

## No. 7592. Equity

of September, 1902. Mrs. Michael through her husband paid to the Mortgagee the amount due thereon, which was Twenty-five hundred and Fifty-eight Dollars and fifty cents, and the Mortgage was then assigned to her. Mrs. Michael only had Two thousand Dollars, and the residue to make up what was due on the Mortgage was taken by the executor of the funds of the estate and he applied. It was understood at the time that the interest was to be paid on that amount when the money was repaid, and that was accordingly done, by which the estate was that much the poorer. While it is not proper for the people occupying such a relation to either themselves or to permit others to use the estate's funds in such a way and such conduct should incur the condemnation of the Court, in the case I do not believe, Mrs. Michael either intended any wrong or knew he was doing wrong. Still I cannot permit the occasion to pass without signifying at least that it is not the proper thing to do. However it does impeach the validity of the transfer of the Mortgage, because there is no question that all the remainder of the money was paid at that time by the assignee, and the money gotten from the estate has been converted back into the estate with interest for the time it was withdrawn. The property in February, 1903, was admitted for sale by the assignee of the Mortgage in accordance with its provisions, and a few days prior to the day of Sale and again on the day the exceptant Readleson, who was an heir at law and legatee under the will of the said George E. Smith to the amount of Two hundred Dollars, tendered the agent of Mrs. Michael the amount due on the Mortgage and the costs and expenses attending the execution of the power of sale, and demanded an assignment of the Mortgage to himself. This she refused to do. The Sale was made and Andrew J. Allen purchased the mortgaged property for the sum of Two thousand Three hundred and Fifty Dollars, which Sale has been duly reported to the Court for its ratification and the legatee Marion F. Readleson has filed exceptions to the ratification of said Sale. Among the allegations it is stated that a caveat has been filed in the Orphans Court of Frederick County by the exceptant and other heirs at law of the said George E. Smith to his last will and testament. The caveat was filed after the will was admitted to probate, and Court see how it can be considered in this collateral proceeding, or what bearing it can have on the validity or non of the Sale.

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Another reason advanced is that the assignment was not bona fide. It is regular on its face, the money was paid to the Mortgagee, and the assignment was duly made by the Mortgagee to Mrs. Michael. It is true that if the money used in the obtaining of the Mortgage belonged to the estate, and it had been paid off in that way, the assignment would be a nullity, and not bona fide, because the mortgage would have been dead and no longer in existence, and the power would have had no vitality. A Sale then would have been void, but such