FIRST DIVISION

[G.R. NO. 135817, November 30, 2006]

REYNALDO RODRIGUEZ AND NANCY A. RODRIGUEZ, PETITIONERS, VS. CONCORDIA ONG LIM, EURESTES LIM AND ELMER LIM, RESPONDENTS.

DECISION

CALLEJO, SR., J.:

Before the Court is a petition for review on *certiorari* filed by the spouses Reynaldo and Nancy Rodriguez seeking the reversal of the Decision^[1] dated July 18, 1995 of the Court of Appeals in CA-G.R. CV No. 27440. The assailed decision affirmed that of the Regional Trial Court (RTC) of Lucena City, Branch 58, declaring, *inter alia*, Transfer Certificate Title (TCT) No. T-128607 in the names of petitioners Reynaldo and Nancy Rodriguez null and void and directing them to vacate the lots subject of litigation. Likewise sought to be reversed is the appellate court's Resolution dated October 5, 1998 denying petitioners' motion for reconsideration.

As culled from the respective decisions of the RTC of Lucena City, Branch 58 (court *a quo*) and the appellate court, the factual and procedural antecedents are as follows:

Pablo Goyma Lim, Jr. filed with the court *a quo* a complaint for cancellation of certificate of title and injunction against the spouses Rodriguez. In his complaint, Pablo Goyma Lim, Jr. alleged that his mother, Dominga Goyma, ^[2] was the owner of two parcels of land (subject lots). The first parcel, ^[3] containing an area of 28,051 square meters, more or less, is situated in the Sitio of Tulay-Buhangin, Barrio Ilayang Palo, Municipality of Pagbilao, Province of Quezon. The second parcel, ^[4] containing an area of 260,590 sq m, more or less, is situated in the Sitio of Tulay-Buhangin, Barrio of Laguimanoc, Municipality of Atimonan (now Padre Burgos), Province of Quezon. The subject lots were registered in the name of Dominga Goyma on February 6, 1948 under TCT No. T-2857.

Dominga Goyma died on July 19, 1971 and was survived by her only son, Pablo Goyma Lim, Jr., a spurious son acknowledged and recognized by her.

The complaint also alleged that during her lifetime, Dominga Goyma exclusively possessed the subject lots and upon her death, Pablo Goyma Lim, Jr. succeeded to all her rights of ownership and possession. However, the spouses Rodriguez, despite their knowledge that Pablo Goyma Lim, Jr., was now the owner and possessor of the subject lots, allegedly unlawfully and fraudulently made it appear that they had purchased the subject lots from persons who were not the owners thereof.

The spouses Rodriguez allegedly caused the cancellation of TCT No. T-2857 despite the fact that the owner's duplicate copy thereof was in the possession of Pablo Goyma Lim, Jr. On February 10, 1975, TCT No. T-128605 was issued in the name of

Frisco^[5] Gudani, estranged husband of Dominga Goyma. This title was cancelled by TCT No. T-128606 issued in the name of Eduardo Victa also on February 10, 1975. The latter certificate of title, in turn, was cancelled by TCT No. T-128607 issued in the name of the spouses Rodriguez also on February 10, 1975.

Since May 1975, the spouses Rodriguez allegedly tried to enter and occupy the subject lots by force and intimidation. Pablo Goyma Lim, Jr. thus prayed in his complaint that the spouses Rodriguez be permanently enjoined from entering and occupying the subject lots; TCT No. 128607 be declared null and void and TCT No. T-2857 in the name of Dominga Goyma be reinstated; and the spouses Rodriguez be ordered to pay Pablo Goyma Lim, Jr. damages, attorney's fees and the costs of suit.

In their Answer, the spouses Rodriguez denied the material allegations in the complaint. They alleged that Dominga Goyma was not the mother of Pablo Goyma Lim, Jr. They averred that the subject lots were the conjugal property of Frisco Gudani and his wife Dominga Goyma. When the latter died, Frisco Gudani was her sole surviving heir.

According to the spouses Rodriguez, Frisco Gudani and Dominga Goyma, as husband and wife, jointly exercised acts of ownership and possession over the subject lots. When Dominga Goyma passed away, Frisco Gudani executed an instrument of extra-judicial settlement of the estate of the deceased. By virtue of the said document, Dominga Goyma's share in the subject lots was adjudicated in favor of Frisco Gudani as her sole surviving heir. The extra-judicial settlement allegedly complied with the requirements of publication under the Rules of Court.

Thereafter, Frisco Gudani allegedly sold the subject lots to Eduardo Victa who, in turn, sold the same to the spouses Rodriguez. The latter claimed that they were purchasers in good faith and for value. Further, they denied that they had tried to enter the subject lots by means of force and intimidation. On the contrary, the spouses Rodriguez claimed that they have been in possession of the subject lots by themselves and their predecessors-in-interest.

