IN THE SUPREME COURT OF GUAM

EDWARD CAMACHO and PETER MANIBUSAN,
in their capacities as Co-Administrators of the
Estate of Catalina Eclavea Camacho,
Plaintiff-Appellees,

v.

WILLIAM M. PEREZ,
Defendant-Appellant.

Supreme Court Case No.: CVA15-021
Superior Court Case No.: CV0612-13

OPINION

Cite as: 2017 Guam 16

Appeal from the Superior Court of Guam
Argued and submitted on May 16, 2016
Hagåtña, Guam

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BEFORE: ROBERT J. TORRES, Chief Justice; F. PHILIP CARBULLIDO, Associate Justice; KATHERINE A. MARAMAN, Associate Justice.[1]

TORRES, C.J.:

[1] Defendant-Appellant William M. Perez (hereinafter, "William") appeals from the judgment of the trial court ordering that the Estate of Catalina Eclavea Camacho (hereinafter, "Catalina's Estate") is the fee simple owner of that portion of Lot 5280 in Barrigada, Guam that was conveyed by means of a quitclaim deed from the Guam Ancestral Lands Commission (GALC) to Catalina's Estate. The property was further identified as Lot Nos. 5280-1 and 5280-3 on the Lot Parceling Survey Map of Lot 5280 recorded at the Guam Department of Land Management, Office of the Recorder, as Instrument No. 85589. The judgment also quieted all other claims to title in the property and enjoined William or any others from claiming any interest therein.

[2] For the reasons set forth below, we affirm the judgment of the trial court.

I. FACTUAL AND PROCEDURAL BACKGROUND

[3] Jose Muna Camacho owned real property on Guam known as Lot 5280 in Barrigada, Guam. In 1950, the Naval Government of Guam filed a Declaration of Taking in the District Court of Guam in Civil Case No. 34-50, pursuant to which the Naval Government took portions, but not all, of Lot 5280. The portion of Lot 5280 that was not taken by the Naval Government was thereafter awarded to Catalina Eclavea Camacho ("Catalina"), the widow of Jose Muna Camacho, through the probate of his estate. More than ten years later, Catalina quitclaimed her interest in "Lot 5280, Barrigada, Guam" to her son, Galo Eclavea Camacho ("Galo"). Record on Appeal ("RA"), tab 1 at 3 (Compl., May 21, 2013); RA, tab 16, Ex. A (Aff. Bertha Evangelista,

[1] The signatures in this opinion reflect the titles of the Justices at the time this matter was considered and determined.

Aug. 12, 2013). Shortly thereafter, for consideration of $1,500.00, Galo executed a quitclaim deed to "release, convey and forever quitclaim" to William and to his heirs and assigns Lot No. 5280, recorded under document No. 80825. RA, tab 1, Ex. C (Quitclaim Deed). The quitclaim deed stated the conveyance was "[t]ogether with all the tenements, hereditaments and appurtenances thereunto belonging, or appertaining and the reversions, remainder and remainder rents, issues and profits thereof." *Id.* The portion of Lot 5280 that Galo undisputedly had possession of at the time he quitclaimed it to William was approximately 3,000 square meters (hereinafter, "the Undisputed Land" or "the Orange Area"[2]). RA, tab 17, Ex. A (Aff. Benedict L. Atoigue, Aug. 5, 2013).

[4] Around 1990, the United States began returning previously condemned land to the government of Guam. As part of this return, the United States conveyed property, including part of the formerly condemned portion of Lot 5280, to the Guam Community College (GCC). The United States continues to own a portion of the original Lot 5280 (hereinafter, "the United States Land" or "the Blue Area"). In 2012, GCC deeded the portion of Lot 5280 that it owned to the GALC (hereinafter, "the Disputed Land" or "the Green Area").[3] The following month, the GALC quitclaimed the Disputed Land of Lot 5280 back to Catalina's Estate.

[5] Galo, in his capacity as then-administrator of Catalina's Estate,[4] filed a complaint to quiet title to the Disputed Land portion of Lot 5280—also identified as Lots 5280-1 and 5280-3. The complaint named William as a defendant. William filed a motion to dismiss for failure to state a

[2] References to colored areas of Lot 5280—i.e., the "Orange Area," the "Green Area," and the "Blue Area"—refer to the Lot Parceling Map attached to the end of this Opinion and marked as "Appendix A."

[3] The GALC was established to administer ancestral land claims for lands declared excess by the United States Government. *See* 21 GCA § 80101 *et seq.*

[4] Galo passed away in 2014. The current Plaintiff-Appellees, Edward Camacho and Peter Manibusan, were appointed as successor Co-Administrators of Catalina's Estate.

claim upon which relief can be granted, or in the alternative, for summary judgment. In response, Galo filed a cross-motion for summary judgment.

[6] The trial court issued a Decision and Order in which it granted Galo's cross-motion for summary judgment in favor of Catalina's Estate and denied William's motion. William thereafter filed a motion for reconsideration, which the trial court denied. Judgment was entered, and this appeal timely followed.

