

IN THE SUPREME COURT OF BELIZE, A. D. 2012

CLAIM NO. 415 OF 2012

BETWEEN: (LENA REYES CLAIMANT  
(  
(AND  
(  
(SELENI PUGA REYES DEFENDANT

-----

*BEFORE THE HONOURABLE MADAM JUSTICE MICHELLE ARANA*

Appearances:

Mr. Hubert Elrington, SC, for the Claimant  
Mr. Ernest Staine for the Defendant

Hearing Dates:

18<sup>th</sup> November, 2013  
11<sup>th</sup> June, 2015  
17<sup>th</sup> February, 2016

-----

J U D G M E N T

Facts

1. Mrs. Lena Reyes is the fee simple absolute owner of a parcel of land on Central American Boulevard in Belize City. One of Mrs. Reyes' two sons, Edward Reyes (Mando), was married to Seleni Puga Reyes (Seleni) in 1995. Shortly after they were married, Mando Reyes and Seleni Reyes lived at Seleni's parents' home. The couple then moved to Mrs. Lena Reyes' house on Central American Boulevard where they resided for the duration of their ten year marriage. Mrs. Seleni Reyes, with the financial assistance of

her father, Mr. Oscar Puga, made certain developments and improvements to the structure of Mrs. Lena Reyes' home. In 2009, Mando Reyes was convicted and sent to prison for Manslaughter; their marriage was dissolved in 2011. Seleni has however continued to live in Mrs. Reyes house and continues to do so to date. Now that Mando and Seleni are no longer married, Mrs. Lena Reyes has brought this claim seeking to remove Seleni from her house forthwith as she needs the property to generate rental income. Mrs. Lena Reyes says that Seleni has refused to leave, and has also refused to pay rent to her for occupying the property. Seleni for her part counterclaims that she will not move from that house because Mrs. Lena Reyes promised to give the property to Mando and to her jointly at the time they were about to wed, and based on Mrs. Reyes' promise, Seleni invested substantial monies in the property believing that one day it would belong to her as Eduardo's wife. Seleni says that Mrs. Reyes is fully aware of all the money that she has spent on developing her house and that she even complimented Seleni on the work that had been done. Seleni therefore wants the court to order that she has a beneficial interest in the property or that Mrs. Lena Reyes repay her all the money that she has expended on developing this property. In her Reply, Mrs. Reyes says that she made no promise to Seleni. She admits that she said to her sons that she would leave one lot to each of her two sons upon her death. Mrs. Reyes states that this property belongs to her alone and she wants Seleni out of it as soon as possible; she also wants mesne profits at the rate of \$2000 per month paid by Seleni for all the months she has occupied the property without paying rent.

### **Issue(s)**

2. The only issue in this matter is whether or not Ms. Seleni Reyes has any legal or equitable interest in Mrs. Lena Reyes' property at 38 Central American Boulevard.

### **The Claimant's Case**

3. There were two witnesses called on behalf of the Claimant: Mrs. Lena Reyes and her son Edward "*Mando*" Reyes. Mrs. Reyes testified in her affidavit dated July 3<sup>rd</sup>, 2012 that she allowed her son Mando to live in her dwelling house upper flat at 19 Central American Boulevard Belize City. She states that she also allowed Mando and Seleni to make any alterations they wished for their own convenience and at their own expense. In a witness statement dated February 4<sup>th</sup>, 2013, Mrs. Lena Reyes exhibits a copy of her Land Certificate No. 4969/90 showing that she is the registered proprietor of the land and that the land is free from all encumbrances (Exhibit LR 1). She also attached a copy of an accounting slip from Holy Redeemer Credit Union in Belize City showing stamp duty and registration fees paid by Mrs. Lena Reyes for the property (Exhibit LR 2). Mrs. Reyes also exhibits a legal charge over the said land which she gave to Holy Redeemer Credit Union as security for a loan she borrowed to make up the purchase price of \$80,000.00 (Exhibit LR 3). The discharge of charge form is also attached showing that Mrs. Lena Reyes repaid the loan and all associated charges on the property in full.
4. Mrs. Reyes says that she owns two properties side by side on Central American Boulevard; both are two story ferro-concrete buildings. She says that she has two sons and both of them are very close to her. She has not transferred any of her properties to