At the pre-trial, the parties stipulated on the following facts:

- 1. that plaintiff Pablo Goyma [Lim], Jr., the plaintiff in this case, is the same person mentioned in the birth certificate as Pablo Go Yma, xerox copy of which was submitted during the previous preliminary hearing, marked as Exhibit "A";
- 2. that Pablito Goyma Lim mentioned in the Individual Income Tax Returns of the deceased Dominga Goyma, xerox copies of which were submitted during the previous preliminary hearing and marked as Exhibits "B", "C" and "D" and in the Statement of Assets and Liabilities of the deceased Dominga Goyma marked as Exhibit "E", refers to the plaintiff Pablo Goyma Lim, Jr.;
- 3. that according to plaintiff Pablo Goyma Lim, Jr., he is an illegitimate child other than natural of the deceased Dominga Goyma;

- 4. that the deceased Dominga Goyma died on July 19, 1971 and that at the time of her death, she was then the registered owner of the two parcels of land mentioned in paragraph 2 of the complaint covered by Transfer Certificate of Title No. T-2857; that under the aforesaid Transfer Certificate of Title, said lands are registered in the name of Dominga Goyma, wife of Frisco Gudani;
- 5. that at the time of the death of Dominga Goyma, plaintiff Pablo Goyma Lim, Jr., was then more than thirty-five (35) years of age;
- 6. that previous to the instant case, there has been no judicial inquiry as to the maternity or filiation of plaintiff Pablo Goyma Lim, Jr.

$$x \times x \times x^{[6]}$$

Efforts of the parties to enter into an amicable settlement of the case fell through. Consequently, trial on the merits ensued. In the meantime, in the course of the trial, Pablo Goyma Lim, Jr. died on September 8, 1988. He was duly substituted by his surviving spouse, Concordia Ong Lim, and children Eurestes and Elmer Lim.

During trial, both parties adduced their respective evidence. Among those presented to support the allegations of Pablo Goyma Lim, Jr. were the following: Deed of Absolute Sale dated December 13, 1945 (Exhibit "I") covering four parcels of land, including the subject lots, purchased by Dominga Goyma from Marciano and Marina Rodriguez; Marital Consent dated March 19, 1932 (Exhibit "K") executed by Frisco Gudani and Dominga Goyma; TCT No. T-2857 (Exhibit "A") covering the subject lots issued in the name of Dominga Goyma; Pablo Goyma Lim, Jr.'s Certificate of Birth (Exhibit "B") indicating that his mother was Dominga Goyma; Statement of Assets, Income and Liabilities for 1958 (Exhibit "C") of Dominga Goyma indicating Pablo Goyma Lim, Jr. as her son; Income Tax Returns for calendar years 1953 up to 1955 (Exhibit "D" to "F") of Dominga Goyma, where she invariably claimed personal exemption as head of the family and stated therein that she was "separated" from her husband and claimed an exemption for her son Pablo Goyma Lim, Jr.; and Real Property Tax Receipts from 1955, 1957 up to 1975 (Exhibits "H," "H-1" up to "H-22") covering the subject property paid by Pablito Goyma Lim, Jr.

For their part, the spouses Rodriguez presented the following documentary evidence: Deed of Absolute Sale dated February 3, 1975 (Exhibit "I") covering the subject lots showing that the spouses Rodriguez acquired them from Eduardo Victa; TCT No. T-128607 (Exhibit "II") covering the subject lots issued in the name of the spouses Rodriguez on February 10, 1975; TCT No. T-128606 (Exhibit "V") covering the subject lots issued in the name of Eduardo Victa on February 10, 1975; TCT No. T-128605 (Exhibit "IV") covering the subject lots issued in the name of Frisco Gudani on February 10, 1975; and TCT No. T-2857 (Exhibit "III") covering the subject lots in the name of Dominga Goyma.

Also admitted in evidence by the court *a quo* was the deposition of Frisco Gudani taken on October 22, 1977. The court *a quo* summarized the contents of his deposition as follows:

x x x From the deposition, it appears that Prisco M. Gudani, a 77 year-old laborer resident of Barrio Binahaan, Pagbilao, Quezon, was married to