II. JURISDICTION

[7] This court has jurisdiction over an appeal from a final order of the Superior Court pursuant to 48 U.S.C.A. § 1424-1(a)(2) (Westlaw current through Pub. L. 115-82 (2017)), and 7 GCA §§ 3107 and 3108(a) (2005).

III. STANDARD OF REVIEW

[8] We review a trial court's grant of a motion for summary judgment *de novo*. *Gov't of Guam v. Gutierrez*, 2015 Guam 8 ¶ 11 (citing *Taitano v. Lujan*, 2005 Guam 26 ¶ 11). In rendering a decision on a summary judgment motion, "the court must draw the evidence in a light most favorable to the non-moving party." *Taitano*, 2005 Guam 26 ¶ 11 (citations omitted). Legal conclusions of the trial court are reviewed *de novo*. *Hemlani v. Hemlani*, 2015 Guam 16 ¶ 9 (citations omitted).

[9] We review the trial court's denial of a motion for reconsideration for an abuse of discretion. *DFS Guam L.P. v. A.B. Won Pat Int'l Airport Auth.*, 2014 Guam 12 ¶ 10 (citing *Ward v. Reyes*, 1998 Guam 1 ¶ 10).

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IV. ANALYSIS

A. Trial Court Properly Granted Summary Judgment in Favor of Catalina's Estate

[10] William sets forth a number of legal arguments on appeal in an attempt to establish that the trial court erred in granting summary judgment in favor of Catalina's Estate. First, William asserts that there are material questions of fact precluding summary judgment, and if there are no material questions of fact, the quitclaim deed at issue supports a grant of summary judgment in favor of William—not Catalina's Estate. Second, William posits that even if the parties intended to convey only the Undisputed Land of Lot 5280, the quitclaim deed was broad enough to estop Catalina's Estate from claiming ownership to the condemned land on the original Lot 5280 under the after-acquired title doctrine. Third, William argues that he registered his ownership of Lot 5280 in 1967, and under Guam's race-notice statute, this precludes future claims of ownership to the condemned land by Galo.

[11] We discuss each of these issues in turn and find that (i) no questions of material fact exist to preclude a grant of summary judgment; (ii) at the time of transfer between Galo and William, the parties intended to transfer only the Undisputed Land of Lot 5280; (iii) the quitclaim deed at issue did not transfer after-acquired title to the condemned portion of Lot 5280; and (iv) Guam's race-notice statute is not implicated by William's recordation of title. Summary judgment in favor of Catalina's Estate was therefore appropriately granted.

1. Standard for Summary Judgment

[12] Rule 56(c) of the Guam Rules of Civil Procedure (GRCP) provides that a court shall grant summary judgment "if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." Guam

R. Civ. P. 56(c); *see also Ukau v. Wang*, 2016 Guam 26 ¶ 73. A genuine issue of material fact exists when there is sufficient evidence to establish a factual dispute that must be resolved by a fact-finder. *See Iizuka Corp. v. Kawasho Int'l (Guam) Inc.*, 1997 Guam 10 ¶ 7 (citation omitted). Whether a fact is material is determined by the governing substantive law; if the fact may affect the outcome, it is material. *See Edwards v. Pac. Fin. Corp.*, 2000 Guam 27 ¶ 7 (citation omitted).

[13] In addressing a motion for summary judgment, "a court must view the evidence and draw inferences in a light most favorable to the non-movant." *Gutierrez*, 2015 Guam 8 ¶ 26 (citation omitted). "If the movant can demonstrate that there are no genuine issues of material fact, the non-movant cannot merely rely on allegations contained in the complaint." *Edwards*, 2000 Guam 27 ¶ 7 (citation omitted). The movant may "satisf[y] and discharge[] its burden by establishing the absence of evidence to support the non-moving party's case." *Kim v. Hong*, 1997 Guam 11 ¶ 6 (citing *Celotex v. Catrett*, 477 U.S. 317, 325 (1986)). If the movant discharges its burden in this regard, the non-movant "must produce at least some significant probative evidence tending to support the complaint." *Edwards*, 2000 Guam 27 ¶ 7 (citing *Iizuka Corp.*, 1997 Guam 10 ¶ 7). If the non-movant "fails to make a showing sufficient to establish the existence of an essential element to that party's case on which that party will bear the burden of proof at trial," then the movant is entitled to a judgment as a matter of law. *Alvarez v. Atalig*, Civ. No. 89-00010A, 1990 WL 320760, at *2 (D. Guam App. Div. Jan. 26, 1990) (citation omitted).

[14] If the non-movant fails to meet this burden, his failure is dispositive, as "there can be no genuine issue as to any material fact, since a complete failure of proof concerning an essential element renders all other facts immaterial." *Kim*, 1997 Guam 11 ¶ 8 (citations and internal

quotation marks omitted). Thus, the "court's ultimate inquiry is to determine whether the 'specific fact' set forth by the nonmoving party, coupled with the undisputed background or contextual facts, are such that a rational and reasonable jury might return a verdict in its favor based on that evidence." *Iizuka Corp.*, 1997 Guam 10 ¶ 8 (citation omitted). "Fundamental to the consideration of a motion for summary judgment is consideration of the evidence." *Ukau*, 2016 Guam 26 ¶ 74.

