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FOR PUBLICATION



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IN THE SUPERIOR COURT FOR THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

6	ESTATE OF) CIVIL ACTION NO. 15-0080
	ELPIDIA DELA CRUZ NAUTA)
7) ORDER GRANTING
) ADMINISTRATRIX'S PETITION FOR
8) FINAL DISTRIBUTION OF NON-
) ANCESTOR'S LAND AS A ONE-HALF
9) INTEREST WITH A 55-YEAR LIMIT TO
) THE NON-NORTHERN MARIANAS
10) DESCENT SURVIVING SPOUSE
) PURSUANT TO 8 CMC § 2903 AND A
11) ONE-HALF INTEREST IN EQUAL AND
) UNDIVIDED SHARES TO THE
12) NORTHERN MARIANAS DESCENT
) CHILDREN IN FEE SIMPLE ABSOLUTE
13) (KOBLERVILLE PROPERTY)

THIS MATTER came before the Court on December 29, 2016, at 9:00 a.m. in Courtroom
220 on Adminstratrix Bernadita Dela Cruz's ("Adminstratrix") Petition for a Decree of Final
Distribution ("Petition"). Surviving spouse and heir, William Aguon Nauta ("William Sr."), and son
and heir, Kenneth Dela Cruz Nauta ("Kenneth"), oppose the Petition on separate grounds.¹ Attorney
Jennifer Dockter represents Administratrix. Attorneys Edward Arriola and Brien Sers Nicholas
represent William Sr. and Kenneth, respectively.

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 ¹ The Petition identified the other heirs as William C. Nauta ("William Jr.") and John C. Nauta ("John") who are both Decedent's sons. However, William Jr. and John did not submit any opposition to the Petition. Decedent and her three sons, William Jr., Kenneth, and John are persons of Northern Marianas Descent. William Sr., the surviving spouse, is not of Northern Marianas Descent.

1 After a careful review of the filings on record, the applicable laws, and arguments of 2 counsels, the Court GRANTS the Administratrix's Petition as to Lot 31 L 03 ("Koblerville 3 Property"). As to Lots 572 and 573 "C" (Chalan Piao Properties") and Lot 60 of Tract 20546 4 ("Long Beach Property"), the Court will issue separate orders. 5 I. BACKGROUND Decedent was a person of Northern Marianas Descent ("NMD").² Decedent's surviving 6 7 spouse, William Sr., is a person of non-Northern Marianas Descent ("non-NMD"). The Decedent 8 was survived by her sons, William Jr., Kenneth, and John, who are NMD like their mother. 9 The Administratrix's Petition, filed on July 7, 2016, sought the disposition of several assets, 10 including Decedent's real properties. The real properties in question are: (1) Chalan Piao Properties; (2) Koblerville Property; and (3) Long Beach Property. As these properties all involve 11 12 distinct legal issues, the Court will address the disposition of these three sets of property in separate 13 orders. The Petition sought the disposition of the Koblerville Property as follows: 14 15 **Koblerville Property**: 16 a. To [WILLIAM SR.] an UNDIVIDED ONE-HALF SHARE, for his life, but in no event longer than fifty five years, and the vested remainder in fee simple to WILLIAM C. NAUTA, KENNETH DLC. NAUTA, 17 and JOHN C. NAUTA, in equal and undivided shares, and 18 To WILLIAM C. NAUTA, KENNETH DLC. NAUTA, and JOHN C. NAUTA, in fee simple in equal and undivided shares an UNDIVIDED 19 **ONE-HALF SHARE** in 20 i. UNDIVIDED ONE-EIGHTH INTEREST in [the Koblerville Property].... 21 22 23 ² A person of Northern Marianas Descent is a person who "is a citizen of the United States and has at least some degree

^{24 &}lt;sup>2</sup> A person of Northern Marianas Descent is a person who "is a citizen of the United States and has at least some degree of Northern Marianas Chamorro or Northern Marianas Carolinian blood or a combination thereof." NMI Const. art. XII § 4. Only persons of Northern Marianas Descent may own real property in the Commonwealth. NMI Const. art. XII § 1.

