

THIRD DIVISION

[G.R. No. 189697, June 27, 2012]

ELEUTERIO RIVERA, AS ADMINISTRATOR OF THE INTESTATE ESTATE OF ROSITA L. RIVERA-RAMIREZ, PETITIONER, VS. ROBERT RAMIREZ AND RAYMOND RAMIREZ, RESPONDENTS.

DECISION

ABAD, J.:

This case is about a court's adjudication of non-issues and the authority of the administrator to examine and secure evidence from persons having knowledge of properties allegedly belonging to the decedent's estate.

The Facts and the Case

The spouses Adolfo Ramirez (Adolfo) and Rosita Rivera (Rosita) were married in 1942. Their only child died in infancy. They acquired during their lifetime the Sta. Teresita General Hospital and other properties. Rosita died in September 1990, followed by her husband Adolfo in December 1993.

On February 7, 1995 petitioner Eleuterio P. Rivera (Eleuterio) filed a petition for issuance of letters of administration with the Regional Trial Court (RTC) of Quezon City covering the estate of Rosita, who allegedly died without a will and with no direct ascendants or descendants.^[1] Eleuterio claimed^[2] that he was Rosita's nephew, being the son of her brother Federico. Eleuterio submitted to the intestate court a list of the names of the decedent's other nephews and nieces all of whom expressed conformity to Eleuterio's appointment as administrator of her estate.

On March 28, 1995 the RTC issued letters of administration appointing Eleuterio as Rosita's estate administrator.^[3] On September 6, 1995 Eleuterio submitted an initial inventory of her properties. On April 18, 1996 he filed in his capacity as administrator a motion with the court to compel the examination and production of documents relating to properties believed to be a part of her estate, foremost of which was the Sta. Teresita General Hospital that respondent Robert Ramirez (Robert) had been managing.^[4] Robert claims, together with Raymond Ramirez (Raymond) and Lydia Ramirez (Lydia), that they were children of Adolfo by another woman. Robert opposed the issuance of the subpoena.

On joint motion of the parties, however, the RTC issued an order on March 26, 1998, suspending the proceedings in the case pending the resolution of a separate case involving the properties of the estate.^[5] Four years later or on May 16, 2002 Eleuterio, as administrator of Rosita's estate, moved for the revival of the proceedings and requested anew the production and examination of documents in Robert's possession relating to Rosita's estate. The RTC apparently never got to act on the motion.

Meantime, on March 25, 2005 administrator Eleuterio moved for the joint settlement in the same case of the estates of Rosita and her husband, Adolfo^[6] considering that the spouses' properties were conjugal. Eleuterio expressed willingness to co-administer the late spouses' estate with Adolfo's heirs, namely, Raymond, Robert, and Lydia Ramirez. Robert agreed to the joint settlement of the estate of the deceased spouses but insisted that the court also probate the deceased Adolfo's will of October 10, 1990 which Robert presented.

As a side issue, Robert initially retained the services of Atty. Antonio Pacheco to represent him in the estate case. The lawyer had previously counseled for the late Adolfo and the hospital. But Robert and Atty. Pacheco soon had a parting of ways, resulting in the dismissal of the lawyer. Raymond, who did not see eye to eye with his brother Robert, subsequently retained the services of Atty. Pacheco to represent him in the case. This created an issue because Robert wanted the lawyer inhibited from the case considering that the latter would be working against the interest of a former client.

On July 17, 2006 Eleuterio, as administrator of Rosita's estate, reiterated his motion to compel examination and production of the hospital's documents in Robert's possession. On February 12, 2007 the RTC granted the administrator's motion and ordered Robert to bring to court the books of account, financial statements, and other documents relating to the operations of the Sta. Teresita General Hospital. The RTC also declined to inhibit Atty. Pacheco as Raymond's counsel. Robert moved to quash the subpoena on the grounds that the documents belonged to the hospital, which had a distinct personality; that the hospital did not form part of Rosita's estate; and that Eleuterio, as administrator only of Rosita's estate, had no right to inspect and have access to Adolfo's estate. But the RTC denied Robert's motion on June 19, 2007.

Robert filed a special civil action of *certiorari* before the Court of Appeals (CA),^[7] imputing grave abuse of discretion by the RTC for allowing the production and examination of the subject documents and for not inhibiting Atty. Pacheco from the case. On February 17, 2009 the CA rendered judgment,^[8] annulling the RTC's orders insofar as they granted the production and examination of the hospital's documents. Essentially, the CA ruled that Eleuterio and Rosita's other collateral relatives were not her heirs since she had an adopted child in Raymond and that, consequently, Eleuterio, et al. had no standing to request production of the hospital's documents or to institute the petition for the settlement of her estate. The CA affirmed, however, the non-inhibition of Atty. Pacheco from the case. Eleuterio's motion for reconsideration having been denied, he filed the present petition for review.

Issues Presented

The case presents two issues:

1. Whether or not the CA erred in ruling that Eleuterio and his relatives were not Rosita's heirs and, therefore, had no right to institute the petition for the settlement of her estate or to seek the production and examination of the hospital's documents; and