[15] The evidence presented to the trial court in its consideration of the motion and cross-motion for summary judgment, is summarized below.

***Submitted by Catalina's Estate*:**

(1) The June 19, 1967 quitclaim deed from Catalina to Galo. *See* RA, tab 1, Ex. C (Compl.).

(2) The June 28, 1967 quitclaim deed from Galo to William. *See* RA, tab 1, Ex. D (Compl.).

(3) The June 27, 2012 quitclaim deed from the GALC to the estate of Catalina Eclavea Camacho, conveying "Lot 5280 Barrigada as referenced and taken in Civil Case No. 34-50 . . . ." RA, tab 1, Ex. E at 3 (Compl.).

(4) Affidavit of Bertha Evangelista, General Manager of Title Guaranty of Guam, attaching the Abstract of Title for Lot 5280. *See* RA, tab 16, Ex. A (Aff. Bertha Evangelista).

(5) Declaration of Benedict L. Atoigue, Administrator of the Real Estate Tax Division of the Guam Department of Revenue and Taxation, attaching a Certification of Real Property Tax Assessment and Value for Lot 5280, showing the Undisputed Land was assessed in William's name with an assessed value of $48,000.00 and all taxes from 1983 to 2012 were paid in full. RA, tab 17, Ex. A (Decl. Benedict L. Atoigue).

(6) Affidavit of Thomas A. Elliot, Certified General Real Estate Appraiser, who prepared an appraisal report of the retrospective value of Lot 5280 as of December 31, 1967, valuing the Undisputed Land between $3,000.00 and $3,300.00. RA, tab 15, Exs. B-C (Aff. Thomas A. Elliot, Aug. 8, 2013).

(7) Affidavit of Galo E. Camacho, stating in part that: (a) his mother, Catalina, had told him that although the federal government had taken all the property to the north, and some of the property to the south, of what is now known as Route 15, she still owned

a small piece of property at the southern end that was not taken by the federal government; (b) that it was his belief that the property his mother still owned was the Undisputed Land, which was depicted on the sketch attached to his affidavit as the "Green Area"; (c) that his mother quitclaimed to him her interest in Lot 5280; (d) that he understood that she was conveying only the "Green Area" to him because that was all she owned at that time; (e) that when Galo executed a quitclaim deed to William for $1,500.00 for Lot 5280, it was Galo's understanding that he was conveying to William only the "Green Area" (i.e., the Undisputed Land), because that was all he owned; and (f) that at the hearing before the GALC regarding the return of Lot 5280, he was asked about his deed to William, to which he responded that he had deeded only the Undisputed Land that was given to him by his mother—not the whole property. RA, tab 18 ¶¶ 9-14 (Aff. Galo Camacho, Aug. 6, 2013).

(8) Affidavit of Francisco L.G. Castro, a licensed surveyor retained by Galo to locate the boundaries of the property quitclaimed by GALC to Catalina's Estate. The affidavit stated that based on Castro's research, the United States had not condemned the entirety of Lot 5280 in the 1950s. RA, tab 19, Ex. A (Aff. Francisco L.G. Castro, Aug. 12, 2013). Furthermore, the sketches he prepared showed: (i) a "Blue Area" representing the portion of Lot 5280 that was condemned by the United States and which the United States maintains possession of to this day; (ii) an "Orange Area" representing the portion of Lot 5280 that was condemned by the United States and quitclaimed by the GALC to Catalina's Estate; and (iii) a "Green Area" representing the portion of Lot 5280 that was not condemned by the United States. *Id.* Castro's affidavit also shows that William previously granted a public easement over the property that he owns that included a map showing Lot 5280 consisting of only the Undisputed Land. *Id.*, Exs. A-E.

***Submitted by William*:**

(1) Declaration of David J. Lujan, attaching: (1) a Notice of Filing of Petition for Registration of Title to Land by the Government of Guam regarding Lot 5412 Barrigada; and (2) William's Appearance and Answer to the petition, wherein William states that "he is the owner of that portion of Lot No. 5280 . . . adjoining the land involved in this action on the north." RA, tab 8, Exs. 1-2 (Decl. David Lujan, July 15, 2013).

(2) Declaration of William stating that he is the record owner of Lot 5280, that no claim against his title was initiated by Catalina's Estate at or around the time her estate was probated in 1980, and that the GALC never notified him of its intention to transfer that portion of Lot 5280 taken in Civil Case. No. 34-50 to Catalina's Estate. RA, tab 7 (Decl. William Perez, July 15, 2013).

