

Abigail v Lapin [1934] A C 491

<http://lawcasesummaries.com/knowledge-base/abigail-v-lapin-1934-a-c-491/>

Facts

- The Lapins executed a transfer of Torrens Title land to Mrs Heavener as security for a loan.
- They did not put a caveat on the title
- Mrs Heavener then mortgaged the property to the Abigails and absconded with the money, however the mortgage was not registered.

Issue

- Who had the better equitable interest?

Held

- The Abigail's interest had priority, even though the general rule is the first equitable interest succeeds unless there is good reason not to
- This is because the Lapins "armed" Mrs Heavener by not putting a caveat out on the property, even though a caveat is not compulsory

Law case summary from www.lawcasesummaries.com