

**MARGARET MAXEY ASSISTED BY SANTIAGO MAGBANUA;
FLORENCE MAXEY ASSISTED BY OFRECINIO SANTOS; AND LUCILLE
MAXEY, PETITIONERS, VS. THE HONORABLE COURT OF APPEALS
AND THE SPOUSES BEA...**

G.R. No. L-45870. May 11, 1984

Ponente: GUTIERREZ, JR., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/62d1f2b70e48/>

GUTIERREZ, JR., J.:

This petition for review involves the rights of a woman over properties acquired in 1912 principally through the efforts of the man she was living with and at a time when the two were not yet legally married.

The facts of the case are briefly stated in the decision of the Court of Appeals as follows:

The record reveals that Melbourne Maxey and Regina Morales (both deceased) lived together as husband and wife in Banganga, Davao; that out of said union were born six (6) children, among them are the herein plaintiffs, namely: John or Carlos, Lucille, Margaret, Florence, Fred and George, all surnamed Maxey; that during the period of their Melbourne and Regina) cohabitation, or in 1911 and 1912, respectively, the late Melbourne Maxey acquired the parcels of land described under Par. 4 of the complaint as evidenced by the documents of sale marked as Exhibits 4-a and 5-1 (same as Exhibits C & D); that after the death of Regina Morales (Par. 4, Stipulation of Facts), Melbourne Maxey, through his attorney-in-fact Julia Pamatluan Maxey, sold in favor of the defendants-spouses in 1953 the parcels of land under litigation which fact of sale was not controverted by the parties (Par. 1, Stipulation of Facts); that since then, the defendants-spouses have taken immediate possession thereof continuously up to the present.

Plaintiffs instituted the present case on January 26, 1962, before the Court of First Instance of Davao, praying for the annulment of the documents of sale covering the subject parcels of land and to recover possession thereof with damages from the herein defendants-spouses, alleging, among others, that the aforesaid realties were common properties of their parents, having been acquired during their lifetime and through their joint effort and capital; and that the sales of the said lands in favor of the defendants-spouses in 1953, after the death of their mother, Regina Morales, was executed by their father, Melbourne Maxey, without their knowledge and consent; and that they came to know of the above mentioned sales only in 1961.

On the other hand, defendants-spouses deny the material allegations of the complaint and assert by way of affirmative defenses that they are the true and lawful owners and possessors of the properties in question having purchased the same in good faith and for value from Melbourne Maxey during his lifetime in 1953, based upon the reasonable belief that the latter is the real and exclusive owner of the said parcels of land and that since then, they have been in possession thereof openly, exclusively and continuously in concept of owners. Defendants-spouses further counter-claimed for damages and attorney's fees and in the alternative, for the value of the improvements they have introduced in the premises.

Melbourne Maxey and Regina Morales started living together in 1903. Their children claim that their parents were united in 1903 in a marriage performed "in the military fashion". Both the trial court and the appellate court

rejected this claim of a "military fashion" marriage.

The couple had several children. John Carlos was born in 1903, followed by Lucille, Margaret, Florence, Fred, and George. Except for the youngest son, all the children were born before the disputed properties were acquired. The father, Melbourne Maxey, was a member of the 1899 American occupation forces who afterwards held high positions in the provincial government and in the Philippine public schools system.

As earlier mentioned in the cited statement of facts, the disputed properties were acquired in 1911 and 1912 before the 1919 church marriage. Regina Morales Maxey died in 1919 sometime after the church wedding. The husband remarried and in 1953, his second wife Julia Pamatluan Maxey, using a power of attorney, sold the properties to the respondent spouses, Mr. and Mrs. Beato C. Macayra.

The trial court applied Article 144 of the Civil Code which provides:

When a man and a woman live together as husband and wife, but they are not married, or their marriage is void from the beginning, the property acquired by either or both of them through their work or industry or their wages and salaries shall be governed by the rules on co-ownership.

The court stated that "when a man and a woman lived together as husband and wife, justice demands that the woman should be entitled to the share of the property. Certainly she cannot be considered mere adornment or only for man's comfort and passion". The dispositive portion of the decision reads:

Evidence, testimonial and documentary considered the Court hereby rendered judgment in favor of the plaintiffs and against defendant declaring that:

1. Declaring the above-mentioned sales as null and void;
2. Ordering defendant-spouses to return the said lands, and to pay for the value of the use of the same at the rate of P1,000.00 a year from 1953 until delivered, together with interests corresponding thereto at the legal rate;
3. Ordering defendant-spouses to pay to plaintiff actual damages in the sum of P500.00 and attorney fees in the sum of P3,000.00.