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2. There Are No Material Questions of Fact at Issue and Judgment As a Matter of Law Was Appropriately Granted

[16] Upon reviewing the evidence submitted in support of the respective motions for summary judgment, the trial court found that the parties did not dispute (i) that Catalina owned a piece of property known as Lot 5280; (ii) the property was condemned by the United States; (iii) Catalina conveyed her interest in Lot 5280 to Galo; (iv) Galo conveyed his interest in Lot 5280 to William; and (v) the United States returned the condemned land, which ultimately was returned to Catalina's Estate. *See* RA, tab 33 at 7-9 (Dec. & Order, Apr. 25, 2014). The trial court framed the issue as to whether Galo's conveyance to William of a present interest in the Undisputed Land of Lot 5280 also entitles William to the rest of Lot 5280 that was returned by the United States. *See id.*

[17] William's fundamental assertion is that Galo conveyed, by quitclaim deed, the entirety of Lot 5280 in 1967, and therefore William is the rightful owner of the returned portions of land. William relies on our previous holding in *Taitano v. Lujan*, 2005 Guam 26, to support his position. In its order granting Galo's cross-motion for summary judgment, the trial court distinguished *Taitano* from the present case on a factual basis. We agree with the trial court's reasoning.

[18] In *Taitano*, we held that "a fee simple title is presumed to be intended to pass by a grant of real property, unless it appears from the grant that a lesser estate was intended" and that "[a]s long as the word 'grant' is used in the instrument of conveyance, then fee simple title is presumed." *Taitano*, 2005 Guam 26 ¶ 50 (quoting 21 GCA § 4202 (2005)); *see also* 21 GCA § 4210 (2005) (establishing implied covenants from the use of the word "grant" in any conveyance by which an estate fee simple is to be passed). The operative language in the deed of gift in *Taitano* contained the word "grant," and we accordingly held that the landowners could transfer

their ownership interest by way of the deed of gift even though they possessed an executory interest—and not a present interest—in the property at the time of the conveyance. *See Taitano*, 2005 Guam 26 ¶¶ 51, 56. At the time of the deed of gift in *Taitano*, the grantor did not actually own title to the property at issue. *See id.* ¶ 56.

[19] Here, in contrast, Galo actually owned the land that he conveyed to William via quitclaim deed, and the quitclaim deed did not include the word "grant." Also, the summary judgment evidence illustrates that William knew that Galo conveyed to him only portions of property that Galo owned, even when that evidence is viewed in the light most favorable to William. "A quitclaim deed by its very nature only conveys what the grantor has." *See id.* ¶ 48.

[20] Additional undisputed facts also offer significant support for Galo's position.[5] First, from 1983 to 2012, William paid property taxes only on the Undisputed Land of Lot 5280. *See* RA, tab 17, Ex. A (Decl. Benedict Atoigue). Second, William paid $1,500.00 at the time of transfer, which was on the lower end of the valuation, even for the Undisputed Land of Lot 5280. *See* RA, tab 15, Ex. C (Aff. Thomas A. Elliot). Third, William executed a Grant of Public Access and Utility easement that includes a map showing Lot 5280 consisting of only 3,000 square meters, the approximate size of the portion of Lot 5280 that had not been previously taken by the U.S. Government. *See* RA, tab 19, Exs. A-E (Aff. Francisco L.G. Castro). Galo's submitted affidavit further shows that it was his understanding that at the time Catalina conveyed the property to him, she was conveying only that portion of Lot 5280 consisting of the Undisputed Land, because that was all she owned at that time. RA, tab 18 ¶¶ 9-14 (Aff. Galo Camacho). More importantly, the affidavit states it was Galo's understanding that he was conveying only

[5] The language used in the documents transferring title is ambiguous, *see infra* n.6, and reference to parol evidence is therefore appropriate in order to determine the parties' intent.

the Undisputed Land to William because that was all he owned and all that his mother conveyed to him. *See id.* ¶ 11. This evidence of Galo's intent was undisputed.

[21] William, on the other hand, simply proffers evidence that highlight his belief that he owns Lot 5280 in its entirety and that he lacked notice from GALC of its transfer to Catalina's Estate. William submitted a declaration in support of his claim, which stated that Catalina's Estate did not initiate a claim against William at or around the time the estate was probated in 1980. This, however, proves nothing. Ownership of the land at that time was not in dispute; it unquestionably belonged to the United States at the time of probate. Consequently, the evidence establishes that there are no genuine issues of material fact, and summary judgment in favor of Catalina's Estate was appropriate.

3. The Subsequently-Acquired Title Doctrine Does Not Prevent a Grant of Summary Judgment in Favor of Catalina's Estate

[22] William next contends on appeal that the trial court erred in concluding that the subsequently-acquired title doctrine does not apply to the facts of this case. *See* Appellant's Br. at 14 (Dec. 9, 2015); *see also* 21 GCA § 4203 (2005). In essence, William asserts the quitclaim deed he had received from Galo for Lot 5280 effectively passed any and all interest in Lot 5280 to him, thus estopping Catalina's Estate from asserting an interest in the returned portion of Lot 5280 in the future. *See* Appellant's Br. at 14-18. We reject William's argument that the subsequently-acquired title doctrine applies to this case.

