IN THE SUPREME COURT OF GUAM

DAVID J. LUJAN,
Plaintiff-Appellee,

v.

DEBTRALYNNE S. QUINATA aka DEBBIE QUINATA and ALLAN A. QUINATA aka CORY QUINATA,
Defendant/Third-Party Plaintiff-Appellees,

v.

ANA LUJAN, DAVID LEON GUERRERO, THE ESTATE OF GIL JUAN LEON GUERRERO, Deceased (PR0042-07), THE ESTATE OF ROSITA QUINATA LEON GUERRERO, Deceased (PR0041-07), JOHN LEON GUERRERO fka JOHN AGUIGUI and JESSE LEON GUERRERO fka JESSE AGUIGUI, DOES I through X, also ALL OTHER PERSONS, UNKNOWN, CLAIMING ANY RIGHT, INTEREST, OR LIEN IN SUCH LANDS, OR CLOUD UPON THIRD-PARTY PLAINTIFFS' TITLE THERETO,
Third-Party Defendant-Appellants.

Supreme Court Case No.: CVA15-014
Superior Court Case No.: CV1472-07

OPINION

Cite as: 2016 Guam 39

Appeal from the Superior Court of Guam
Argued and submitted on May 19, 2016
Hagåtña, Guam

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

TORRES, C.J.:

[1] This appeal concerns a plot of land, Lot 154-1NEW-R4 ("NEW-R4"), in Umatac over which three separate parties have been fighting for years and is before the court for the second time. Defendant/Third-Party Plaintiffs-Appellees Debbie Quinata and Cory Quinata ("the Quinatas") currently reside on NEW-R4; Plaintiff-Appellee David J. Lujan ("Lujan") owns adjoining property, Lot 154-1NEW-2, and claims an easement across NEW-R4; and Third-Party Defendant-Appellants Ana Lujan, David Leon Guerrero, and the Estate of Gil Leon Guerrero ("the Estate") claim legal title to NEW-R4. Rosita Leon Guerrero, now deceased, was the previous owner of NEW-R4. The Estate appeals the judgment granting the Quinatas an irrevocable lifetime license to use and occupy Lot NEW-R4 subject to access easement rights previously granted to Lujan. The judgment was entered after the Superior Court's Decision and Order granting the Quinatas' motion for summary judgment and denying the Estate's motion for summary judgment. The Decision and Order recognized that Rosita granted the Quinatas a license to reside on NEW-R4, which became irrevocable for the Quinatas' lifetimes.

[2] For the reasons set forth herein, we affirm in part, reverse in part, and remand for proceedings not inconsistent with this opinion.

I. FACTUAL AND PROCEDURAL BACKGROUND

[3] Most of the facts of this case were before the court in 2014 when it decided *Lujan v. Quinata*, 2014 Guam 20 ("*Lujan I*"). In *Lujan I*, we affirmed the trial court's grant of summary judgment against the Quinatas' adverse possession claim but reversed and remanded the trial court's grant of an irrevocable license, holding that the Estate must have an opportunity to

present evidence and arguments regarding whether or not the Quinatas were granted an irrevocable license to reside on NEW-R4 for their lifetimes. 2014 Guam 20 ¶¶ 30-31. On remand, the parties both moved for summary judgment on the issue whether Rosita granted the Quinatas an irrevocable license.

[4] The Estate argued that the Quinatas did not hold an irrevocable license because such a license "is not explicitly accepted or defined in Guam law," Record on Appeal ("RA"), tab 430 at 8 (Mot. Summ. J. & Mem. P. & A., Dec. 17, 2014) (quoting *Lujan I*, 2014 Guam 20 ¶ 27), and even if the trial court were to find that such a license was valid, the Quinatas have realized the value of their investment in NEW-R4, making the license no longer enforceable. The Quinatas' counter motion for summary judgment claimed they possessed a lifetime irrevocable license under the doctrine of estoppel and because the license is coupled with an interest. The trial court denied the Estate's motion and granted the Quinatas' motion for summary judgment, specifically holding:

