

FIRST DIVISION

[G.R. No. 174445, February 15, 2012]

**SPOUSES WILLIAM GUIDANGEN AND MARY GUIDANGEN,
PETITIONERS, VS. DEVOTA B. WOODEN, RESPONDENT.**

D E C I S I O N

DEL CASTILLO, J.:

"The plaintiff must rely on the strength of [her] own evidence and not upon the weakness of the defendant's."^[1]

This Petition for Review on *Certiorari*^[2] assails the June 15, 2006 Decision^[3] of the Court of Appeals (CA) in CA-G.R. CV No. 83209 which ordered petitioners to execute the necessary document/s of sale of a house in favor of the respondent, the dispositive portion of which reads:

UPON THE VIEW WE TAKE OF THIS CASE, THUS, the judgment appealed from is hereby REVERSED and SET ASIDE. The appellees spouses Mary Guidangen and William Guidangen are hereby ordered to execute, within fifteen (15) days from the date of the finality of this decision, the necessary document/s of sale (preferably with the intervention of a notary public, whose fees will be footed by the appellant), covering the subject property in favor of appellant. Should the said appellees-spouses, for one reason or another, be unable or be unwilling to execute the necessary document/s of sale in favor of the appellant, the court a quo is hereby authorized, and directed, to execute the necessary document/s of sale within the period indicated, which document/s of sale shall have the same legal force and effect as if executed by the appellees-spouses themselves. Without costs in this instance.

SO ORDERED.^[4]

This petition also assails the CA's September 1, 2006 Resolution^[5] denying petitioners' Motion for Reconsideration.

Petitioners pray for the reversal of the assailed Decision and the reinstatement of the January 28, 2004 Decision^[6] of the Regional Trial Court (RTC), Branch 14 of Lagawe, Ifugao in Civil Case No. 572 which declared them the owners of the subject house.

Factual Antecedents

On September 2, 1997, respondent Devota Wooden (respondent) filed a

Complaint^[7] with the RTC of Lagawe, Ifugao to compel petitioners William and Mary Guidangen (petitioners) to execute a registrable document of conveyance of a two-storey house (old house) located at the Philippine National Police (PNP) Barracks in Lagawe, Ifugao. She also sought to restrain the petitioners from entering and taking physical possession thereof.

Respondent alleged that sometime in 1994 to 1995, she and her husband, Nestor Wooden (Nestor), a member of the PNP, bought the old house from petitioners for the sum of P60,000.00 as evidenced by a private document. This private document, however, was allegedly taken by petitioner Mary Guidangen (Mary) along with some other documents when she processed the claims and benefits due from the PNP of Nestor who died in 1997.

In their Answer,^[8] petitioners vehemently denied having sold the old house to Nestor and respondent (Wooden spouses) or having executed a private document relative to its sale. They alleged that they built the old house and lived there until 1988 after which they transferred to their new house along Rizal Avenue, Poblacion West, Lagawe, Ifugao. Since 1983, their nephew Nestor, who was still single then, lived with them in the old house as well as in their new house. Petitioners treated Nestor as their own son and even allowed him and respondent to live in the old house free of rent in the latter part of 1995 after the couple got married. They also entrusted to the couple the collection of rents from tenants in the ground floor to defray the expenses for the maintenance of said house. In support of their claim of ownership, petitioners presented the tax declaration and clearance for payment of taxes of the old house in their name.

In reply, respondent maintained that petitioners sold the old house to her and Nestor. She denied that Nestor lived with petitioners or that she and her husband asked petitioners to allow them to stay in the old house. She also denied having sought permission from the petitioners to collect the rentals from tenants for minor repair works. Instead, they pointed out that what they undertook in the old house were not minor repairs but a major renovation. To further bolster her claim that the old house was already sold to them, respondent averred that Mary even prepared Nestor's Statement of Assets, Liabilities and Net Worth (SALN) for the year 1996 while the latter was hospitalized. The old house was declared therein as part of Nestor's assets, thereby proving that the same already belongs to the Wooden spouses.