[23] Guam's subsequently-acquired title doctrine is codified at 21 GCA § 4203, which states, "[w]here a person purports by proper instrument to grant real property in fee simple, and subsequently acquires any title, or claim of title thereto, the same passes by operation of law to the grantee, or his successors." 21 GCA § 4203. This statute is derived from former Guam Civil Code section 1106, which was adopted from California Civil Code section 1106, a statute with

identical language. *See id.*, Source; Guam Civ. Code § 1106 (1953) (Foreword); *see also Taitano*, 2005 Guam 26 ¶ 43. This doctrine operates on an estoppel theory. *Taitano*, 2005 Guam 26 ¶ 45. Under the doctrine, a party is estopped from "validly conveying his interest, whether it is an executory, contingent, or a vested future interest, and then claiming that the prior conveyance meant nothing." *Id.* (internal footnote omitted). "The doctrine of subsequently-acquired title thus puts grantors on notice a conveyance will be honored by the law even if the grantor changes his mind after he actually receives the title he expected." *Id.* ¶ 46.

[24] Galo does not argue that his conveyance to William meant nothing; nor is Galo asking for a return of the Undisputed Land that was conveyed to William. *See* RA, tab 33 at 11 (Dec. & Order). Instead, Galo "argu[es] that effect should be given to what both parties bargained for, which was a conveyance of only the [Undisputed Land]—as evidenced by the price paid for the land, the subsequent payment of taxes relative to such property, and the easement granted by William . . . ." *Id.*

[25] The conveying instrument used by Galo and William to transfer the Undisputed Land was a quitclaim deed. In *Taitano*, we recognized that a quitclaim deed by its very nature conveys only what a grantor has, and a quitclaim deed would not suffice to pass not-yet acquired title. 2005 Guam 26 ¶ 48. "It is well recognized that a quitclaim deed is a distinct form of conveyance and operates like any other deed inasmuch as it passes whatever title or interest the grantor has in the property." *Sablan v. Sablan*, 2017 Guam 3 ¶ 37 (citations omitted). However, where "[i]t appears that the intention of the parties was to convey the fee simple or any definite estate in the land, effect will be given to such intention, and the deed will operate by way of estoppel . . . ." *Taitano*, 2005 Guam 26 ¶ 49 (citation omitted).

[26] To support his contention that the quitclaim deed given by Galo transferred after-acquired property, William focuses on the language of the quitclaim deed. William compares this deed with the deeds in *Henningsen v. Stromberg*, 221 P.2d 438, 443 (Mont. 1950), and *Wise v. Watt*, 239 F. 207, 221-22 (9th Cir. 1917), *cert. denied*, 244 U.S. 661 (1917). The Montana court and the Ninth Circuit in these respective cases relied on the presence of a habendum clause to support their holding that the deeds were sufficient to pass an after-acquired interest because the language in the habendum clauses evidenced the grantors' intent to pass an after-acquired interest. *See id.* William argues that the presence of a habendum clause in his quitclaim deed from Galo similarly evidenced an intention to pass after-acquired title so as to make the deed operate by way of estoppel.[6] *See* Appellant's Br. at 15-18.

[27] In *Henningsen*, the Montana Supreme Court found the language in the habendum clause of the quitclaim deed at issue effectively conveyed the real property at issue because the language conveyed the grantor's intent to do so. *See* 221 P.2d at 443. The Montana court stated

[6] The quitclaim deed executed by Galo contained the following language:

> THIS INDENTURE, made this 28th day of June, 1967, by and between [Galo], of age, resident of Barrigada, hereinafter referred to as the Grantor and [William], U.S. Citizen and resident of Agat, hereinafter referred to as the Grantee,
>
> WITNESSETH, that the Grantor for and in consideration of the sum of FIFTEEN HUNDRED AND NO/100 DOLLARS paid by the Grantee, the receipt of which is hereby acknowledged, does hereby release, convey and forever quitclaim unto the Grantee and to his heirs and assigns, all that piece or parcel of land situated in the Municipality of Barrigada, more particularly described as follows:
>
> Lot No. 5280, Barrigada, Guam
> Recorded Under Document No. 80825
>
> Together with all the tenements, hereditaments and appurtenances thereunto belonging, or appertaining and the reversions, remainder and remainder rents, issues and profits thereof.
>
> To have and to hold the premises, with the appurtenances, unto the Grantee, and his heirs and assigns forever.
>
> IN WITNESS WHEREOF, the Grantor set his hand the day and year first above written.

RA, tab 1, Ex. D (Compl.).

that "if it appears that the intention was to convey the land itself, then it is not a quitclaim deed, although it may possess characteristics peculiar to such deeds." *Id.*

[28] In *Wise*, the Ninth Circuit reached a similar conclusion. *See* 239 F. at 220. The court stated "that an ordinary deed of release and quitclaim is a conveyance only of the grantor's right, title, and interest in the land described in the deed, and is not a conveyance, quitclaim, or release of the land itself." *Id.* However, the court further found that

> if the deed bears on its face evidence that the grantors intended to convey, and the grantee expected to become invested with, an estate of a particular description or quality, and that the bargain had proceeded upon that footing between the parties, then, although it may not contain any covenants of title in the technical sense of the term, still the legal operation and effect of the instrument will be as binding upon the grantor and those claiming under him, in respect to the estate thus described, as if a formal covenant to that effect had been inserted; at least, so far as to estop them from ever afterwards denying that he was seised of the particular estate at the time of the conveyance.