Defendants counterclaim is hereby ordered dismissed.

The Court of Appeals, however, found the parcels of land to be exclusive properties of the late Melbourne Maxey. It set aside the decision of the trial court, declared valid the deeds of sale, and ruled that the appellants are the absolute owners of the properties in question.

The appellate decision sustained the following arguments of the respondent spouses:

Plaintiffs' evidence is completely devoid of any showing that these properties in question were acquired through the joint efforts of Melbourne Maxey and Regina Morales. Indeed, if at all, plaintiffs' evidence tend to establish the fact that Melbourne Maxey by virtue of his positions as Deputy Governor of Zamboanga (p. 36, t.s.n. de la Victoria) School Supervisor in the East Coast of Davao (p. 36, t.s.n., id.) was more than in a position to purchase these properties by his own efforts, his own earnings and without the help of Regina Morales. On the other hand, we have the declaration of Juana A. Morales, a widow of 68 years of age when she testified, the sister-in-law of Regina Morales - Juana A. Morales confirmed the fact that Melbourne Maxey held the positions of teacher, provincial treasurer, deputy governor, district supervisor and lastly superintendent of schools, respectively (p. 203, t.s.n., de la Victoria). But more important is her declaration that her sister-in-law Regina Morales had no property of her own whence she could have derived any income nor was Regina gainfully employed. (pp. 203-204, t.s.n., id.) It must be remembered that the showing must be CLEAR that Regina Morales contributed to the acquisition

of these properties. Here the evidence is not only NOT CLEAR, indeed, there is no evidence at all that Regina Morales contributed to the acquisition of the properties in question. In the case of Aznar, et al. vs. Garcia, et al., supra, the Supreme Court had before it the common-law wife's own testimony - claiming that the properties in controversy were the product of their joint industry. Her ascertions however, were completely brushed aside be-cause aside from her claim that she took a hand in the management and/or acquisition of the same, "there appears no evidence to prove her alleged contribution or participation in the acquisition of the properties involved therein." (Id. p. 1069). In the case at bar, besides the absence of any evidence showing that Regina Morales contributed by her efforts to the acquisition of these proper-ties in controversy, both plaintiffs and defendants' evidence show that it was through Melbourne Maxey's efforts alone that these properties were acquired. Indeed, that Regina Morales had no means at all to have contributed in any manner to all its acquisition."

The petitioners raise the following issues in this petition:

1. THE COURT OF APPEALS ERRED IN DECLARING THAT THE LATE SPOUSES MELBOURNE MAXEY AND REGINA MORALES WERE MARRIED ONLY IN 1919, BECAUSE THE TRUTH IS THAT THEY MARRIED AS EARLY AS 1903.
2. THE COURT OF APPEALS, LIKEWISE, ERRED IN DECLARING THE PROPERTIES IN QUESTION AS THE EXCLUSIVE PROPERTIES OF THE LATE MELBOURNE MAXEY, TO THE EXCLUSION OF HIS WIFE REGINA MORALES, BECAUSE THE MENTIONED PROPERTIES WERE ACTUALLY ACQUIRED BY THE JOINT EFFORTS AND INDUSTRY OF BOTH OF THEM AND THEREFORE, THESE PROPERTIES ARE COMMON PROPERTIES.
3. THE COURT OF APPEALS FINALLY ERRED IN UNREASONABLY GIVING THE TERM "JOINT EFFORTS" NOT ONLY A VERY, VERY LIMITED MEAN BUT A CONCEPT WHICH IS ENTIRELY ABSURD AND UNREALISTIC BECAUSE IN CONSTRUCTING THE TERM, THE COURT OF APPEALS HAS REFUSED TO ACCEPT AN INTERPRETATION WHICH IS MOST CONSISTENT WITH COMMON PRACTICE AND CUSTOMS AS WELL AS IN ACCORD WITH THE BEST TRADITION OF THE FILIPINO WAY OF LIFE.

The Court of First Instance and the Court of Appeals correctly rejected the argument that Act No. 3613, the Revised Marriage Law, recognized "military fashion" marriages as legal. Maxey and Morales were legally married at a church wedding solemnized on February 16, 1919. Since Act No. 3613 was approved on December 4, 1929 and took effect six months thereafter, it could not have applied to a relationship commenced in 1903 and legitimized in 1919 through a marriage per-formed according to law. The marriage law in 1903 was General Order No. 70. There is no provision in General Order No. 68 as amended nor in Act No. 3613 which would recognize as an exception to the general rule on valid marriages, a so-called "military fashion" ceremony or arrangement.