either son because she does not wish to do so. Mrs. Lena Reyes states that the arrangement that Seleni made to assist with purchasing some of the materials to complete the home was made between Seleni and Mando. Mrs. Lena Reyes states that she was just giving Seleni and Mando a big help; they were getting a home to live in rent free. Mrs. Lena Reyes said that her son Mando had an expectation that after her death, he would inherit at least half of her properties and other assets. Seleni (for her own convenience) contributed something to the finishing of the building. Mrs. Lena Reyes says that she was not in any hurry to finish that building; but Seleni was in a hurry and so Mrs. Lena Reyes allowed her to contribute some materials so as to facilitate Seleni and her husband. Seleni therefore has no right or interest in the building.

5. Under cross-examination, Mrs. Lena Reyes agreed that at the time she bought the property there was a little one storey house on it. She says that she then broke down that building and put up another one. That building was only a downstairs and she doesn't remember when that downstairs was built. She stated that the money to buy the property and to build the downstairs came from the proceeds of a sale of land in San Pedro which had been left to her by her mother. She believes the place in San Pedro was sold for about \$150,000.00 BZ which she then used to pay off the mortgage at Holy Redeemer Credit Union in order to acquire the two adjoining lots at 19A Central American Boulevard. She insists that Mr. Longworth completed the construction of the downstairs building except that she was not sure if he did the windows. Mrs. Lena Reyes could not recall if this downstairs portion of the building was completed before or after she sold the lot in San Pedro. She denies that she promised her property to her son

Mando when Mando and Seleni got engaged. She says that Mando merely asked her if he and his wife could stay at her house and she said yes because she was helping them out. She gave Mando and Seleni permission to open a meat shop on the premises. Her son Mando was not working at the time; only Seleni worked at a bank. Eventually Mando started working in the meatshop once the building was completed. Mrs. Lena Reyes recalls that a Mrs. Tench used to rent the downstairs but she personally never collected rent from her; she does not know how much the downstairs was rented for.

6. The second witness on behalf of the Claimant was Edward "*Mando*" Reyes. He said the Claimant is his mother and the Defendant is his ex-wife. He said that he decided to ask his mother to allow him to build the upper flat one week after he became engaged to Seleni. He said that he and Seleni discussed on several occasions his idea to seek permission from his mother to put an upper storey on her house. He claims that at the time they got engaged the ground floor was already completed; he and Seleni wanted to complete the upstairs so they could use the upstairs as a residence but at the time they did not have the money to do so. Mando says that the lower flat was paid for by his mother through her loan with a credit union and through the proceeds of sale of land in San Pedro. At the time the upper flat was being built Mando said he was still not working yet. Funds to buy materials came from his mother. He admits that Seleni contributed to the cost of financing the construction of the upper flat as she was working at a bank at the time. Seleni also contributed to the tiling and painting of the lower flat in order that it could be rented later.

7. Mando says that when his funds were depleted Seleni's father Oscar Puga contributed building materials and paid 3 workmen to finish the upper flat. He said he wanted to put a hardware store and a cement supply store downstairs but he didn't have collateral to start the business. He said that since Seleni and her father had a farm, they decided to open a butcher shop selling meat instead. Seleni's father paid for all the equipment eg meat grinder for the meat shop. He admitted that Seleni helped him to pay off a credit card that he was using to fund the meat shop. Mando says that after he came out of prison he went to Mrs. Puga (Seleni's mother) and paid off all the money he owed her for paying off his credit card and other debts. He said at the time the downstairs was rented by a lady Ms. Tench he collected the rent from the tenant. Mando admitted that his mother told him that when she died the property would be passed to him. He also said that his mother knew and actually saw that Seleni and her parents were making contributions to the building.
  