Id. at 221 (citation omitted).

[29] William argues that the language in the quitclaim deeds from Catalina to Galo and Galo to William is "strikingly similar" to the language in the deeds in *Henningsen* and *Wise*. Appellant's Br. at 18. To that extent, we agree. We also agree with the Ninth Circuit and Montana in its application of the principle announced by the United States Supreme Court in *Van Rensselaer v. Kearney*, 52 U.S. 297, 325 (1850), that even if an instrument does not contain any express covenants of title, if the deed bears evidence of the grantor's intent to convey and a grantee had the expectation to obtain title to the estate, the legal operation and effect of the instrument will be binding on the grantor and estops them from asserting after-acquired title. *Wise*, 239 F. at 220-21; *Henningsen*, 221 P.2d at 443-44; *see also Van Rensselaer*, 52 U.S. at 325.

[30] Unlike the Montana Supreme Court and the Ninth Circuit, however, we cannot give the same deference to the presence of a common-form habendum clause in a quitclaim deed so as to view it as persuasive evidence of a grantor's intent to pass the entire estate to a grantee. Instead, we find more persuasive the approach taken by other jurisdictions that reject such deference. An illustrative example is the State of Washington's approach in *Brenner v. J.J. Brenner Oyster Co.*, 292 P.2d 1052, 1053-54 (Wash. 1956). There, the Washington court found that the distinction between the effect of quitclaim deeds that have a habendum clause and those that do not was "not sound," and that the "addition of an habendum clause does not change the effect of a quitclaim deed in any way." *Id.* at 1053. *Brenner* further clarified that every quitclaim deed conveys to the grantee only whatever present interest the grantor has. *Id.* Therefore, in Washington, a habendum clause in a quitclaim deed "does not convey after-acquired title because it does not (1) express an intention so to do, or (2) convert it into a warranty deed." *Id.* at 1054.

[31] Other states have held similarly with respect to the import of a common-form quitclaim deed. For example, in *Morrison v. Wilson*, the California Supreme Court held an express quitclaim deed does not transfer after-acquired title. *See* 30 Cal. 344, 348 (1866). Similarly, in *Holmes v. Countiss*, the Arkansas Supreme Court held that if a conveying party intended to merely quitclaim an interest and that is the entire import of the instrument, then the instrument will not estop a party from claiming after-acquired title. *See* 115 S.W.2d 553, 556 (Ark. 1938). Likewise, the Missouri Supreme Court has held that "[t]o remise, release, and quitclaim designated land is generally understood to mean that the grantor releases any interest he may have in the land at the time, but that is all." *Williams v. Reid*, 37 S.W.2d 537, 541 (Mo. 1931).

[32] Like these courts, we too find that a distinction between the effect of a quitclaim deed with a habendum clause and one without one is not sound. Accordingly, we find that the presence of a common-form habendum clause in a quitclaim deed containing the express language "release, remise and forever quitclaim" does not change the effect of a quitclaim deed, nor does its mere presence evidence an intention that the quitclaim deed conveys more than what a grantor has. *See Brenner*, 292 P.2d at 1054; *see also Williams*, 37 S.W.2d at 541. Moreover, we do not believe that Galo intended to quitclaim more than the Undisputed Land, which he believed was all he owned, to William. Rather, we find Galo's instrument to be a quitclaim deed based upon its common form,[7] its explicit "quitclaim" language, and its "Quitclaim" label located above the form. RA, tab 1, Ex. D (Compl.). The presence of a habendum clause does not overcome the primary import of a quitclaim deed, that is, a conveyance only of a grantor's right, title, and interest in the land at the time of the conveyance. *See Morrison*, 30 Cal. at 348; *Holmes*, 115 S.W.2d at 556.

[33] While we recognize that a habendum clause may actually convey after-acquired title where the intent to do so is clear from the language at issue, the mere presence of a habendum clause in a quitclaim deed is insufficient on its own to estop a party from asserting title in the future. The after-acquired title doctrine is applicable if, and only if, the quitclaim instrument contains explicit language that the grantor is conveying a future interest to the grantee. In that circumstance, a quitclaim deed operates outside its bounds of conveying more than a grantor's

[7] Both quitclaim deeds from Catalina to Galo and from Galo to William contain identical language, except for the material terms, thus evidencing that the habendum clause in each of them was common-form and boiler-plate, rather than evidence of an added intent to convey more than right, title, and interest. *See, e.g.*, *Holmes*, 115 S.W.2d at 556 ("The quitclaim deed form in common use in this state was used. It is generally understood that deeds executed by using these forms are mere quitclaims.")

present interest in property; it also transfers a future interest, as evidenced by the intent drawn from the explicit language contained within the deed and/or within the habendum clause itself.