> In this case, the Supreme Court of Guam determined that there is clear and satisfactory proof that the Quinatas were permitted to live on NEW-R4. *Lujan*, 2014 Guam 20 ¶ 22. At trial, the Quinatas testified that they were granted lifetime use of NEW-R4 by Rosita. [RA, tab 432 at 3 (Decl. Curtis C. Van de Veld, Jan. 14, 2015).] Cory Quinata has lived on NEW-R4 uninterrupted since 1979, except for a brief period when a fire destroyed their home on NEW-R4. [RA, tab 435 at 2-3 (Decl. Cory Quinata, Jan. 28, 2015).] After the fire, the Quinatas cleared the debris and built a new house on NEW-R4. *Id.* 3-4. They also planted fruit trees on NEW-R4, which provides them with a constant stream of income as they sell the fruits. *Id.* at 4. The Quinatas also planted ornamental plants around the house, improved and paved the driveway, and made periodic improvements to the house. *Id.* In total, the Quinatas invested approximately $125,000.00 of cash and labor to make improvements to NEW-R4; and they did so based on Rosita's express statements that the property belonged to the Quinatas and that they would be allowed to remain on the property indefinitely, or at least through their lives. *Id.* at 6. Rosita and her husband, Gil Leon Guerrero, were aware of their investments, visited the Quinatas' home, and encouraged the Quinatas to continue their efforts to make themselves a lifetime home. *Id.* The above facts are not in dispute.

RA, tab 446 at 6 (Dec. & Order, May 11, 2015).

[5] The Estate now appeals the judgment granting the Quinatas an irrevocable lifetime license and the Decision and Order granting the Quinatas' motion for summary judgment and denying the Estate's motion for summary judgment.

II. JURISDICTION

[6] This court has jurisdiction over an appeal from a final judgment of the Superior Court. 48 U.S.C.A. § 1424-1(a)(2) (Westlaw through Pub. L. 114-254 (2016)); 7 GCA §§ 3107, 3108(a) (2005). The Estate timely appealed the Superior Court judgment.

III. STANDARD OF REVIEW

[7] This court reviews the trial court's grant of a motion for summary judgment *de novo*. *Bank of Guam v. Flores*, 2004 Guam 25 ¶ 7. When reviewing a trial court's decision to grant a motion for summary judgment *de novo*,

> the court must draw inferences and view the evidence in a light most favorable to the non-moving party. "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 [pleadings] . . . , but must produce at least some significant probative evidence tending to support the [pleadings] . . . ." Thus, this court's "ultimate inquiry is to determine whether the 'specific fact' set forth by the nonmoving party, coupled with undisputed background or contextual facts, are such that a rational or reasonable jury might return a verdict in its favor based on that evidence."

Bank of Guam, 2004 Guam 25 ¶ 7 (alterations in original) (citations omitted). In determining whether material issues of fact exist, the court must determine if there is a fact whose existence might affect the outcome of the case. *Id.* ¶ 8 (citing *Edwards v. Pac. Fin. Corp.*, 2000 Guam 27 ¶ 7). "[T]he mere existence of *some* alleged factual dispute between the parties will not defeat an otherwise properly supported motion for summary judgment; the requirement is that there be no *genuine* issue of *material* fact." *Id.* (quoting *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247-

48 (1986)). "As to materiality, the substantive law will identify which facts are material. Only disputes over facts that might affect the outcome of the suit under the governing law will properly preclude the entry of summary judgment. Factual disputes that are irrelevant or unnecessary will not be counted." *Id.* (quoting *Liberty Lobby*, 477 U.S. at 248).

IV. ANALYSIS

[8] The Estate raises several issues on appeal, but the only genuine issue is whether the court erred in granting the Quinatas' motion for summary judgment and denying the Estate's motion for summary judgment based on the finding that Rosita granted the Quinatas a lifetime irrevocable license to live on lot NEW-R4.

A. Grant of the Quinatas' Motion for Summary Judgment

[9] To determine whether the Superior Court erred in granting the Quinatas' motion, we must decide (1) whether Guam law recognizes irrevocable licenses; (2) whether sufficient admissible evidence supported the court's finding that Rosita's conduct created an irrevocable license for the Quinatas to reside on NEW-R4 and whether there was a genuine issue of material fact on this point; and (3) whether the court properly calculated the duration for a license made irrevocable through estoppel.

