

### Title: Fatima B. Gonzales-Asdala vs. Metropolitan Bank and Trust Company

### Facts:

In June 2002, Fatima B. Gonzales-Asdala and her husband applied for a PHP 1.5 million loan from Metrobank to finance house renovations. They executed promissory notes which included a clause for acquiring Mortgage Redemption Insurance (MRI), with the house as mortgage security. Metrobank later billed them for MRI premiums, although no policy was released; only debit memos were issued. Following the husband's death in March 2008, Gonzales-Asdala sought mortgage discharge, citing MRI premium payments. Metrobank refused, claiming the MRI was in her name only, sourced from her account. After failing to settle two months' amortizations, Gonzales-Asdala sued Metrobank for specific performance and damages, alleging her husband's death should trigger the MRI payout to cover the loan.

Metrobank countered that the MRI covered Gonzales-Asdala, not her deceased husband, maintaining the loan and mortgage's validity. The RTC dismissed the complaint, ruling the property conjugal and identifying Gonzales-Asdala as a co-mortgagor eligible for individual MRI. The CA affirmed this decision, grounding its judgment on the property's conjugal nature and the failure to prove its exclusion from marital assets.

### Issues:

1. Whether the promissory notes implied an additional life insurance beyond the MRI for loan support.
2. Appropriateness of the CA's and RTC's due process provision.
3. Metrobank's estoppel claim regarding property ownership and MRI coverage.
4. The presumption of the property's conjugal nature without explicit evidence.

### Court's Decision:

The Supreme Court denied the petition for review, upholding the CA's conclusions. It resolved:

1. **Property Nature**: The property was deemed conjugal, given its acquisition during the marriage, refuting Gonzales-Asdala's claims with the principle that properties obtained during marriage are presumed conjugal unless proven otherwise.
2. **MRI Coverage**: The Court confirmed that the MRI only covered Gonzales-Asdala as the named insured, refuting her argument that her husband's death should nullify the loan.
3. **Legal Proceedings**: The Court found no violation of the petitioner's due process rights across the proceedings.
4. **Estoppel and Conjugal Property Presumption**: The estoppel argument was dismissed

due to misinterpretation of related rulings and the presumption of the property's conjugal nature was upheld due to lack of definitive evidence to the contrary.

### ### Doctrine:

Properties acquired during marriage are presumed conjugal. The proof burden to dispute this presumption lies on the challenger. Additionally, MRI applicability depends on the explicit insurance policy terms, where the insured party is deemed the contract party.

### ### Class Notes:

- **Conjugal Property Presumption**: Property acquired during marriage is presumed conjugal unless proven otherwise. This case emphasizes the necessity of presenting clear, convincing evidence to rebut this presumption.
- **Insurance in Mortgage**: Mortgage Redemption Insurance (MRI) effectively serves the interests of both mortgagor and mortgagee, providing loan security. The named insured under an MRI, not the mortgaged property owner, dictates the policy's applicability concerning loan obligations.
- **Doctrine of Estoppel**: Claims of estoppel require proof of detrimental reliance on the opposing party's representations. This case illustrates the complexity of estoppel in disputes over property and insurance classification.

### ### Historical Background:

The case sheds light on customary loan security practices in the Philippines, specifically the use of MRI to protect both lender and borrower interests. It underscores the legal framework governing marital assets, delving into property characterization within the marriage context, a crucial aspect of Philippine family and property law.