[34] In *Taitano*, we held that a fee simple title is presumed as long as the word "grant" is used in the instrument of conveyance. *Taitano*, 2005 Guam 26 ¶ 50; *see also* 21 GCA § 4202. Here, the instrument of conveyance in dispute, specifically the quitclaim deed from Galo to William, does not contain the word "grant," but rather "release, remise and forever quitclaim." The instrument itself is titled as "QUITCLAIM DEED," and as we have established before, a quitclaim deed "by its very nature conveys only what the grantor has" and "would not suffice to pass . . . not-yet-acquired title." *Taitano*, 2005 Guam 26 ¶ 48 (citations omitted). The language contained in the quitclaim deed between Galo and William, and absence of the word "grant," furthers Catalina's Estate's position that the trial court was correct in ruling that the subsequently-acquired title doctrine does not apply to the facts of this case.

[35] The doctrine of estoppel is "not an inflexible rule," nor a "sword for destruction"; it is an equitable doctrine and "a shield of the innocent." *Sharples Corp. v. Sinclair Wyo. Oil Co.*, 168 P.2d 565, 569-70 (Wyo. 1946) (citation and internal quotation marks omitted). Even if the deed in question here is more than just a quitclaim deed, like the Wyoming court in *Sharples Corp.*, we are unable to find a sound and just reason, so far as we can see, to estop Catalina's Estate from asserting after-acquired title to the portion of Lot 5280 returned by the United States. Based on the evidence presented to the trial court, whatever Galo and William undertook to do in 1967, it was a reciprocal understanding that Galo was conveying only the Undisputed Land of Lot 5280 to William because that is all the parties believed Galo to own. Accordingly, Catalina's Estate is not estopped from asserting title to the returned portion of Lot 5280 because

the quitclaim deed from Galo to William did not convey more than Galo's present interest at the time of the conveyance.

4. Guam's Race-Notice Statute Is Not Implicated by This Case

[36] Guam's race-notice statute, 21 GCA § 37102, provides:

> Every conveyance of real property, other than a lease for a term not exceeding one (1) year, is void as against any subsequent purchaser or mortgagee of the same property, or any part thereof, in good faith and for a valuable consideration, whose conveyance is first duly recorded, and as against any judgment affecting the title, unless such conveyance shall have been duly recorded prior to the record of notice of action.

21 GCA § 37102 (2005).

[37] William argues on appeal that under 21 GCA § 37102, he qualifies as a purchaser for value and good faith, and that he recorded his interest in Lot 5280 in 1967, before Galo received his interest from GALC. Catalina's Estate argues in opposition that the statute is irrelevant to this situation. We agree with Catalina's Estate in this regard. As the trial court correctly found, Guam's race-notice statute does not solve the question of the ownership of the formerly condemned portion of Lot 5280. At most, the race-notice statute protects William's interest in the property purchased from Galo. Accordingly, the statute's protections do not extend to the lands returned to Catalina's Estate by the GALC and are not relevant to the issue at bar.

[38] Based on the weight of the evidence presented by William and Catalina's Estate and this court's discussion of the applicability of certain common-law and statutory principles in this jurisdiction, we affirm the trial court's decision to grant Catalina's Estate's cross-motion for summary judgment.[8]

[8] On appeal, William also argues that the trial court erroneously held that, even if William was correct in his insistence that all of Lot 5280 was encompassed by the deed Galo delivered to him, William would still not prevail because the rule against perpetuities would invalidate his interests. Appellant's Br. at 18-19; *see also* RA,

B. The Trial Court Properly Denied William's Motion for Reconsideration

[39] GRCP 59(e) provides for motions to "alter or amend a judgment." Guam R. Civ. P. 59(e); *see also DFS Guam L.P. v. A.B. Won Pat Int'l Airport Auth.*, 2014 Guam 12 ¶ 21 (citing Guam R. Civ. P. 59(e)). This court has adopted three prongs that each justify reconsideration, which include situations "where the trial court: (1) is presented with new evidence; (2) committed clear error or the decision was manifestly unjust[;] or (3) if there is an intervening change in controlling law." *DFS Guam*, 2014 Guam 12 ¶ 21 (citation and internal quotation marks omitted). We have stressed that GRCP 59(e) is an "extraordinary remedy, to be used sparingly." *Id.* (quoting *Guam Bar Ethics Comm. v. Maquera*, 2001 Guam 20 ¶ 9).

[40] William moved for reconsideration on the basis that the trial court committed clear error and a manifest injustice. "Clear error is found where the appellate court determines that a trial court could not rationally have decided as it did." *DFS Guam*, 2014 Guam 12 ¶ 22 (citation omitted). He asserts that the trial court committed clear error in rendering its decision, "especially considering the binding precedent in *Taitano*." *See* Appellant's Br. at 20. For the reasons set forth at length above, we disagree. The trial court did not commit clear error, and its decision to deny the motion for reconsideration was not manifestly unjust. Therefore, the trial court's refusal to reconsider was not an abuse of discretion.

