

### Title: Maria Luisa Morales vs. Abner De Guia

### Facts:

Abner De Guia purchased an 18,000-square-meter unregistered parcel of land from the Spouses Sabangan in 1966, in Sitio Maquinaya, now Abra Street Extension, Barangay Barretto, Olongapo City. The property, which had a two-storey house and a concrete fence, was later partially submerged during the Mt. Pinatubo eruption. In 1968, at the request of former Mayor Amelia Gordon, Abner allowed the Morales family, led by Dominador Morales, to stay on the property. In 1971, Abner was issued a Tax Declaration for the property. A 1975 Agreement between Dominador and Abner's wife, Diana De Guia, recognized Abner's ownership, letting the Morales family stay as overseers free of charge.

After moving to the USA and becoming a naturalized citizen, Abner was unaware that the Morales family declared parts of the property under their names for tax purposes and constructed a bungalow. On December 14, 2000, Abner, through his attorney-in-fact, Nomeriano de Guia, filed a legal action against the Morales family and Novenson Antonio for recovery of possession and ownership, annulment of tax declarations, and damages.

The Morales family contested the action, arguing Abner, a naturalized American citizen, could not own Philippine land. They also claimed Abner promised them a portion of the property for their services. The RTC ruled in favor of Abner, a decision later affirmed by the CA, establishing his ownership and the bad faith of the Morales family in their claims.

### Issues:

1. Whether Abner De Guia retained ownership and possessory rights over the subject property despite being a naturalized American citizen.
2. Whether the Morales family acquired ownership over the disputed portion through acquisitive prescription or by virtue of an alleged verbal promise from Abner.

### Court's Decision:

The Supreme Court affirmed the CA and RTC's decisions, denying Maria Luisa Morales' petition. It ruled that Abner De Guia had substantiated his ownership through the original deed of sale, tax declarations, and the 1975 Agreement in which Dominador Morales recognized Abner's superior ownership rights. The Court also dismissed the argument regarding Abner's disqualification to own land due to his American citizenship, emphasizing that his acquisition of the property, while still a Philippine citizen, vested him with perpetual ownership rights. Further, the Court found the Morales family's claim of ownership through

verbal promise unsubstantiated and legally untenable, as claims over real property must be evidenced in writing.

### Doctrine:

- The principle that a natural-born Filipino citizen who acquires property in the Philippines does not lose ownership rights upon naturalization in another country, provided the property was acquired while they were still a Filipino citizen.
- Acts and contracts which create, transmit, modify or extinguish real rights over immovable property should be embodied in a public document.

### Class Notes:

- **Acquisitive prescription** requires possession to be in the concept of an owner, public, peaceful, and uninterrupted. Possession under a lease or caretaker arrangement, even if prolonged, does not confer ownership rights.
- **Ownership and real rights over property:** Legal principles governing ownership and real rights over property include the necessity of a public document for the transmission of such rights (Civil Code, Art. 712 & 1358).
- **Natural-born citizens and loss of Philippine citizenship:** A natural-born Filipino who acquires property in the Philippines and later becomes a naturalized citizen of another country retains ownership of the property acquired before naturalization.

### Historical Background:

This case reflects on the intricacies of property rights and ownership disputes, especially concerning natural-born Filipinos who later change citizenship. It underscores the legal principle that the right of ownership acquired while holding Philippine citizenship is maintained despite subsequent loss of such citizenship, an important consideration in a country with a significant number of nationals becoming citizens of other countries.