

THIRD DIVISION

[G.R. NO. 151245, March 04, 2005]

KEN MARTIN CLEMENTE, CHARLIE CLEMENTE III, ASSISTED BY THEIR PARENTS AND NATURAL GUARDIANS CHARLES L. CLEMENTE, JR. AND LORENA P. CLEMENTE, PETITIONERS, VS. ANTONIO RAZO, ELMA RAZO AND FATIMA RAZO-GALIAS ASSISTED BY HER HUSBAND MANUEL R. GALIAS, RESPONDENTS.

D E C I S I O N

GARCIA, J.:

Assailed and sought to be set aside in this petition for review on certiorari under Rule 45 of the Rules of Court are the following issuances of the Court of Appeals in **CA-G.R. CV No. 56367**, to wit:

1. **Decision dated 10 August 2001,**^[1] reversing and setting aside an earlier decision of the Regional Trial Court at Legaspi City, Branch 2, in Civil Case No. 9170, an action for annulment of title and/or recovery of possession, thereat commenced by the herein respondents against the petitioners; and
2. **Resolution dated 15 November 2001,**^[2] denying petitioners' motion for reconsideration.

From the pleadings on record, the annexes thereto and the memoranda filed by the parties, the Court gathers the following factual antecedents:

Involved in the controversy is a parcel of land located at Legazpi City and containing an area of two hundred sixteen (216) square meters. The land was originally covered by Original Certificate of Title (OCT) No. 30 issued on 24 March 1966 in the name of Antonia Alaurin, married to Tomas Adamos. The title was entered pursuant to a Miscellaneous Sales Patent dated 14 March 1966.

In the course of time, the land in question became the subject of several cases between the original registered owner Antonia Alaurin, on one side, and the spouses Santos Yaptengco and Gregoria Yaptengco Keh, on the other.

The first of these cases was **Civil Case No. 4391**, an action for recovery of possession filed with the then Court of First Instance of Albay by Antonia Alaurin against the Yaptengco spouses.

Next was **Civil Case No. 4412** filed with the same court, this time by the Yaptengcos against Antonia Alaurin, et al. This case was, however, withdrawn by the Yaptengcos and accordingly dismissed by the court in its **order of 7 February 1975**.

Meanwhile, pending the dismissal of Civil Case No. 4412, Tomas Adamos, husband of Antonia Alaurin, died. Thereafter, or more specifically on 14 March 1976, at which time Civil Case No. 4412 was still very much pending, Antonia and her two (2) legitimate children with Tomas, namely, Salvacion and Ester, both surnamed Adamos, executed a **Deed of Extrajudicial Partition and Sale** over the same land. Under that document, the land was sold to **Eugenio Razo**, predecessor-in-interest of the herein respondents. The sale to Eugenio Razo, however, was not registered with the Office of the Register of Deeds.

Then came **Civil Case No. 5595**, an action for annulment of Miscellaneous Sales Patent filed with the same court by the spouses Santos Yaptengco and Gregoria Yaptengco Keh against Antonia Alaurin, her two (2) children and the Director of Lands, it being alleged by the Yaptengcos that "while Civil Case No. 4391 is still pending", Antonia and her two (2) children sold the property in dispute to Eugenio Razo "who bought the same in bad faith".

Later, Civil Cases No. 4391 and 5595 were consolidated. A judgment was thereafter rendered thereon based on a compromise agreement entered into by Antonia Alaurin and the Yaptengco spouses. In that compromise agreement, the Yaptengcos recognized Antonia as the owner of the land in dispute.

On 20 February 1992, Gregoria Yaptengco Keh filed with the Regional Trial Court a petition for the issuance of another owner's duplicate original copy of OCT No. 30 covering the subject land. Attached to the petition was an affidavit executed by Adelina Alaurin, allegedly one of the daughters of Antonia Alaurin, attesting to the fact that during the lifetime of her parents, they sold their rights over the subject land to Gregoria Yaptengco Keh and Robert Keh.

On 24 August 1992, the petition was granted. Subsequently, OCT No. 30 was cancelled, and, on 27 August 1992, **Transfer Certificate of Title (TCT) No. (P) 911** was issued in the name of Gregoria Yaptengco Keh.

On 18 September 1992, Gregoria Yaptengco Keh sold the same land to herein petitioners **Ken Marten Clemente and Charlie Clemente III**, who, as minors, were represented by their mother and natural guardian, Lorena P. Clemente. This sale was thereafter registered with the Register of Deeds. Consequently, TCT NO. (P) 911 of Gregoria Yaptengco Keh was cancelled, and, on 30 September 1992, **TCT No. (P) 914**, under the names of Ken Marten Clemente and Charlie Clemente III, was issued in lieu thereof.

On 17 January 1996, herein respondents, as successors-in-interest of **Eugenio Razo**, filed with the Regional Trial Court at Legazpi City an action for annulment of title and/or reconveyance against the herein petitioners, which action was thereat docketed as Civil Case No. 9170 and raffled to Branch 2 of the court.

In a decision dated 21 January 1997,^[3] the trial court rendered judgment for the herein petitioners upon its finding that the latter are innocent purchasers for value.

Therefrom, herein respondents appealed to the Court of Appeals, which appeal was thereat docketed as **CA-G.R. CV No. 56367**.

As stated at the outset hereof, the Court of Appeals, in the herein assailed **Decision dated 10 August 2001**, reversed and set aside the appealed decision of the trial court, thus:

"WHEREFORE, the appealed decision dated January 21, 1997 is hereby reversed and SET ASIDE and another one entered, as follows:

(1) The transfer certificate of title (TCT) No. (P) 914 issued in the name of defendants-appellees [referring to herein petitioners] and the deed of sale executed by Gregorio [sic] Yaptengco Keh covering the said property are hereby declared null and void;

(2) The defendants-appellees are hereby directed to reconvey said property to the plaintiffs-appellants [referring to herein respondents];

(3) The Register of Deeds is ordered to cancel the registration of said property in the name of defendants-appellees and to issue a new one in the name of herein plaintiffs-appellants.

SO ORDERED."

In time, petitioners filed a motion for reconsideration but the same was denied by the appellate court in its equally challenged **Resolution of 15 November 2001**.

Hence, petitioners' present course on their lone submission that -

THE DECISION OF THE HONORABLE COURT OF APPEALS PROMULGATED ON AUGUST 10, 2001 REVERSING AND SETTING ASIDE THE EARLIER DECISION OF THE TRIAL COURT IN CIVIL CASE NO. 9170, AND ITS SUBSEQUENT RESOLUTION DATED NOVEMBER 15, 2001, DENYING THE MOTION FOR RECONSIDERATION FILED BY HEREIN PETITIONERS, ARE CONTRARY TO LAW AND JURISPRUDENCE.

The petition is impressed with merit.

As we see it, the recourse will either rise or fall on the decisive question of whether or not petitioners may be considered as innocent purchasers for value.

We rule and so hold that they are.

Concededly, the issue of whether or not one is an innocent purchaser for value is a question of fact which, as a rule, is not for this Court to determine.^[4] In the same breath, however, there are recognized exceptions to such rule, not the least of which is when, as in this case, the findings of the Court of Appeals are contrary to that of the trial court.^[5]

In concluding that herein petitioners could not be considered as innocent purchasers for value, the appellate court states:

We believe that, with the documentary evidence and testimonies of plaintiffs-appellants (referring to herein respondents) and their witnesses, defendant appellee (sic) Lorena P. Clemente, in her capacity as the natural guardian and mother of her co-defendants, minors Ken