V. CONCLUSION

[41] Viewing the evidence in the light most favorable to William, we agree with the trial court that the evidence and affidavits show that there is no genuine issue as to any material fact and that Galo is entitled to a judgment as a matter of law. The subsequently-acquired title doctrine

tab 33 at 13-14 (Dec. & Order). As a result of our holding affirming the trial court's decision to grant Galo's cross-motion for summary judgment, we need not address the trial court's application of the rule.

does not estop Catalina's Estate from asserting title to the Disputed Land of Lot 5280 because the inclusions of common language in the habendum clause in Galo's quitclaim deed to William is not evidence, in and of itself, of Galo's intent to convey the after-acquired interest in the property that was condemned by the United States. The protections of Guam's race-notice statute also do not extend to the lands returned to Catalina's Estate by the GALC. Finally, the trial court did not abuse its discretion when it denied William's motion for reconsideration.

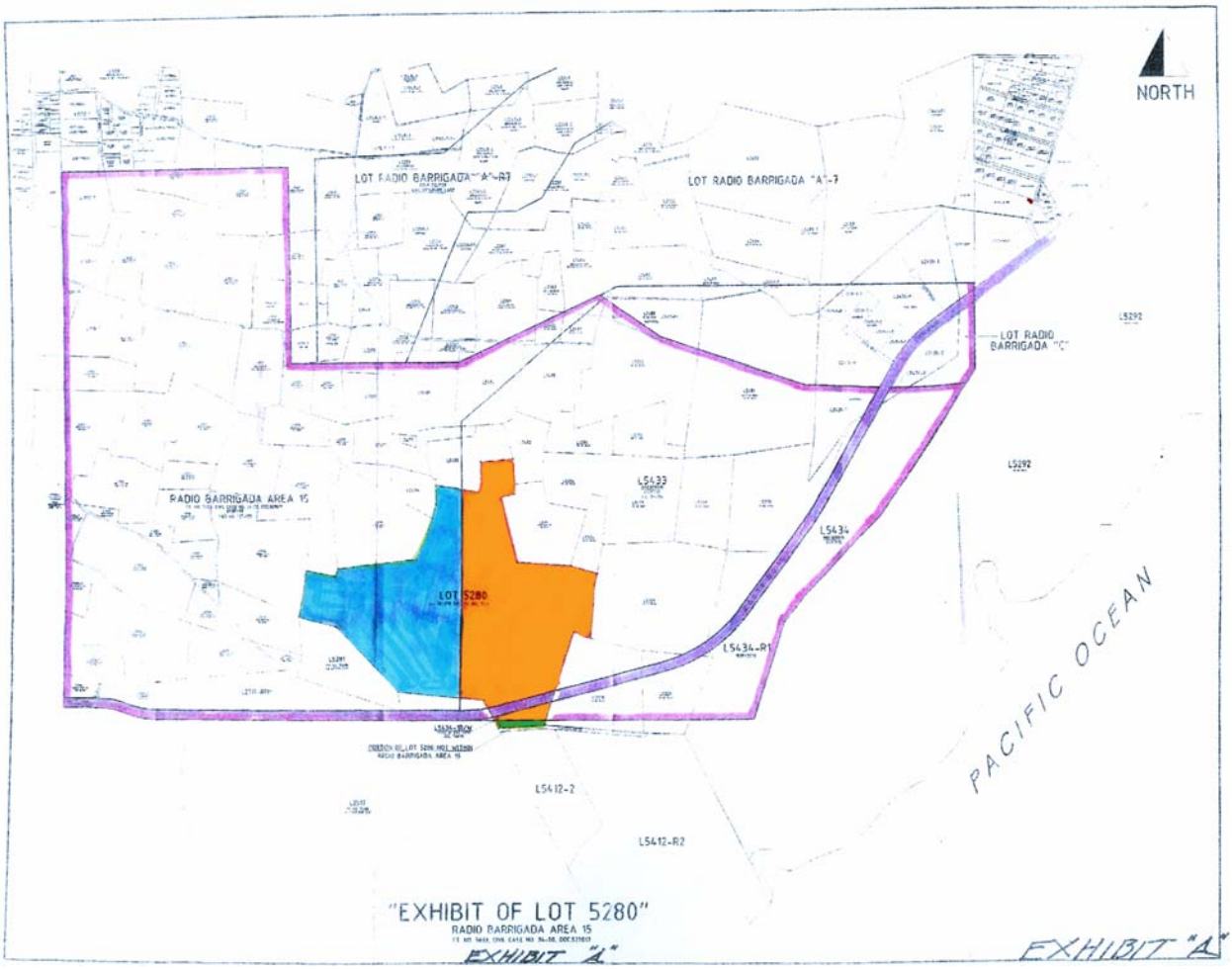
[42] Accordingly, we **AFFIRM** the judgment of the trial court.

/s/
F. PHILIP CARBULLIDO
Associate Justice

/s/
KATHERINE A. MARAMAN
Associate Justice

/s/
ROBERT J. TORRES
Chief Justice

Appendix A


NORTH
LOT RADIO BARRIGADA "A"-R1
LOT RADIO BARRIGADA "A"-1
LOT RADIO BARRIGADA "C"
RADIO BARRIGADA AREA 15
LOT 5280
L5433
L5434
L5434-R1
L5412-2
L5412-R2
L5292
PACIFIC OCEAN
"EXHIBIT OF LOT 5280"
RADIO BARRIGADA AREA 15
EXHIBIT "A"
EXHIBIT "A"