1. Irrevocable Licenses under Guam Law

[10] The Estate argues that Guam law prohibits irrevocable licenses. When arguing this issue, the Estate focuses on convincing this court that the interest that the Quinatas claim would exceed the scope of a license. Appellants' Br. at 25-27 (Mar. 15, 2016).[1] The Estate also argues that public policy counsels against recognizing irrevocable licenses. *Id.* at 23.

[1] This citation and future citations to the Appellants' Opening Brief are to the compliant brief filed pursuant to this court's March 14, 2016, order and not to the non-compliant brief of September 14, 2015.

[11] Guam's Land Title Registration System is a Torrens system intended to "render titles safe and indefeasible." *Pelowski v. Taitano*, 2000 Guam 34 ¶ 30 (quoting *Pioneer Abstract & Title Guar. Co. v. Feraud*, 267 P. 134, 137 (Cal. Dist. Ct. App. 1928)). Once an initial registration of a parcel of land is acknowledged by a decree of the court, the ownership of the land is deemed conclusive against any other interests or claims to the land. 21 GCA § 29117 (2005); *Pelowski*, 2000 Guam 34 ¶ 31. This system also protects later bona fide purchasers that have no knowledge, actual or constructive, of another's rights to the land. *Pelowski*, 2000 Guam 34 ¶ 32.

[12] Guam law provides:

> A deed, mortgage, lease, or other instrument purporting to convey, transfer, mortgage, lease, charge, or otherwise deal with the registered land, or any estate or interest therein, or charge upon the same, other than a will or a lease not exceeding one (1) year where the land is in the actual possession of the lessee or his assigns, shall take effect only by way of contract between the parties thereto, and as authority to register the transfer, mortgage, lease, charge, or other dealing upon compliance with the terms of this Law.

21 GCA § 29155 (2005). Section 29159 further acknowledges that any instrument intending to create an encumbrance on registered land is recognized immediately upon registration of that instrument. 21 GCA § 29159 (2005).

[13] Notwithstanding the writing and recordation requirements of section 29155, this court has recognized that oral promises for the conveyance of land title may be taken out of the statute of frauds, by the doctrine of estoppel, where it is clear that the grantor intended to convey title. *In re Moylan*, 2011 Guam 16 ¶ 39. This same doctrine is the basis for the recognition of irrevocable licenses. *See Gutierrez v. Guam Power Auth.*, 2013 Guam 1 ¶¶ 21, 23; *Dority v. Hiller*, 986 P.2d 636, 639 (Or. Ct. App. 1999) ("If the licensee proves by clear and convincing evidence that the consent was given and that the licensee reasonably and detrimentally relied on the consent, then the landowner is estopped from revoking the license."). No statute within the

Land Registration System of Guam bars this court from recognizing an irrevocable license to prevent inequity.

[14] Nevertheless, this court must still decide whether it will recognize irrevocable licenses and, if so, in what form and to what extent. We acknowledged in *Lujan I* that Guam law has neither accepted nor defined irrevocable licenses. 2014 Guam 20 ¶ 27. We also previously recognized that courts are split as to whether licenses may be irrevocable and what restrictions on the scope and duration comes with them. *Gutierrez*, 2013 Guam 1 ¶¶ 21-24. The trial court considered this commentary on irrevocable licenses in making the determination that Rosita did indeed grant the Quinatas a lifetime irrevocable license. RA, tab 446 at 4-8 (Dec. & Order).

[15] The First Restatement of Property recognizes three scenarios in which a license is irrevocable for some period of time. Restatement (First) of Property § 519 (Am. Law. Inst. 1944). First, a person granted a license that is to be terminated must be given a reasonable amount of time to "remove himself and his effects from the land." *Id.* § 519(2). Second, where there is an interest in chattel that the license seeks to render effective, the license "can be terminated only to such an extent as not to prevent the license from being effective to protect the interest with which it is coupled." *Id.* § 519(3). The First Restatement offers an example:

> A sells to B chattels upon his, A's, land and orally gives him at the time of sale two years in which to remove them. A sells his land to C. C orders B to remove the chattels within sixty days which is a reasonable time within which to remove them. B's license is now limited to sixty days.