1 Initially, the Petition classified the Chalan Piao Properties as ancestor's land and determined 2 that the Koblerville Property is non-ancestor's land or "Other Property" for purposes of intestate 3 succession. However, after considering the objections raised by heirs William Sr. and Kenneth, the 4 parties agreed that the Chalan Piao Properties are more properly classified as non-ancestor's land. 5 Thus, the Administratrix requested leave to amend the classification of the Chalan Piao Properties 6 to non-ancestor's land. The classification of the Chalan Piao Properties will be addressed in a 7 separate order. Since there is no dispute as to the classification of the Koblerville Property as non-8 ancestor's land, the Court will treat the Koblerville Property as non-ancestor's land for the purposes 9 of this Order.

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II. DISCUSSION

Because the parties do not dispute the Administratrix's designation of the Koblerville 11 12 Property, the Court finds that it is non-ancestor's land for purposes of intestate succession. The key 13 issue is whether William Sr., as the surviving spouse and a non-NMD, is prohibited from acquiring 14 an interest in the Koblerville Property. Pursuant to 8 CMC § 2903(a), "[t]he surviving spouse 15 obtains one-half of all properties, other than [ancestor's land]" Thus, William Sr., as the 16 surviving spouse, is entitled to a one-half interest in the Koblerville Property. 8 CMC § 2903(a) 17 makes no distinction on whether the surviving spouse must be of Northern Marianas Descent. Furthermore, a surviving spouse's non-NMD status has no effect on his or her ability to inherit a 18 leasehold interest³ in non-ancestor's land. See generally Estate of Tudela, 2009 MP 9 (holding that 19 20 a non-NMD spouse may inherit non-ancestor's land in fee simple if there are no surviving issue).

21 22 Kenneth argues that pursuant to *Tudela*, 2009 MP 9, William Sr., who is non-NMD, is prohibited from acquiring any interest in the Koblerville Property because Decedent is survived by

³ A leasehold interest is "a lessor's or lessee's interest under a lease contract." BLACK'S LAW DICTIONARY 766 (Abridged 9th Ed.).

issue who are NMD: namely, William Jr., Kenneth, and John. Kenneth argues that *Tudela* prohibits
 William Sr. from taking any interest in the Koblerville Property because the Decedent was survived
 by issue⁴ who are eligible to own land in the Commonwealth in fee simple absolute⁵. Kenneth's
 interpretation misunderstands the holding in *Tudela*.

5 In Tudela, the Commonwealth Supreme Court considered whether a surviving spouse who 6 was non-NMD was entitled to take the entire estate when the decedent leaves no issue. 2009 MP 9 7 ¶ 6. Largely relying on the Uniform Probate Code, the Supreme Court held that in the event a 8 decedent is survived by a surviving spouse who is of non-NMD and leaves no issue, the non-NMD 9 surviving spouse is able to take the entire estate in fee simple. Id. at ¶¶ 18-21. The Supreme Court 10 reasoned that a non-NMD surviving spouse taking ownership of land in fee simple survives challenges under Article XII of the Commonwealth Constitution ("Article XII") because eventually 11 12 he or she must convey his or her fee simple interest to a NMD. *Id.* at ¶ 21.

13 In *Tudela*, the Commonwealth Supreme Court's decision was limited to the issue of who is 14 to take the remaining one-half interest in decedent's property if there are no surviving issue. Under 15 *Tudela*, a non-NMD surviving spouse retains his or her one-half share, but may be entitled to the 16 remaining one-half share or the entire estate if there are no surviving issue: "[s]ubsection (a) of 8 17 CMC § 2903 grants Mrs. Tudela, as the surviving spouse, a one-half interest in the decedent's 18 properties. However, one question remains: who takes the remaining one-half interest?" Tudela, 19 2009 MP 9 ¶ 13. Section 2903(b) provides, "[t]he issue of the decedent obtains one-half of all properties, other than [ancestor's land], by representation." According to Tudela, in a "typical 20 21 situation, when a decedent leaves a spouse, he will also leave issue, and each will take half." 2009

²³ ⁴ Issue is a term of art meaning "lineal descendants of all generations, with the relationship of parent and child at each generation being determine by the definitions of child and parent." 8 CMC § 2107(q).

