

## FIRST DIVISION

[ G.R. No. 113539, March 12, 1998 ]

**CELSO R. HALILI AND ARTHUR R. HALILI, PETITIONERS, VS.  
COURT OF APPEALS, HELEN MEYERS GUZMAN, DAVID REY  
GUZMAN AND EMILIANO CATANIAG, RESPONDENTS.**

### D E C I S I O N

#### **PANGANIBAN, J.:**

The factual findings of a trial court, when affirmed by the Court of Appeals, may no longer be reviewed and reversed by this Court in a petition for review under Rule 45 of the Rules of Court. The transfer of an interest in a piece of land to an alien may no longer be assailed on constitutional grounds after the entire parcel has been sold to a qualified citizen.

#### The Case

These familiar and long-settled doctrines are applied by this Court in denying this petition under Rule 45 to set aside the Decision<sup>[1]</sup> of the Court of Appeals<sup>[2]</sup> in CA-GR CV No. 37829 promulgated on September 14, 1993, the dispositive portion of which states:<sup>[3]</sup>

“WHEREFORE, and upon all the foregoing, the Decision of the court below dated March 10, 1992 dismissing the complaint for lack of merit is AFFIRMED without pronouncement as to costs.”

#### The Facts

The factual antecedents, as narrated by Respondent Court, are not disputed by the parties. We reproduce them in part, as follows:

“Simeon de Guzman, an American citizen, died sometime in 1968, leaving real properties in the Philippines. His forced heirs were his widow, defendant appellee [herein private respondent] Helen Meyers Guzman, and his son, defendant appellee [also herein private respondent] David Rey Guzman, both of whom are also American citizens. On August 9, 1989, Helen executed a deed of quitclaim (Annex A-Complaint), assigning[,] transferring and conveying to David Rey all her rights, titles and interests in and over six parcels of land which the two of them inherited from Simeon.

Among the said parcels of land is that now in litigation, x x x situated in Bagbaguin, Sta. Maria, Bulacan, containing an area of 6,695 square meters, covered by Transfer Certificate of Title No. T-170514 of the Registry of Deeds of Bulacan. The quitclaim having been registered, TCT No. T-170514 was cancelled and TCT No. T-120259 was issued in the name of appellee David Rey Guzman.

On February 5, 1991, David Rey Guzman sold said parcel of land to defendant-appellee [also herein private respondent] Emiliano Cataniag, upon which TCT No. T-120259 was cancelled and TCT No. T-130721(M) was issued in the latter's name."<sup>[4]</sup>

Petitioners, who are owners of the adjoining lot, filed a complaint before the Regional Trial Court of Malolos, Bulacan, questioning the constitutionality and validity of the two conveyances -- between Helen Guzman and David Rey Guzman, and between the latter and Emiliano Cataniag -- and claiming ownership thereto based on their right of legal redemption under Art. 1621<sup>[5]</sup> of the Civil Code.

In its decision<sup>[6]</sup> dated March 10, 1992,<sup>[7]</sup> the trial court dismissed the complaint. It ruled that Helen Guzman's waiver of her inheritance in favor of her son was not contrary to the constitutional prohibition against the sale of land to an alien, since the purpose of the waiver was simply to authorize David Rey Guzman to dispose of their properties in accordance with the Constitution and the laws of the Philippines, and not to subvert them. On the second issue, it held that the subject land was urban; hence, petitioners had no reason to invoke their right of redemption under Art. 1621 of the Civil Code.

The Halilis sought a reversal from the Court of Appeals which, however, denied their appeal. Respondent Court affirmed the factual finding of the trial court that the subject land was urban. Citing *Tejido vs. Zamacoma*<sup>[8]</sup> and *Yap vs. Grageda*,<sup>[9]</sup> it further held that, although the transfer of the land to David Rey may have been invalid for being contrary to the Constitution, there was no more point in allowing herein petitioners to recover the property, since it has passed on to and was thus already owned by a qualified person.

Hence, this petition.<sup>[10]</sup>

## Issues

The petition submits the following assignment of errors:

"x x x the Honorable Court of Appeals -

1. Erred in affirming the conclusion of the trial court that the land in question is urban, not rural
2. Erred in denying petitioners' right of redemption under Art. 1621 of the Civil Code
3. Having considered the conveyance from Helen Meyers Guzman to her son David Rey Guzman illegal, erred in not declaring the same null and void[.]"<sup>[11]</sup>

## The Court's Ruling

The petition has no merit.

First Issue: *The Land Is Urban*;  
Thus, No Right of Redemption

The first two errors assigned by petitioners being interrelated -- the determination of the first being a prerequisite to the resolution of the second -- shall be discussed together.

## Subject Land Is Urban

Whether the land in dispute is rural or urban is a factual question which, as a rule, is not reviewable by this Court.<sup>[12]</sup> Basic and long-settled is the doctrine that findings of fact of a trial judge, when affirmed by the Court of Appeals, are binding upon the Supreme Court. This admits of only a few exceptions, such as when the findings are grounded entirely on speculation, surmises or conjectures; when an inference made by the appellate court from its factual findings is manifestly mistaken, absurd or impossible; when there is grave abuse of discretion in the appreciation of facts; when the findings of the appellate court go beyond the issues of the case, run contrary to the admissions of the parties to the case or fail to notice certain relevant facts which, if properly considered, will justify a different conclusion; when there is a misappreciation of facts; when the findings of fact are conclusions without mention of the specific evidence on which they are based, are premised on the absence of evidence or are contradicted by evidence on record.<sup>[13]</sup>

The instant case does not fall within any of the aforementioned exceptions. In fact, the conclusion of the trial court -- that the subject property is urban land -- is based on clear and convincing evidence, as shown in its decision which disposed thus:

“x x x As observed by the court, almost all the roadsides along the national highway [sic] of Bagbaguin, Sta. Maria, Bulacan, are lined up with residential, commercial or industrial establishments. Lined up along the Bagbaguin Road are factories of feeds, woodcrafts [sic] and garments, commercial stores for tires, upholstery materials, feeds supply and spare parts. Located therein likewise were the Pepsi-Cola Warehouse, the Cruz Hospital, three gasoline stations, apartment buildings for commercial purposes and construction firms. There is no doubt, therefore, that the community is a commercial area thriving in business activities. Only a short portion of said road [is] vacant. It is to be noted that in the Tax Declaration in the name of Helen Meyers Guzman[,] the subject land is termed agricultural[,] while in the letter addressed to defendant Emiliano Cataniag, dated October 3, 1991, the Land Regulatory Board attested that the subject property is commercial and the trend of development along the road is commercial. The Board’s classification is based on the present condition of the property and the community thereat. Said classification is far more later [sic] than the tax declaration.”<sup>[14]</sup>

### *No Ground to Invoke Right of Redemption*

In view of the finding that the subject land is urban in character, petitioners have indeed no right to invoke Art. 1621 of the Civil Code, which presupposes that the land sought to be redeemed is rural. The provision is clearly worded and admits of no ambiguity in construction:

“ART. 1621. The owners of adjoining lands shall also have the right of redemption when a piece of rural land, the area of which does not exceed one hectare, is alienated, unless the grantee does not own any rural land.

xxx xxx

xxx”

Under this article, both lands -- that sought to be redeemed and the adjacent lot belonging to the person exercising the right of redemption -- must be rural. If one or