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## EFFECT OF THE EXPRESSION "IN TRUST" IN A CONVEYANCE.

A case of great interest to real property owners came before our Courts in the year 1919. *Re McKinley and McCullough*, 51 D.L.R. 659, 46 O.L.R., p. 535.

Its nature and the final decision of the Court of Appeal are best indicated by the following extract from the head-note of the reported case:—

"In a conveyance of land, dated 1st May, 1888, from C. to T., the words "in trust" followed the name and description of the grantee; but there was nothing in the Conveyance and nothing registered to shew what the trust was. Subsequently T. sold and conveyed the land, the deed from him giving no indication of what the trust was, and the title came through intermediate purchasers and under registered conveyances to McK., who agreed to sell to McC. The latter considered that he should not accept the title without some evidence that, as trustee, T. had a right to sell and convey. McK. was unable to furnish any evidence of what the trust was. It was thereupon held upon an application under the Vendors and Purchasers Act, that only actual notice will affect a purchaser whose conveyance is registered, that the notice which the conveyance to T., by the use of words "in trust," gave was constructive notice only, and that the subsequent registered owner was therefore not affected by it."

It may be remarked that the above report is somewhat misleading, in so far as it seems to convey the idea that there was no actual notice of the trust. For the purpose of arriving at a true appreciation of the point involved in this case, it is, it seems to us, important to distinguish two quite different ideas.

It will be observed that the words "notice of the trust"