporations Act 2001</i> (Cth), the affixing of the seal must be witnessed by: <ol style="list-style-type: none"> 1. 2 directors; or 2. a director and a company secretary; or 3. for a proprietary company that has a sole director who is also the sole company secretary - that director. Other methods of execution authorised by a corporation's constitution or special resolution may require additional evidence to support the authority.
	An attorney (individual) on behalf of the Mortgagor.	Yes*	An eligible witness
	An attorney (corporation) on behalf of the Mortgagor.	Yes*	Same as for a Mortgagor who is a corporation.
Mortgagee	The Mortgagee	Yes	An eligible witness.

	(individual).		
	The Mortgagee (corporation).	Depends on the method of execution.	Same as for a Mortgagor who is a corporation.
	An attorney (individual) on behalf of the Mortgagee.	Yes	An eligible witness.
	An attorney (corporation) on behalf of the Mortgagee.	Depends on the method of execution.	Same as for a Mortgagor who is a corporation.
	An Australian Legal Practitioner	No	-
	A Licensed Conveyancer.	No	-

* Witnessing is not required for the mortgage signed by the mortgagor and held by the mortgagee if the mortgage is being lodged in accordance with section 56(1A) of the *Real Property Act 1900*.