Dominga Goyma on March 22, 1922. They lived together for eleven (11) months and they were separated when Prisco Gudani left the conjugal dwelling one night without the knowledge of Dominga Goyma, never returning to the conjugal dwelling since then. He knows that Dominga Goyma is now dead. He knows too that Pablo Goyma Lim is the son of the late Dominga Goyma. His statement in his Affidavit, dated June 25, 1976 (Exhibit "C-Deposition") that Pablo Goyma Lim, Jr. is not the son of Dominga Goyma is not correct. He said that it was Atty. Alejandro B. Aguilan who prepared said affidavit and told him to sign it otherwise what property he will receive will be forfeited in favor of the government. He does not know anything about the two parcels of land subject of this case. On the affidavit, dated March 15, 1973 (Exhibit "D-Deposition") adjudicating unto himself the property stated therein, including the two parcels of land subject of this case, he explained that said affidavit was prepared by Atty. Alejandro B. Aguilan, who must have known about the properties left by Dominga Goyma and made him understand that he is inheriting the three (3) parcels of land left by Dominga Goyma, the truth being that he had never set foot on these properties and he does not know anything about these properties. When he arrived, the prepared affidavit was read to him and he was told to sign. Atty. Aguilan explained to him that if he will not sign the document, the properties will go to the government and, because he did not want these properties to go to the government, he signed the affidavit in order to get the properties. Had it been explained to him that these properties will not be forfeited in favor of the government, he will not sign the affidavit. The first time Atty. Aguilan told him about the properties of Dominga Goyma was about two years after her death. Atty. Aguilan went to him in his residence in Pagbilao, Quezon and told him that if he will not agree to get the property of Dominga Goyma, those properties will go to the government. Atty. Aguilan told him that because he had not contributed anything in the acquisition of said properties, his share is one-fourth. On March 15, 1973, Atty. Aguilan made him sign a prepared petition for the issuance of a second owner's duplicate copy of Transfer Certificate of Title No. T-2857 (Exhibit "E-Deposition"). On the same date, he was also made to sign an "Affidavit of Loss" prepared by Atty. Aguilan (Exhibit "E-1, Deposition"). He had not at any time been in possession of the owner's copy of Transfer Certificate of Title No. T-2857. He signed both the foregoing documents on the explanation of Atty. Aguilan that he will use them in order to look for the title. He does not know Eduardo Victa and had never met him personally. When shown the "DEED OF CONDITIONAL SALE OF REAL PROPERTY," dated September 10, 1974 (Exhibit "F-Deposition"), he admitted he sold the property. Said document was prepared by Atty. Aguilan who told him that the P20,000.00 constitute his one-fourth share of the properties of Dominga Goyma, but Atty. Aguilan told him to receive only P10,000.00 because the P10,000.00 will be used to cover the expenses of litigation. Of the P10,000.00 left, P5,000.00 was given to him and the other P5,000.00 was taken by Atty. Aguilan, as they are share and share alike in the P10,000.00. He explained that when he signed the deed of sale, he was made to understand that he was selling only the one-fourth share of the property that he owns and the price for the one-fourth share is P20,000.00. On the document entitled "DEED OF ABSOLUTE SALE OF REAL PROPERTY," dated January 17, 1975 (Exhibit

"G-Deposition") he claims not to have received the P60,000.00. Atty. Aguilan, who prepared the document, told him to sign it and he (Atty. Aguilan) will deliver the money later. Atty. Aguilan did not mention the P60,000.00, but only P20,000.00. It was only Atty. Aguilan who was present when he signed the document. He met defendant Reynaldo Rodriguez once when he went to the office of Atty. Magadia and Atty. Uy at the Bañas Building, Rizal Avenue, Manila, in the company of Atty. Aguilan. He was invited to a restaurant and told by Reynaldo Rodriguez that he purchased the properties for a very low price and he would give Gudani an additional amount of P1,500.00 upon the termination of the case that may be filed by Pablo Goyma Lim, that is why he was holding the P10,000.00 to be spent for the expected litigation. After eating, Reynaldo Rodriguez gave him P50.00 for him to buy betel leaves. He said that Atty. Alejandro B. Aguilan is a lawyer in Pagbilao, Quezon, who persuaded him to agree to recover his share from the properties of Domingo Goyma. $x \times x^{[7]}$

Based on the evidence presented by both parties, the court *a quo* rendered judgment in favor of Pablo Goyma Lim, Jr. and against the spouses Rodriguez. In support of its conclusions, the court *a quo* made the following factual findings:

Dominga Goyma married Frisco Gudani on March 22, 1922. However, after living together for only eleven (11) months, Frisco Gudani left the conjugal abode and never returned. They never had any children. On March 19, 1932, Frisco Gudani and Dominga Goyma executed a public instrument denominated as "MARITAL CONSENT," [8] the contents of which are quoted below in full:

MARITAL CONSENT

KNOW ALL MEN BY THESE PRESENTS:

That I, Prisco Gudani, Filipino, of legal age, married and a resident of Pagbilao, Tayabas, declares:

That I am the husband of Dominga Go Imco Ima, Filipina, of legal age, and also a resident of Pagbilao, Tayabas, for whom I make this marital consent.

That since the year 1924, for certain reasons which are delicate to state or mention herein, my wife and I have been living separately.

It was agreed by and between us from the time we separated that each could then live the life of a single person as if we did not take each other as husband and wife, and that each could then make his or her own living without the intervention and responsibility of the other.

Under this state of life that we have, living separately, and upon request that I grant her a marital consent, by these presents I do hereby give and grant unto my wife, Dominga Go Imco Ima, full power and authority and consent to do and perform any and every act and thing whatsoever requisite, necessary or proper to be done in whatever she may undertake to do in which under the law in force and in these Island my presence