⁵ Fee simple absolute is a term of art meaning "an estate of indefinite or potentially infinite duration." BLACK'S LAW DICTIONARY 543 (Abridged 9th Ed.).

MP 9 ¶ 15. In the present case, a non-NMD surviving spouse and the NMD surviving children may
take half of the Koblerville Property.

Here, Decedent is survived by her non-NMD spouse, William Sr., and her NMD sons
William Jr., Kenneth, and John. As stated in 8 CMC § 2903(a) and the Commonwealth Supreme
Court's holding in *Tudela*, William Sr. is entitled to his one-half share in interest in the Koblerville
Property and the remaining one-half interest shall be an equal undivided share among the
Decedent's issue—in this case, her three sons.

8 Although the Court finds that William Sr., as the surviving spouse, is entitled to an 9 undivided one-half interest in the Koblerville Property, the Commonwealth Constitution requires 10 that such interest must be limited to a term of 55 years. NMI Const. art. XII. Notwithstanding 11 *Tudela*, which holds that a surviving spouse may acquire a fee simple interest in the decedent's 12 entire estate if there are no surviving issue, Article XII, Section 2 of the Commonwealth Constitution⁶ prevents the non-NMD surviving spouse from taking the property in fee simple when 13 14 the decedent leaves issue who are eligible to own land in the Commonwealth. See NMI Const. art. 15 XII, § 2 ("A transfer to a spouse by inheritance is not an acquisition under this section if the owner dies without issue or with issue not eligible to own land in the Northern Mariana Islands. . . ."). 16 17 Thus, Article XII limits 8 CMC § 2903(a)'s application to a term of not more than 55 years for a 18 non-NMD surviving spouse when a decedent has issue who are NMDs.

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 ⁶ Article XII, Section 1 of the Commonwealth Constitution provides "[t]he acquisition of permanent and long-term interests in real property within the Commonwealth shall be restricted to persons of Northern Marianas descent." "The term acquisition . . . includes acquisition by sale, lease, gift, inheritance or other means. A transfer by inheritance is not an acquisition under this section if the owner dies *without issue or with issue not eligible to own land in the Northern Mariana Islands*. . . ." NMI Const. art. XII, § 2 (emphasis added). Furthermore, "[t]he term permanent and long-term interests in real property . . . includes freehold interests and leasehold interests of more than fifty-five years. . . ." NMI Const. art. XII, § 3.

1	III. CONCLUSION	
2	Based on the abovementioned reasons, the Court GRANTS Administratrix's Petition for	
3	the disposition of the Koblerville Property. ⁷ The Koblerville Property shall be distributed as	
4	follows:	
5	To [WILLIAM SR.], as the non-Northern Marianas descent surviving	
6	spouse, an UNDIVIDED ONE-HALF SHARE , for his life, but in no event longer than fifty five years, and the vested remainder in fee simple to WILLIAM C. NAUTA, KENNETH DLC, NAUTA, and JOHN C.	
7	to WILLIAM C. NAUTA, KENNETH DLC. NAUTA, and JOHN C. NAUTA, in equal and undivided shares, and	
8	To WILLIAM C. NAUTA, KENNETH DLC. NAUTA, and JOHN C. NAUTA, in fee simple in equal and undivided shares an UNDIVIDED	
9	ONE-HALF SHARE in ii. UNDIVIDED ONE-EIGHTH INTEREST in [the Koblerville	
10	Property]	
11	IT IS SO ORDERED this 1 st day of December 2017.	
12	/s/	
13	JOSEPH N. CAMACHO ASSOCIATE JUDGE	
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24	⁷ The Court shall issue separate Orders as to the Chalan Piao and Long Beach Properties.	