8. Mando was re-examined by Mr. Elrington, S.C., to the effect that Seleni's father was merely giving them a hand out and that Mr. Puga has never come back and asked for monies spent on the property to be returned to him. He says that he and Seleni never paid his mother any rent while living in that building. After their marriage broke down Seleni has continued to live in his mother's building for five years without paying any rent. He estimates the rental value of the upstairs as at least \$1000.00 per month or \$12,000.00 per year.

### **The Defendant's Case**

9. The first witness called for the Defence was Gustavo Guerra the architect who said that he was consulted by Armando Reyes and Seleni Puga and instructed to prepare Plans and Bills of Quantities for their proposed residence at 19A Central American Boulevard. He said he supervised the work done and visited the site occasionally. He observed the construction from the start in 1994 until it was finished in 1996.

Under cross-examination Mr. Guerra said that the floor for the ground floor and of the upstairs floor were completed at the same time. He says he believes it was Armando's mother who was paying for the design of the building. He doesn't know who paid for the construction and he doesn't know who did the construction as he was not on site every day.

10. The next witness was Seleni Puga Reyes. She says that she is an Executive Assistant and she is the Defendant. She was married to Edward Armando Reyes, the Claimant's son in 1995. At the time, she was working at Scotia Bank (Belize) Ltd. and her husband was working in the Reyes' family store. They became engaged in 1993 and they were discussing their forthcoming marriage and making plans when Mrs. Lena Reyes made the offer. Mrs. Lena Reyes told Seleni and Edward that she had two properties and they did not have to provide a property for themselves. The property at 19A Central American Boulevard was for her son, Seleni's husband, while the other adjacent property was for her other son. Acting on that representation from Mrs. Lena Reyes, Seleni instructed the firm of Guerra Consulting Architects to design a structure at 19A Central American Boulevard. She referred to a Bill of Quantities for the proposed

residence for Mr. and Mrs. Armando Reyes prepared by that firm and delivered to them in September 1993. She states that the construction on the lower flat commenced on the lower flat in 1994. Toward the end of completion of the lower flat, she and her husband agreed that she would assist financially towards completion of the upper flat as he and his mother were low on funds to finish the building. Construction began on the upper flat in 1995 the same year that they got married. She and Edward lived first at her parents' house at 27 West Canal Street in Belize City until the end of 1995 when work on 19A Central American Boulevard was completed and they started occupying the premises. Funds for work on the building were from Seleni's savings, some from her father Oscar Puga and the rest was from her husband Edward Reyes. The couple later decided to open a meat shop in 1997 and funds for completing the lower flat were provided by Seleni from her savings, from her father and from her husband Edward. Sometime in 2000 Seleni partitioned the lower flat and she and her husband began renting it out to one Ms. Tench for a boutique. Seleni and Edward collected the rent and issued receipts to the tenant. After Ms. Tench vacated the lower flat it was rented by an Architect Mr. Froylan Alvarado and again rent was collected and receipts issued by Seleni and her husband Edward Reyes. Her husband Mando was convicted of Manslaughter and sent to prison in 2009. The meat shop was closed and then rented to one Froylan Alvarado and Seleni collected rent and issued receipts in her husband's name. When she started divorce proceedings against Mando, he instructed the tenant to pay rent to his mother Lena Reyes. A letter was sent to Seleni by Mrs. Reyes through an attorney claiming rent and seeking to evict Seleni from the premises in November

2011. Seleni has refused to move claiming that the property has been given to Mando and her so she cannot be evicted. Seleni claims that documents had been prepared by an attorney Norman Neal transferring the land to Mando and to her, but the transfer was never completed. She states that Mrs. Lena Reyes represented to Mando and to her that the property would belong to them and that is why she invested her money in developing it. Mrs. Lena Reyes was fully aware of the improvements made by Seleni to the property yet she never sought to question them or put a stop to them.