The Court of First Instance and the Court of Appeals both ruled that Melbourne Maxey and Regina Morales were married only in 1919. This is a finding of fact which we do not disturb at this stage of the case. There is no showing that this factual finding is totally devoid of or unsupported by evidentiary basis or that it is inconsistent with the evidence of record.

The other issue raised in this petition questions the Court of Appeals' finding that the parcels of land in question were exclusive properties of the late Melbourne Maxey.

The petitioners argue that even assuming that the marriage of Melbourne Maxey and Regina Morales took place only in February 17, 1919, still the properties legally and rightfully belonged in equal share to the two because the acquisition of the said properties was through their joint efforts and industry. The second and third errors

mentioned by the petitioners are grounded on the alleged wrong interpretation given by the Court of Appeals to the phrase "joint efforts". The petitioners suggest that their mother's efforts in performing her role as mother to them and as wife to their father were more than sufficient contribution to constitute the parcels of land in question as common properties acquired through the joint efforts to their parents.

The Court of Appeals, however, was of the opinion that Article 144 of the Civil Code is not applicable to the properties in question citing the case of *Aznar et al. v. Garcia* (102 Phil. 1055) on non-retroactivity of codal provisions where vested rights may be prejudiced or impaired. And, assuming that Article 144 of the Civil Code is applicable, the Court of Appeals held that the disputed properties were exclusively those of the petitioner's father because these were not acquired through the joint efforts of their parents. This conclusion stems from the interpretation given by the Court of Appeals to the phrase "joint efforts" to mean "monetary contribution". According to the Court

"x x x This view with which this ponente personally wholeheartedly agrees for some time now has been advocated by sympathizers of equal rights for women, notably in the Commission on the Status of Women of the United Nations. In our very own country there is strong advocacy for the passage of a presidential decree providing that 'the labors of a spouse in managing the affairs of the household shall be credited with compensation.' Unfortunately, until the happy day when such a proposal shall have materialized into law, Courts are bound by existing statutes and jurisprudence, which rigidly interpret the phrase 'joint efforts' as monetary contributions of the man and woman living together without benefit of marriage, and to date, the drudgery of a woman's lifetime dedication to the management of the household goes unremunerated, and has no monetary value. Thus, in the case of *Aznar vs. Garcia* (supra) the Supreme Court held that the man and the woman have an equal interest in the properties acquired during the union and each would be entitled to participate therein if said properties were the product of their joint effort. In the same case it was stated that 'aside from the observation of the trial court that the appellee was an illiterate woman, there appears no evidence to prove appellee's contribution (in terms of pesos and centavos) or participation in the acquisition of the properties involved; therefore, following the aforesaid ruling of the Court, appellee's claim for one-half (1/2) of the properties cannot be granted'.

In so concluding, the respondent Court of Appeals accepted the private respondents' argument that it was unlikely for the petitioners' mother to have materially contributed in the acquisition of the questioned properties since she had no property of her own nor was she gainfully engaged in any business or profession from which she could derive income unlike their father who held the positions of teacher, deputy governor, district supervisor, and superintendent of schools.

We are constrained to adopt a contrary view. Considerations of justice dictate the retroactive application of Article 144 of the Civil Code to the case at bar. Commenting on Article 2252 of the Civil Code which provides that changes made and new provisions and rules laid down by the Code which may prejudice or impair vested or acquired rights in accordance with the old legislation shall have no retroactive effect, the Code Commission stated:

"Laws shall have no retroactive effect, unless the contrary is provided. The question of how far the new Civil Code should be made applicable to past acts and events is attended with the utmost difficulty. It is easy enough to understand the abstract principle that laws have no retroactive effect because vested or acquired rights should be respected. But what are vested or acquired rights? The Commission did not venture to formulate a definition of a vested or acquired right seeing that the problem is extremely complicated.

What constitutes a vested or acquired right will be determined by the courts as each particular issue is submitted to them, by applying the transitional provisions set forth, and in case of doubt, by observing Art. 9 governing the silence or obscurity of the law. In this manner, the Commission is confident that the judiciary with its

enlightenment and high sense of justice will be able to decide in what cases the old Civil Code would apply and in what cases the new one should be binding. This course has been preferred by the Commission, which did not presume to be able to foresee and adequately provide for each and every question that may arise." (Report of the Code Commission, pp. 165-166).

