

Frazer v Walker (1967) 1 AC 569

<https://lawcasesummaries.com/knowledge-base/frazer-v-walker-1967-1-ac-569/>

Facts

- Alan Frazer and Flora Frazer were joint owners of a New Zealand dairy farm under the *Land Transfer Act 1952* (NZ) (**the Act**).
- Mrs Frazer borrowed ?3,000 from the Radomskis, using the dairy farm as security for this loan without her husband's consent.
- The contract needed both of the Frazers' signatures for the mortgage to be legally valid.
- Mrs Frazer forged Mr Frazer's signature and persuaded her lawyer's clerk to falsely witness the signature of Mr Frazer.
- Mrs Frazer paid out the existing mortgage on the property and retained a sum of money for herself.
- The Radomskis' sold the farm to Mr Walker for ?5000.
- Both the Radomskis and Mr Walker were unaware of Mrs Frazer's fraud.
- Mr Walker was registered as to the legal owner. Mr Frazer refused to recognise Mr Walker's legal interest in the farm - Mr Walker commenced proceedings for possession of the farm.

Issue

- Was Mr Walker's title to the property legal, despite the defective title caused by Mrs Frazer's fraud?

Held

- Mr Walker was a "bona fide purchaser for value without notice".
- Mr Walker was unaware of Mrs Frazer's fraud at the time of purchase, as were the Radomkis.
- This meant that Mr Walker had indefeasible title.
- This position was consistent with section 183 of the Act, which stated that fraud would not defeat a "bona fide purchaser for valuable consideration".

Full Text

The full text is available here: http://www.bailii.org/uk/cases/UKPC/1966/1966_27.pdf