11. Under cross-examination by Mr. Elrington, S.C., Seleni said that she does not consider herself to be the owner of the building, and she admits that Mrs. Lena Reyes is the owner. She says that she has not left because she invested money in the property. She says she has been living there since 1996, and she has never paid rent to Mrs. Reyes because she was never asked to pay any rent. In answer to learned counsel's suggestion that by occupying the upstairs to date and by using the downstairs as a meat shop for several years rent free, she has deprived Mrs. Reyes of over \$400,000.00 annual rental income, Seleni responded that she does not agree with that suggestion because Mrs. Lena Reyes never asked for rent, she had given the property to them. She said that she spent money on it because it was her matrimonial home for her family and she thought that she would live there forever until she died. When her marriage failed she thought that Mrs. Reyes would offer her something for all the money she had spent improving the property. Seleni cannot recall the exact words that Mrs. Lena Reyes used in 1993 around the time she and Mando got engaged, but she is sure that Mrs. Lena Reyes offered the property to them. She said that she was not present when Mrs. Reyes

told Mando that she would transfer the property to them in 2003. She agrees with Counsel's suggestion that she has had the use and enjoyment of the premises for many years.

12. The final witness for the Defendant was Edgar Puga. He said he is Civil Engineer and he is the father of the Defendant, Seleni Puga Reyes. He said that his daughter came to him in 1993 and told him that she wanted to build on land given to her and her intended husband Edward Armando Reyes and he offered to help in any way he could. Mr. Puga therefore hired a workman Israel Flores to complete the upper residential portion of the building around the end of 1995, based on building plans and bill of quantities drawn up by Guerra Consulting Architects. He therefore hired Mr. Flores to lay blocks, plaster and render walls, construct ceiling and roof, put in windows and partitions, install fixtures, plumbing and electrical works on the upstairs. In 1996, Mr. Puga hired another workman Manuel Orellana to finish the lower flat of the building. Funds for both projects came from Seleni and Mando, while Mr. Puga paid all labor costs.

13. Under cross-examination by Mr. Elrington, S.C., Mr. Puga said that he was not giving his daughter and her husband a handout or a loan, he was merely giving them a gift. He never wanted or expected them to pay him back for this assistance. He said he was told that the owner of the land was going to put it in Eduardo's name, but he admits he never spoke to the owner of the land directly about this matter. He doesn't know if Seleni and Mando ever paid rent to Mrs. Reyes for occupying her premises. He also assisted his daughter and her husband by supplying them with meat to sell in their meatshop.

### **Legal Submissions on behalf of the Claimant**

14. The deadline for written submissions to be filed by Counsel for the Claimant and the Defendant was July 3<sup>rd</sup>, 2015. Mr. Elrington, S.C., filed his submissions on February 11<sup>th</sup>, 2016 without first seeking leave or relief from sanctions for late filing. Numerous reminders were sent to Counsel thru the Marshal requesting the submissions. The Court does not condone this behaviour and is minded to penalize this lack of respect for the deadlines set by the court. But in deference to the overriding objective which is to deal with cases justly between the parties, the court has taken time to consider these submissions filed at the eleventh hour. In those submissions, Mr. Elrington, S.C., highlights portions of the evidence which in his view are in favour of the Claimant. This is summarized by the court as follows:

