

set out in the statement of defence. Following the agreement and in part performance of it, the defendant went into possession, paid the taxes, and paid the interest demanded by Holliday. Holliday never repudiated the agreement nor did he ever make a demand for payment of the principal. On one occasion, soon after Holliday purchased, when defendant was paying the interest, Holliday said in effect that he should have \$50 additional for purchasing the land. Defendant assented to that and from that time defendant paid interest on \$500 instead of on \$450. The plaintiff purchased from Holliday and it is said paid \$550, obtaining from Holliday a conveyance dated the 17th day of December, 1913.

The payments by defendant were irregularly paid both as to dates and amounts, but the receipts produced shew that apparently more than sufficient was paid to clear the place of rent or interest down to 1st January, 1913.

The deceased dealt with even years.

Reckoning the interest as rent upon the \$500, and calling it \$500 for all the time, it would be $4\frac{1}{2}$ years to end of 1912, making for interest alone \$135. The receipts produced by defendant shew payments by him to Holliday for rent or interest and taxes, \$149.17. It was not disputed at the trial that defendant had paid in full for interest and taxes, at least up to 1st January, 1913.

The defendant made valuable improvements in his gardening and farming operations upon this property, so that by reason of part performance he could have enforced the carrying out by Holliday of the agreement made.

Holliday died since his sale to the plaintiff. The plaintiff knew of defendant's possession. Knowledge of possession by a claimant is not sufficient against a registered title.

I am of opinion, and so find, that the plaintiff had actual notice of defendant's agreement with Holliday. It is not necessary for the defendant to establish collusion between plaintiff and Holliday, but the whole transaction bears the appearance of it, and Mr. Holliday, although reputed to be a man of wealth, was perhaps tempted by the additional \$50, which plaintiff is said to have given—to sell from under defendant.

Upon plaintiff's examination for discovery, which was in part put in, and upon his evidence at the trial, it seems to