Id. § 519 cmt. d. While modified, the license could not be revoked immediately because of the coupled interest in chattels. Third, a license cannot be canceled where the licensee has relied detrimentally on the license under circumstances that would render cancellation inequitable. *See id.* § 519(4). In this case, the licensee "is privileged to continue the use permitted by the license to the extent reasonably necessary to realize upon his expenditures." *Id.*

[16] This is an equitable remedy based on estoppel principles. *Gutierrez*, 2013 Guam 1 ¶ 21; *Harber v. Jensen*, 97 P.3d 57, 63 (Wyo. 2004) ("[O]ne claiming an irrevocable license must prove the licensor had knowledge of the licensee's improvements and acted in some way to induce the licensee's reliance on the permissive use to make such improvements. Additionally, the improvements themselves must have required the use of the licensor's property."); *Brown v. Eoff*, 530 P.2d 49, 51 (Or. 1975); *Cooke v. Ramponi*, 239 P.2d 638, 641 (Cal. 1952).

[17] Opposition to the recognition of irrevocable licenses is based on public policy favoring the free use of property, *see* Susan Eisenberg, *Intangible Takings*, 60 Vand. L. Rev. 667 (2007); *Belzoni Oil Co. v. Yazoo & M.V.R. Co.*, 47 So. 468, 472 (Miss. 1908) (holding that revocability of licenses "prevents the burdening of lands with restrictions founded upon oral agreements easily misunderstood"), and on the definition of a license itself, *Gutierrez*, 2013 Guam 1 ¶ 12 ("Generally speaking, a license is personal, revocable, unassignable, and impermanent."). This is the position for which the Estate advocates. Appellants' Br. at 23-24.

[18] The Superior Court based its decision on First Restatement of Property § 519(4)'s estoppel principles. RA, tab 446 at 4-8 (Dec. & Order). While supporting the court's decision, the Quinatas also argue that affirmance is possible on other grounds and that the license here is irrevocable because it is coupled with an interest in the fruit trees they planted on the property and, although not argued explicitly, perhaps in the structure they built. *See* Appellees' Br. at 25-26 (Oct. 14, 2015). We decline the Quinatas' invitation to apply First Restatement of Property § 519(3) (describing licenses coupled with an interest) to the facts of this case because, unlike in *Lo Re v. Tel-Air Communications, Inc.*, 490 A.2d 344 (N.J. Super. Ct. App. Div. 1985), which the Quinatas cite, the license here was not granted to protect an interest in any particular, persisting personalty. Rather, the facts of this case hew more closely to First Restatement of

Property § 519(4) (describing estoppel to revoke licenses), on which the Superior Court rested its decision. As such, we need not contend with the question whether the principles in First Restatement of Property § 519(3) find application in Guam and, if so, to what extent. We do, however, take this opportunity to recognize irrevocability by estoppel under section 519(4) because it prevents substantial injustice without overburdening the free use of land.

2. Sufficient Admissible Evidence Supports the Creation of an Irrevocable License, and There Is No Genuine Issue of Material Fact

[19] Summary judgment is appropriate where "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). "Supporting and opposing affidavits shall . . . set forth such facts as would be admissible in evidence . . . ." Guam R. Civ. P. 56(e).

[20] We first consider the Estate's argument that the trial court erred when it granted summary judgment based on evidence the Estate contends would be inadmissible at trial. We then consider whether the Estate produced evidence of its own that would have permitted a jury to find in its favor—that is, evidence sufficient to create a genuine issue of material fact.

a. Admissible Evidence Supported the Quinatas' Motion

[21] The Estate claims that "the statements and declarations relied upon by the court in determining Rosita *expressly* gave the Quinatas permission to occupy NEW-R4 for their lifetimes are[ ]inadmissible." Appellants' Br. at 13. Specifically, the Estate claims that the trial court heavily relied upon Cory Quinata's declaration, which contains statements that Rosita made to him. *Id.* at 14. As the Quinatas point out, the admissibility of the evidence was not raised before the trial court and is subject to a plain error review. *See People v. Quitugua*, 2009

Guam 10 ¶ 10 ("[T]he issue presented was not raised in the trial court and thus we . . . apply[] plain error review.").