On the witness stand, respondent stood by her claim of sale.^[9] When cross-examined, however, she testified that she only saw and read the alleged private document evidencing the sale but was neither present when the same was executed and given to her husband nor was she or her husband a signatory thereto; that the document was signed only by Mary; and, that she was present only during the payment of the first installment of the purchase price. Further, respondent testified that she gave her house key to Mary for purposes of securing some documents therefrom but she did not personally and actually see Mary enter the old house.^[10]

Upon further questioning by the court, respondent stated that she and her husband paid the first installment of P16,000.00 or P16,500.00 on August 19 or 20, 1994.^[11] The other installment amounting to about P35,000.00 was paid by Nestor sometime in December 1994 or 1995.^[12] Thereafter, a private writing was

executed by Mary as *receipt* of the payment for the house.^[13] This was allegedly the only receipt that the Wooden spouses had as evidence of the sale but was supposedly taken by Mary.^[14]

Respondent presented as witnesses the former tenants in the ground floor of the old house, PO3 Oscar Mamacay and Policeman Jay Telan (Telan), who testified that they paid their rentals to the respondent.^[15] Telan recounted that he initially paid rentals to Mary but was later advised by her to make the payments to respondent because she has already sold the house to the Wooden spouses.^[16]

On the other hand, Mary testified that she and her husband constructed the old house in the latter part of 1981. They occupied the same in 1982 until 1988, after which they left and moved to their newly-built house. The old house was leased to tenants and in the latter part of 1995, they allowed the Wooden spouses to occupy the second floor thereof for free.^[17]

Petitioners presented the following as proof of their ownership of the old house: (1) Tax Declaration No. 1645(R)^[18] issued by the Municipal Assessor's Office in Mary's name; and (2) tax receipts dated August 11, 1997, February 10, 1998 and November 20, 2002; and, (3) the Tax Clearance also dated November 20, 2002. In addition, Mary stated that on September 7, 1981 she and her husband filed an application for electric services for the old house with the Ifugao Electric Company (IFELCO) as evidenced by the Membership Index Card and the Certification attesting to said membership issued by the manager of IFELCO dated October 8, 2002.^[19]

During the course of her direct examination, Mary likewise testified on the real properties declared in her SALN for the years 1986 to 1992 and 1997 to 2002. While these SALN generally show that both the old and new houses were declared albeit there are lapses in the years of their acquisition, there were several instances where only one house was declared, or only the lot where the house was built on was declared.^[20] When presented with the SALN of Nestor for the years 1994 to 1996 wherein the old house was declared as one of the assets acquired by purchase for the sum of P70,000.00 by the declarant, Mary this time reiterated that she and her husband never sold the old house to the Wooden spouses but only allowed them to stay there in the early part of 1995 upon the request of their nephew, Nestor.^[21]

On cross-examination, Mary stated that the controversy involving the house only began when respondent filed the case in September 1997; that despite the case, she assessed her relationship with respondent, whom she considers and treats as her daughter-in-law, to be good; that she paid the real property taxes on the old house only on August 11, 1997 because she did not have enough money to pay the taxes before; and that at the time she paid the taxes she did not know that respondent was claiming ownership of the old house.^[22] When asked about the SALN of Nestor, she claimed that she was not aware of it as the same was prepared by Nestor himself.^[23] She also denied preparing or assisting in the preparation of Nestor's SALN for 1996 as their office has an administrative officer responsible for such task.^[24] Further, Mary testified that she only found out that Nestor declared the old house as his own when the complaint was filed by the respondent.^[25] When presented with a duplicate original copy of her own SALN purportedly for the year

1995 wherein only one house was declared as asset, Mary stated that what was declared was the old house.^[26] The new house was not declared due to inadvertence.^[27] When questioned further, Mary admitted that the house declared in her SALN for the year 1995 happens to be the new house and not the old house.^[28] Later, however, Mary explained the discrepancies in the values pertaining to her properties as declared in her SALN and reiterated that the house declared in the questioned SALN was the *old* house.^[29]