15. The evidence that Mrs. Lena Reyes is the owner of the two lots was undisputed at trial. The controversy arose when Mrs. Lena Reyes decided to build a two storey ferro concrete house on the disputed lot; she did not have enough money to build the downstairs and the upstairs of the house she wanted to build. She had enough to build the downstairs. The drawings done by Gustavo Guerra the architect which are in evidence show that the client was Mrs. Lena Reyes and that the drawings and plans were paid for by Mrs. Lena Reyes. He also submits that there is evidence that the downstairs was completed by Contractor Herman Longworth and that the Bill of Quantities submitted by the contractor to complete the upstairs was for a sum greater than what Mrs. Lena Reyes could afford so she did not engage him to do the upper flat. Seeing that the labour cost was high, the Claimant's son Armando Reyes decided to help

his mother by doing some of the work on the upper flat himself, he bought materials using some of the credit from his family business "Mando's" had established with Brothers Habet, a hardware store, and with money that came from Mando's, the family business, along with a \$10,000.00 credit card from Belize Bank he purchased materials to finish the upstairs. Mr. Elrington, S.C., submits Armando Reyes was merely giving his mother a helping hand and is not claiming anything from his mother in return.

16. The daughter-in-law Seleni Puga Reyes no doubt heard the Claimant say on a number of occasions that she intended to give the house and lot to her son Armando Reyes. Mr. Elrington, S.C., submits that this statement at its highest was merely a declaration by the Claimant of her intention. Having an intention and carrying out that intention are two different things. The evidence is that Mrs. Lena Reyes never transferred her property to her son.

17. Mr. Puga, the Defendant's father, was emphatic in saying he gave Seleni and Armando money to complete the building in order to help them out; this was a family arrangement, and not a business or a legal arrangement. Mr. Elrington, S.C., says that Mr. Puga's evidence is that he gave Seleni the money to complete the building and this contradicts Seleni's own evidence that she financed the completion of the building to the value of about \$50,000.00 BZ. He points out that Seleni failed to establish what her income was at the time and the value of \$50,000.00 is clearly too high and unsubstantiated. Learned Counsel also argues that it is Mrs. Lena Reyes' act of "*maternal kindness*" in allowing her son and daughter in law to occupy her house rent free that has now landed her in court where the daughter-in-law is claiming an

equitable interest in this property. He submits that there is no way that the Court can construe Mrs. Lena Reyes' words and actions as giving Seleni any right over Mrs. Lena Reyes property.

18. Mr. Elington, S.C., argues that Mrs. Lena Reyes gave evidence that this was a family arrangement, and that the consideration for whatever she promised her son was natural love and affection and not money nor monies worth; this was supported by the evidence of the son Armando Reyes. There was no intention to create legal relations in this family situation. The evidence shows that family circumstances have changed, Armando and Seleni have now divorced, and the family arrangement was therefore brought to an end. Seleni has no right, legal or equitable, in Mrs. Lena Reyes' property. Her refusal to move from the premises is depriving Mrs. Lena Reyes of rental income in excess of \$1000.00 per month so she should pay her mesne profits. Even if (which is not admitted) Seleni could prove a value of \$50,000.00 contribution to the development of Mrs. Lena Reyes' property, that amount would have to be set off against the 19 years that Seleni has lived on the premises rent free or \$220,000.00 and the use of the downstairs for 8 years at \$800.00 per month or \$76,800.00. Seleni should therefore deliver up the premises to Mrs. Lena Reyes and pay mesne profits up to date of delivery. No legal authorities were cited by Mr. Elington, S.C., to buttress his submissions.

**Legal Submissions on behalf of the Defendant**

19. Mr. Staine filed his submissions on behalf of the Defendant on July 14<sup>th</sup>, 2015. He submits that a mere statement of intention made in the course of a conversation will not constitute a binding promise though acted upon by a party to whom it was made.

The parties to the agreement must intend to enter into a legally binding agreement. In the course of family life, many agreements are made every day which could never be supposed to be the subject of litigation. He cites Devlin J in **Parker v Clark** (1960) 1 ALL ER 93 at p 100:

*“The question must depend on the intention of the parties to be inferred from the language which they use and from the circumstances in which they use it.*