[22] The trial court repeatedly referred to the statements Cory claims that Rosita made to him in which she said she would allow the Quinatas to remain on the property indefinitely. RA, tab 446 at 6, 8 (Dec. & Order) (citing RA, tab 434 at 6 (Decl. of Cory Quinata, Jan. 14, 2015)). Cory's declaration asserts that Rosita made "express statements to [Debbie and me] that the property belonged to me and that we would be allowed to remain on the property indefinitely or at least throughout our lives." RA, tab 434 at 6 (Decl. of Cory Quinata). Cory also claimed that Rosita and her husband encouraged him to continue making a lifetime home on the lot. *Id.* The Estate argues that any statements made by Rosita and introduced through Cory or any other party[2] are inadmissible hearsay, and the court's reliance on them in its Decision and Order was improper. Appellants' Br. at 14-15. Under our plain error review, reversal is warranted if "(1) there was an error; (2) the error is clear or obvious under current law; (3) the error affected substantial rights; and (4) reversal is necessary to prevent a miscarriage of justice or to maintain the integrity of the judicial process." *Quitugua*, 2009 Guam 10 ¶ 11.

[23] We now examine whether admitting the statements Rosita made to Cory was error. The Quinatas, in their Opposition to the Motion for Summary Judgment, argue that the statements are not hearsay or that they are admissible under an exception to the hearsay rule. RA, tab 433 at 3 n.1 (Opp'n to Mot. Summ. J., Jan. 14, 2015). Hearsay is an out-of-court statement "offered into evidence to prove the truth of the matter asserted." Guam R. Evid. 801(c). However, admissions by a party-opponent offered against that party-opponent are not considered hearsay. Guam R.

[2] The Estate points to the declaration of Cory's counsel, Curtis Van de veld, as also containing hearsay statements made by Rosita, but these were not expressly relied upon by the court, and regardless, the hearsay analysis is the same. *See* Appellants' Br. at 15. Therefore, these specific statements contained in this declaration will not be individually addressed.

Evid. 801(d)(2). Further, there is an exception that allows the admission of hearsay for "a statement which was at the time of its making so far contrary to the declarant's pecuniary or proprietary interest . . . that a reasonable person in the declarant's position would not have made the statement unless believing it to be true." Guam R. Evid. 804(b)(3).

[24] The statements Rosita made are arguably not hearsay, because they were made by Rosita and it is her estate, which is party to this litigation, that is now claiming such statements are inadmissible. *See* Guam R. Evid. 801(d)(2); *Estate of Shafer v. C.I.R.*, 749 F.2d 1216, 1220 (6th Cir. 1984) ("Since [the decedent], through his estate, is a party to this action, his statements are a 'classic example of an admission.'"). Even if these statements were not admissions by a party-opponent, they would not be excluded by the hearsay rule pursuant to GRE 804(b)(3)'s statement against interest exception. The statements by Rosita giving the Quinatas permission to use and occupy NEW-R4 were contrary to her proprietary interest in that land because a reasonable person in her position would have realized that her promises regarding ownership or occupation might give rise to legal rights adverse to her own. Therefore, the trial court did not err in admitting and relying on the statements contained in Cory's declaration. Because there was no error, the plain error analysis ends.

b. The Estate Failed to Articulate a Genuine Issue of Material Fact

[25] The trial court held that it was undisputed that Rosita made statements that the Quinatas "use the property as their home and that they remain on the property indefinitely." RA, tab 446 at 6 (Dec. & Order). The Estate, indeed, did not dispute that fact but maintained that such an interest exceeds the scope of a license. RA, tab 430 at 7-8 (Mot. Summ. J. & Mem. P. & A.). The trial court did not address this argument, but we are convinced that licenses of this type made irrevocable by estoppel are not coextensive with life estates under Guam law. Section

IV.A.3., below, discusses the duration of these licenses. Further, while the scope of this license is admittedly broad, encompassing, at least temporarily, rights usually thought to comprise an estate in land, we believe the equities weigh in favor of recognizing such a license in rare circumstances where doing so is necessary to avoid a manifest injustice.

