

The defendant, with such a letter from the general district agent of the plaintiffs, might well feel that he could safely make improvements after securing the deed. The plaintiffs declined on 5th June the request of 1st June, but this was not at once communicated to defendant, as McGillivray naturally thought there was some misunderstanding, and he wrote to plaintiffs on 11th June as to this. Plaintiffs finally and absolutely refused on 16th June. This was received at Kenora on 19th June, and defendant was at once informed of it. In the meantime this further had occurred. The defendant's cheque for \$50 had been sent to plaintiffs at the early stage of the negotiation, and the defendant found that the cheque had been cashed. This cheque was on a bank at Kenora, and had been in fact used by plaintiffs under circumstances told to McGillivray, but of which the defendant was ignorant. Used at Toronto on 4th June, paid by bank at Kenora, and charged to defendant's account on 8th June.

The need for repairs to make the premises tenantable was urgent, as the premises had for a considerable time been vacant. It seems to me within the true meaning of the Act and entirely just that the defendant should have the lien for these improvements "to the extent of the amount by which the value of the land is enhanced by such improvements."

Apart from the lien for improvements, what rights, if any, has the defendant against the plaintiffs under the quit-claim deed from Bunting?

It was admitted on trial that the alleged notice of cancellation was mailed at Toronto, postage and registration fee paid, on 25th February, 1908, addressed to R. J. Bunting, Rat Portage, Ontario, and that R. J. Bunting never in fact received the notice, but that it was returned to the plaintiffs, as a letter not called for. At that time R. J. Bunting had paid to the plaintiffs \$445.68 on account of his purchase money and interest, and \$10 costs, and was in arrear up to 15th December, 1907, only \$60.40: see exhibit 10. Nothing is said in the agreement to purchase as to what is to become of the amount paid in the event of cancellation. The notice of cancellation is a 5 days' "notice of cancellation of the said agreement for sale and purchase, and the forfeiture of all moneys already paid by you, as by the said agreement provided in case of default for payment of any of the monthly instalments of the purchase money."