*Mr. and Mrs. Clark, were an old couple living in their own large house in Torquay. The plaintiffs, Commander and Mrs. Parker, lived in a cottage in Sussex. Mrs. Parker was the niece of Mrs. Clark. In September 1995 the defendants wrote to the plaintiffs inviting them to live with them. The plaintiffs were to share in the maintenance of the house and the defendants were to provide a car and domestic help. If the plaintiffs agreed, they would have to sell their cottage and the male defendant therefore promised to make a will leaving the Torquay house to the female plaintiff. The plaintiffs accepted the offer, sold their cottage and joined the defendants in Torquay. The male defendant duly executed the will. But by the autumn of 1957 the defendants regretted the arrangement and made the plaintiffs’ position so uncomfortable that in December, as an alternative to being evicted, the plaintiffs left.*

*The plaintiffs sued for breach of contract and the defendants pleaded inter alia that no contract had ever been made, but only an amicable arrangement.*

*After receiving the evidence, His Lordship concluded that an arrangement binding in law was intended by both sides.”*

Mr. Staine submits that the modern doctrine of proprietary estoppel has its roots in two types of causes:

- a) Encouragement
- b) Acquiescence

In the first, one party encourages the other in the expenditure of money or in doing something to his or her detriment in anticipation of having a right over certain land.

In the second one party who knows the true situation stands by while the other spends money on land over which the latter mistakenly believes he has a right.

Mr. Staine cites Lord Cranworth in **Ramsden v Dyson** (1886) LR 1 HL 129 *“If a stranger begins to build to be active and on my land supposing it to be his own, and I, perceiving the mistake, abstains from setting him right, and I leave him to persevere in his error, a Court of Equity will not allow me afterwards to assert my title to the land on which he expended money on the supposition that the land was his own. It considers that, when I saw the mistake to which he had fallen, it was my duty to be active and to state my adverse title; and that it would be dishonest in me to remain wilfully passive on such an occasion, in order afterwards to profit by the mistake which I might have prevented. But it will be observed that to raise such an equity, two things are required, first, that person expending the money supposes himself to be building on his own land; and secondly, that the real owner knows that the land belongs to him and not to the person expending the money in the belief that he is the owner.”*

In **Thorne v Major** (2009) 1 WLR 776, Lord Walker of Gestingthorpe said *“An academic authority in his book An Introduction to Land Law (2007) p 101 has recently commented:*

*“There is no definition of proprietary estoppel that is both comprehensive and uncontroversial (and many attempts at one have been neither)”. Nevertheless most scholars agree that the doctrine is based on three main elements, although they express them in slightly different terms:*

- a) *A representation or assurance made to the Claimant;*
- b) *Reliance on it by the Claimant;*
- c) *Detriment to the Claimant in consequence of his (reasonable) reliance.”*

Mr. Staine also relies on the case of **Re Basham (deceased)** [1987] 1 ALL ER 405 where Edward Nugee QC Deputy Judge stated: *“The plaintiff relies on proprietary estoppel, the principle of which, in its broadest form, may be stated as follows: Where one person (A) has acted to his detriment on the faith of a belief, which was known to and encouraged by another person; (B) that he either has **or is going to be given a right** over B’s property, B cannot insist on his strict legal rights if to do so would be inconsistent with A’s belief.”*

Finally, Mr. Staine submits that the principle by which proprietary estoppel operates is not very different from common intention constructive trust as in **Grant v Edwards** (1986) 2 ALL ER 426. Both rely on certain shared characteristics i.e. a representation or promise which is intended to be or is known that it will be relied upon and in reliance thereon the promise acts to his or her detriment. The characteristics of both are similar as per Sir Nicholas Browne-Wilkinson VC at page 438: *“I suggest that, in other cases of this kind, useful guidance may in the future be obtained from the principles underlying the law of proprietary estoppel which in my judgment are closely akin to those laid down in Gissing v Gissing [1971] A.C. 886. In both, the claimant must to the knowledge of the legal owner have acted in the belief that the claimant has or will obtain an interest in the property. In both, the claimant must have acted to his or her detriment in reliance on such belief. In both, equity acts on the conscience of the legal owner to prevent him from acting in an unconscionable manner by defeating the common intention. The two principles have been developed separately without cross-fertilisation between them: but*