[26] Our holding in *Lujan I* already decided that Rosita gave the Quinatas permission to reside on the property. 2014 Guam 20 ¶¶ 22, 29. "Under the 'law of the case' doctrine, a court is generally precluded from reconsidering an issue that has already been decided by the same court, or a higher court in the identical case." *People v. Orallo*, 2006 Guam 8 ¶ 5 (quoting *People v. Hualde*, 1999 Guam 3 ¶ 13).

[27] The Estate's argument that the Quinatas' claim of an irrevocable license is barred by the statute of frauds, Appellants' Br. at 27, is also rejected because this court has already acknowledged that a license can be created orally, without a writing, *Gutierrez*, 2013 Guam 1 ¶ 12.

[28] The Quinatas asserted that in addition to giving them permission to reside on the property, Rosita and her husband frequently visited the house they constructed on the lot and encouraged them to "make a lifetime home." RA, tab 343 at 6 (Decl. Cory Quinata). As a result, the Quinatas made significant investments in the property by building a home and maintaining it, improving the driveway, and planting fruit trees and ornamental vegetation. RA, tab 446 at 6 (Dec. & Order).

[29] There was no genuine issue of material fact as to any prerequisite for an irrevocable license. Therefore, we affirm the trial court's decision to grant the Quinatas' motion for summary judgment on the basis that they were granted an irrevocable license to the property. Although the trial court did not err in granting summary judgment on the issue of whether the

Quinatas have an irrevocable license to use and occupy the property, we must now explore the appropriate duration of licenses made irrevocable through estoppel in Guam.

3. Scope of Licenses Irrevocable Through Estoppel

[30] The trial court decided that it was undisputed that Rosita granted the Quinatas the property to use as a lifetime home and, therefore, because the value of such was too intangible to calculate, they should be allowed to enjoy it for that purpose for the remainder of their lifetime. RA, tab 446 at 6 (Dec. & Order).

[31] The Restatement commentary with respect to licenses irrevocable through estoppel acknowledges that licenses cannot be irrevocable where there has been no representation by the licensor as to the duration. Restatement (First) of Property § 519 cmt. e ("If the license [sic] knows that his license is at the will of the licensor he cannot raise an estoppel by acting upon his own guess as to the probable duration of the license."). Further, a licensor is only estopped from revoking the license "to the extent reasonably necessary" for the licensee "to realize upon his expenditures." *Id.* § 519(4). One reading of comment g and illustration 3 of section 519 might suggest some permanence to at least a core aspect of the license's terms, while another would allow revocation of the license once the investment made in reliance on that license has been realized. Case law also reflects this split.

[32] In *Tatum v. Dance*, the Florida Appellate Court warned that irrevocable licenses should only be recognized in narrow circumstances to prevent inequity and only for a duration that protects a licensee's investment. 605 So. 2d 110, 113 (Fla. Dist. Ct. App. 1992), *aff'd*, 629 So. 2d 127 (Fla. 1993). The court also held that a license may be enforceable against successors of the licensor to achieve this equitable remedy. *Id.*

[33] At least one jurisdiction has recognized a tension in its case law regarding the duration of irrevocable licenses. *Brusco Towboat Co. v. State*, 589 P.2d 712, 723 (Or. 1978) (en banc) ("These cases suggest that when a license becomes 'irrevocable' . . . the rights acquired by the licensee are perpetual. However, in [*Rouse v. Roy L. Houck Sons' Corp.*, 439 P.2d 856, 858 (Or. 1968)], in which the purported license was for a five-year term, we said . . . 'the license is privileged to continue . . . to the extent reasonably necessary to realize upon . . . expenditures.").

