

mortgagees claimed to be purchasers for value without notice of Gilbert's alleged frauds. After observing that the doctrine of constructive notice which imputes to a man knowledge which he does not in fact possess is one which the courts of late years have been unwilling to extend, Farwell, J. came to the conclusion that a purchaser is not bound to inquire of a tenant in possession to whom he pays his rents, and that the tenant's possession is only notice of the tenant's own rights, but is not notice of the rights of the person through whom the tenant claims, and that therefore the mortgagees were not affected with notice of Dr. Hunt's title, and as to them he dismissed the action.

LANDLORD AND TENANT—LEASE—UNDER LEASE—CONDITIONAL COVENANT FOR RENEWAL OF UNDER LEASE—PERSONAL COVENANT—COVENANT RUNNING WITH THE LAND—ASSIGNEE OF REVERSION—32 HEN. 8, C. 34, S. 2—PERPETUITY.

Muller v. Trafford (1901) 1 Ch. 54, is a decision of Farwell, J. on a question of real property law. One Morgan, being the owner of the fee of certain lands, made a lease for eighty years to one Reid; Reid underlet to Austin for sixty-two years less ten days, and Austin in 1851 underlet to Fisher for fifty-two years less twenty days, the fifty-two years being the unexpired residue of the original term. Austin in his lease to Fisher covenanted that if he Austin obtained an extension of the lease, not from his immediate lessor but, from Morgan, he, his executors, administrators or assigns would grant a new lease to Fisher, his executors, administrators or assigns for the term acquired from Morgan, including the unexpired term thereby granted. Austin died, having bequeathed his leaseholds in question, and the legatees assigned them to the defendant Trafford, subject to the under lease to Fisher. In 1899 Trafford obtained from Morgan's assignee (upon the surrender of his existing term) a new lease of the premises for fifty years, subject to the existing under leases. The plaintiffs were assignees of Fisher's under lease, and claimed against Trafford specific performance of the covenant of Austin to grant a new lease. The defendant contended that Austin's covenant was personal and not binding on him, that the covenant did not run with the reversion but was collateral to it, and that the defendant was not the assign of Austin, and if he was he parted with the reversion by the surrender, and there was no breach of the covenant