Similarly, with respect to Article 2253 which provides *inter alia* that if a right should be declared for the first time in the Code, it shall be effective at once, even though the act or event which gives rise thereto may have been done or may have occurred under the prior legislation, provided said new right does not prejudice or impair any vested or acquired right, of the same origin, the Code Commission commented:

"x x x But the second sentence gives a retroactive effect to newly created rights provided they do not prejudice or impair any vested or acquired right. The retroactive character of the new right is the result of the exercise of the sovereign power of legislation, when the lawmaking body is persuaded that the new right is called for by considerations of justice and public policy. But such new right must not encroach upon a vested right." (Report of the Code Commission, p. 167).

The requirement of non-impairment of vested rights is clear. It is the opinion of the Court of Appeals that vested rights were prejudiced. We do not think so.

Prior to the effectivity of the present Civil Code on August 30, 1950, the formation of an informal civil partnership between a man and wife not legally married and their corresponding right to an equal share in properties acquired through their joint efforts and industry during cohabitation was recognized through decisions of this Court. (*Aznar et al. v. Garcia* 102 Phil. 1055; *Flores v. Rehabilitation Finance Corporation* 94 Phil. 451; *Marata v. Dionio* L-24449, December 31, 1925; *Lesaca v. Lesaca* 91 Phil. 135.)

With the enactment of the new Civil Code, Article 144 codified the law established through judicial precedents but with the modification that the property governed by the rules on co-ownership may be acquired by either or both of them through their work or industry. Even if it is only the man who works, the property acquired during the man and wife relationship belongs through a fifty-fifty sharing to the two of them.

This new article in the Civil Code recognizes that it would be unjust and abnormal if a woman who is a wife in all aspects of the relationship except for the requirement of a valid marriage must abandon her home and children, neglect her traditional household duties, and go out to earn a living or engage in business before the rules on co-ownership would apply. This article is particularly relevant in this case where the "common-law" relationship was legitimated through a valid marriage 34 years before the properties were sold.

The provisions of the Civil Code are premised on the traditional and existing, the normal and customary gender roles of Filipino men and women. No matter how large the income of a working wife compared to that of her husband, the major, if not the full responsibility of running the household remains with the woman. She is the administrator of the household. The fact that the two involved in this case were not legally married at the time does not change the nature of their respective roles. It is the woman who traditionally holds the family purse even if she does not contribute to filling that purse with funds. As pointed out by Dean Irene R. Cortes of the University of the Philippines, "in the Filipino family, the wife holds the purse, husbands hand over their pay checks and get an allowance in return and the wife manages the affairs of the household. x x x And the famous statement attributed to Governor General Leonard Wood is repeated: In the Philippines, the best man is the woman." (Cortes, "Womens Rights Under the New Constitution". *WOMAN AND THE LAW*, U.P. Law Center, p. 10).

The "real contribution" to the acquisition of property mentioned in *Yapinchay v. Torres* (28 SCRA 489) must include not only the earnings of a woman from a profession, occupation, or business but also her contribution to

the family's material and spiritual goods through caring for the children, administering the household, husband-ing scarce resources, freeing her husband from household tasks, and otherwise performing the traditional duties of a housewife.

Should Article 144 of the Civil Code be applied in this case? Our answer is "Yes" because there is no showing that vested rights would be impaired or prejudiced through its application.

A vested right is defined by this Court as property which has become fixed and established, and is no longer open to doubt or controversy; an immediately fixed right of present or future enjoyment as distinguished from an expectant or contingent right (*Benguet Consolidated Mining Co. v. Pineda*, 98 Phil. 711; *Balbao v. Farrales*, 51 Phil. 498). This cannot be said of the "exclusive" right of Melbourne Maxey over the properties in question when the present Civil Code became effect-ive for standing against it was the concurrent right of Regina Morales or her heirs to a share thereof. The properties were sold in 1953 when the new Civil Code was already in full force and effect. Neither can this be said of the rights of the private respondents as vendees insofar as one half of the questioned properties are con-cerned as this was still open to controversy on account of the legitimate claim of Regina Morales to a share under the applicable law.

The disputed properties were owned in common by Melbourne Maxey and the estate of his late wife, Regina Morales, when they were sold. Technically speaking, the petitioners should return one-half of the P1,300.00 purchase price of the land while the private respondents should pay some form of rentals for their use of one-half of the properties. Equitable considerations, however, lead us to rule out rentals on one hand and return of P650.00 on the other.

WHEREFORE, the petition for review on certiorari is hereby granted. The judgment of the Court of Appeals is reversed and set aside insofar as one half of the disputed properties are concerned. The private respondents are ordered to return one-half of said properties to the heirs of Regina Morales. No costs. SO ORDERED.

Teehankee, (Chairman), Escolin, Relova, and De la Fuente, JJ., concur.

Plana, J., reserves his vote.

Melencio-Herrera, J., no part.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.