[34] Still other jurisdictions clearly recognize a longer lasting irrevocable license. *See, e.g.*, *Cooke*, 239 P.2d at 641 ("[W]here a licensee has entered under a parol license and has expended money . . . the licensee will have a right of entry upon the lands of the licensor for the purpose of maintaining . . . his rights under his license, and the license will continue for so long a time as the nature of it calls for." (quoting *Stoner v. Zucker*, 83 P. 808, 810 (Cal. 1906)).

[35] This last approach does not require a valuation of either the investment or the realized value, and recognizes irrevocability "for so long a time as the nature of it calls for." *Cooke*, 239 P.2d at 641 (quoting *Stoner*, 83 P. at 810).

[36] There are, therefore, two potential approaches to measuring the scope and duration of licenses made irrevocable through estoppel. Under the first approach, the investment of money and labor can be calculated into a dollar amount and then the value that the licensee has realized by use of the license can also be calculated into a dollar amount; the license is then revocable at the point that the realized value equals or exceeds the investment value. This valuation approach does allow much to be disputed by the parties as to valuation methods and gives the trial court broad discretion in calculating those values.

[37] The second method, employed in California, allows for the license to continue without calculation of values for an indefinite duration as long as the use is consistent with the purpose of

the license. *See Stoner*, 83 P. at 810; *Cooke*, 239 P.2d at 641; *Richardson v. Franc*, 182 Cal. Rptr. 3d 853, 862 (Ct. App. 2015). This approach, however, leads to longtime encumbrance with all of the uncertainty attendant oral agreements.

[38] We adopt the valuation approach to minimize long-term uncertainty and the impact irrevocable licenses have on the free use of land. Therefore, we reverse the trial court's finding that the Quinatas hold an irrevocable license to the property for their lifetime. We also remand the case to the trial court to hold a valuation hearing to determine the value of the Quinatas' investment in the property and their realized value by use of the property to calculate the remaining duration of the irrevocable license, if any.

B. Denial of the Estate's Motion for Summary Judgment

[39] This court now needs to address the denial of the Estate's motion for summary judgment, which was raised as an error on appeal. Appellants' Br. at 21. The Estate's motion for summary judgment rests on the arguments that the Quinatas' claimed license exceeds the permissible scope of a license, and that if the court determined they did hold an irrevocable license, they have since realized the value. Because we have decided that the trial court must determine the remaining duration of the Quinatas' irrevocable license on remand, there are attendant issues of material fact in relation to the duration of the license, which means the denial of the Estate's motion for summary judgment was erroneous.

[40] The Quinatas submitted evidence on the estimated valuation of the time and money they invested to make the improvements on the property. RA, tab 434 at 3-6 (Decl. Cory Quinata). Rebuttal evidence submitted by the Estate came from a construction cost witness who estimated the cost of the structures the Quinatas built. RA, tab 427 at Ex. A (Decl. Georgette Bello Conception, Dec. 17, 2014). Additional rebuttal evidence to show rental value of the Quinatas'

property was also estimated. RA, tab 435 at 1 (Decl. Shawn R. S. Blas, Jan. 28, 2015). It is clear that there is a factual dispute as to the valuation of the investment and realization of that investment by the Quinatas. Therefore, we reverse the denial of the Estate's motion for summary judgment and remand to the trial court to determine the duration of the irrevocable license based on the valuation approach.

V. CONCLUSION

[41] We **AFFIRM** in part the trial court's granting of the Quinatas' motion for summary judgment on the basis that the Quinatas were granted an irrevocable license to use and occupy NEW-R4, but hold that the court erred in determining that the Quinatas have the irrevocable license throughout their respective lifetimes. Because we are adopting the valuation approach to irrevocable licenses, we **REVERSE** the denial of the Estate's motion for summary judgment and **REMAND** to the trial court to make a determination of the duration of the irrevocable license in accordance with the valuation approach.

/s/
F. PHILIP CARBULLIDO
Associate Justice

/s/
KATHERINE A. MARAMAN
Associate Justice

/s/
ROBERT J. TORRES
Chief Justice