Witnesses for petitioners included Gloria Linda Guinawa (Guinawa), Erlinda Paraguas (Paraguas), Dolores Wooden (Dolores) and SPO4 Florencio Kimmayong (SPO4 Kimmayong). Guinawa, the Municipal Assessor of Lagawe, Ifugao, confirmed that as per official records of the Provincial Assessor's Office, the old house was first declared in Mary's name on August 9, 1988; that said house has not been declared in another person's name;^[30] and, that there were instances where real property taxes are paid years after the assessment has been issued.^[31] Respondent's neighbor, Paraguas, also narrated that she accompanied Mary to the old house after Nestor's death and that Mary did not take any documents from the house.^[32] Dolores, the respondent's mother-in-law, testified that her son Nestor renovated the old house to make it "convenient" but denied that he purchased the same.^[33] For his part, SPO4 Kimmayong, testified that as Administrative Officer of the Lagawe Police Station, he was responsible for preparing the 1996 SALN of Nestor.^[34]

Ruling of the Regional Trial Court

In its January 28, 2004 Decision,^[35] the RTC ruled that respondent was not able to prove the sale of the old house with preponderant evidence which would justify the court to compel petitioners to execute the documents of sale/ conveyance. It dismissed the complaint, disposing as follows:

WHEREFORE, premises considered and by preponderance of evidence, plaintiff failed to prove her case, thus it is hereby denied. It is the defendants, instead, by the same quantum of evidence, who proved their unquestioned possession and ownership of the house in question and should remain undisturbed.

Plaintiff is therefore ordered to abandon all claims on the house in question by simply remaining in Santiago City, her birthplace and work place, as was the status quo since the inception of this case. Defendants, being the true owners, may now do as they please with their house.

No pronouncement as to damages since no evidence was presented to this effect.

SO ORDERED.^[36]

Ruling of the Court of Appeals

On appeal, the CA reversed the RTC through its June 15, 2006 Decision and held

that respondent “*was able to present other cogently strong proofs in amplification of her evidence which were entirely ignored by the court a quo to the effect that the subject house was sold by appellees to them.*”^[37] The appellate court held that respondent, by clear preponderance of evidence, has made out and established a thoroughly convincing case for the exercise of the right provided for in Article 1357^[38] of the Civil Code of the Philippines.^[39]

Petitioners moved for reconsideration^[40] but their motion was denied by the CA for lack of merit.^[41]

Issues

Petitioners come before this Court by way of a Petition for Review on Certiorari raising the following issues:

A.

WHETHER X X X THE HONORABLE COURT OF APPEALS COULD VALIDLY ORDER PETITIONERS TO EXECUTE A [REGISTRABLE] DOCUMENT DESPITE THE FAILURE OF RESPONDENT TO PROVE THE DUE EXECUTION AND EXISTENCE OF THE ALLEGED “PRIVATE DOCUMENT” EVIDENCING THE ALLEGED PURCHASE OF THE HOUSE IN DISPUTE;

B.

WHETHER X X X THE HONORABLE COURT OF APPEALS COULD VALIDLY IGNORE OR DISREGARD THE ASSESSMENT OF THE TRIAL COURT ON THE CREDIBILITY OF WITNESSES;

C.

WHETHER X X X THE FINDINGS OF FACTS BY THE HONORABLE COURT OF APPEALS ARE MANIFESTLY MISTAKEN, WITHOUT EVIDENTIARY BASIS AND CONTRADICTORY TO THE FINDINGS OF THE TRIAL COURT;

D.

WHETHER X X X THE ALLEGED SALE [MAY] BE CONSIDERED VALID DESPITE THE ABSENCE OF ANY EVIDENCE THAT WOULD SHOW THAT PETITIONER WILLIAM GUIDANGEN HAD GIVEN HIS CONSENT TO THE ALLEGED SALE MADE BY PETITIONER MARY GUIDANGEN IN FAVOR OF RESPONDENT AND HER LATE HUSBAND;

E.

WHETHER X X X THE HONORABLE COURT OF APPEALS ERRED IN NOT RECOGNIZING THE EVIDENTIARY VALUE OF PETITIONERS’ TAX DECLARATION, PAYMENT OF REALTY TAX AS WELL AS THE ELECTRICAL CONNECTIONS OF THE HOUSE WHICH ARE IN THE NAME OF PETITIONERS.^[42]