*they rest on the same foundation and have on all other matters reached the same conclusions”.*

### **Decision**

20. Having reviewed the evidence in this matter and considered the submissions made by Counsel for the Claimant and for the Defendant, I find that the evidence shows clearly that a promise was made to the Defendant and her husband by the Claimant at the time that Seleni and Eduardo became engaged to be married in 1993 that upon the passing of Mrs. Lena Reyes, Eduardo’s mother, the property at 19A Central American Boulevard Belize City would be passed to Eduardo and his wife Seleni. I agree with Mr. Staine that the principle of proprietary estoppel definitely arises on the evidence in this case. I am certain that that promise was made to Seleni and Eduardo by Mrs. Lena Reyes because even in court the Claimant’s witness Eduardo said in re-examination: *“When she passes away, she said she would leave it for me when she passes away.”* To which his Counsel said, *“You may pass away before her. That is definitely a possibility. You are prepared to take that risk?”* Eduardo replied, *“Yes, sir, I am”*. Relying on this promise from Mrs. Lena Reyes, Seleni with the support of her father Edgar Puga, acted to her detriment by expending considerable sums of money in improving Mrs. Lena Reyes’ property at a time when her husband Eduardo Reyes had no job and no money, and Mrs. Lena Reyes’ own funds had been depleted. Seleni financed the completion of the upstairs in 1995 and later the downstairs of the building in 1996 because she believed, based on what Mrs. Lena Reyes had said to them as a young couple engaged to be married, that that property would be the matrimonial home for herself and Eduardo and their family until

the day she died. In addition, I find as a fact that Mrs. Lena Reyes knew or ought to have known that Seleni and her family were the ones financing the development of her building as she knew her son Eduardo was not employed at the time and her own funds had been exhausted. Yet she took no steps to halt the development and instead praised the works being done and allowed Seleni to continue to spend money on developing the property. I am fortified in this view by the fact that Mrs. Lena Reyes allowed Seleni and her husband to rent out the downstairs and never once sought to collect rent either from them as a couple for their use of the upstairs portion, or from their tenants for lease of the downstairs portion. The young couple were allowed by the true owner to treat the building as their own. Mrs. Lena Reyes therefore actively encouraged Seleni in her belief that Seleni and Mando would one day own the property after Mrs. Reyes passed, or at the very least by not objecting to the developments, she acquiesced in that belief. Mr. Elrinton, S.C., has argued that this was merely a family arrangement and an act of kindness of a mother to her son and by extension her daughter in law. I respectfully disagree. Mrs. Reyes benefitted from Seleni and her father spending their own cash on developing her house by building an upstairs when she personally had no money to do so. She must have known that Seleni would not have done this unless she believed her promise that one day the property would belong to her and husband. Seleni could have used that money to build another property elsewhere; but she chose to build and develop what she believed would one day belong to them, based on his mother's promise, a promise he holds on to as recent as this trial last year. So while it is true that circumstances have changed and the marriage is now at an end, the Court

takes into account not the present circumstances as they are now, but what was operating on the mind of Seleni Puga Reyes when she decided to spend money on developing her mother in law's property back in 1995 and 1996. The court finds that Mrs. Lena Reyes promised the property to her son Edward and Seleni after she passed, and it is on the basis of that promise that Seleni acted to her detriment by spending her own money to develop the property. I therefore declare that Seleni Puga Reyes is entitled to an equitable interest in the property at 19A Central American Boulevard Belize City and if Mrs. Lena Reyes wishes to free herself from that interest, then she must be prepared to compensate Seleni for the funds spent by Seleni in developing that property.

The Claim is therefore dismissed with prescribed costs awarded to the Defendant.

***Dated this Wednesday, 17<sup>th</sup> day of February, 2016***

---

**Michelle Arana  
Supreme Court Judge**