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SECOND DIVISION

[G.R. No. 126363, June 26, 1998]

THE CONGREGATION OF THE RELIGIOUS OF THE VIRGIN MARY PETITIONER, VS. THE COURT OF APPEALS AND SPOUSES JEROME AND TERESA PROTASIO, RESPONDENTS.

D E C I S I O N

MARTINEZ, J.:

Petitioner, The Congregation Of The Religious Of The Virgin Mary, has filed this petition for review on certiorari, urging us to reverse the decision[1] of the Court of Appeals dated September 12, 1996, in CA-G.R. CV No. 43311, entitled "SPS. JEROME and TERESA PROTASIO, Plaintiffs-Appellees, versus, THE RELIGIOUS OF THE VIRGIN MARY, Defendant-Appellant." The decision affirmed the judgment of the Regional Trial Court of Davao City in Civil Case No. 29,960-91, ordering the petitioner to return the possession of the disputed land to the respondents-spouses and to pay them damages.

The facts of this case, as found by the respondent court,[2] are as follows:

On December 26, 1964, Gervacio Serapio, the grandfather of herein respondents-spouses Jerome and Teresa Protasio, sold to herein petitioner, the Congregation of the Religious of the Virgin Mary, two (2) lots identified as Lot No. 5-A and Lot No. 5-C which were covered by TCT Nos. 14834 and 14835, respectively. In between Lot No. 5-A and Lot No. 5-C is Lot No. 5-B. Petitioner did not buy it when it was offered for sale by Gervacio Serapio. In 1978, Gervacio died and his estate consisting of several parcels of land was settled extra-judicially among his heirs.

In October of 1989, respondents-spouses purchased Lot No. 5-B from the heirs of Gervacio Serapio. Accordingly, TCT No. 148595 was issued in their name. Sometime in November of 1989, respondents-spouses had the subject Lot No. 5-B surveyed and they discovered that 664 square meters of their 858 square meters property was fenced and occupied by petitioner. They also found out that a building for the boys' quarters and a portion of petitioner's gymnasium were constructed inside Lot No. 5-B. The encroachment by petitioner on respondents-spouses land was made without the latter's knowledge and consent. Despite repeated demands by respondents-spouses, petitioner failed and refused to (1) restore to the spouses possession of the encroached property; (2) demolish the improvements constructed thereon, and (3) pay damages and back rentals. Thus, on September 23, 1991, a complaint for recovery of possession of real property, damages, back rentals and attorney's fees was filed by respondents-spouses against the petitioner. The complaint was docketed as Civil Case No. 20,960-91 of the Regional Trial Court of Davao City, Branch 15. In answer to the complaint, petitioner admitted that it occupies part of the litigated property but averred that Lot No. 5-B was supposed to be a road lot that would give their Lots 5-A and 5-C means of entry and egress to the public road and, therefore, was beyond the commerce of man. Petitioner further

claims that respondents-spouses, as successors-in-interest of Gervacio Serapio, have the obligation to respect the perpetual use of Lot No. 5-B ceded to it by Serapio.

After trial on the merits, the trial court rendered judgment in favor of respondents-spouses and against the petitioner. It rejected petitioner's claim of being a builder in good faith of the improvements it introduced on the disputed lot of respondents-spouses. The dispositive portion of the decision dated July 30, 1993 reads:

> "WHEREFORE, judgment is rendered ordering the defendant (now petitioner):
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> 1. To vacate the part of the plaintiffs' (now respondents-spouses') lot covered by TCT No. 148595 it is presently occupying and to peaceably return the possession to the plaintiffs at its own expense.
>
> 2. To demolish the buildings and improvements it introduced on the lot of the plaintiffs at its own expense.
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> 3. To pay one hundred thousand pesos (P100,000.00) as moral damages.
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> 4. To pay back rentals of fifteen thousand pesos (P15,000.00) with legal interests to be computed from January 31, 1991 until fully paid.
>
> 5. To pay one hundred thousand pesos (P100,000.00) as attorney's fees, four thousand pesos (P4,000.00) as litigation expenses and the costs of suit.
>
> "SO ORDERED."[3]

Upon appeal by petitioner to the respondent court, the latter affirmed *in toto* the judgment of the trial court.

Still dissatisfied, petitioner now comes to us via the present petition, assailing the respondent court's decision on the following grounds:

> "I
>
> THE COURT OF APPEALS GRIEVOUSLY ERRED IN NOT FINDING THAT PRIVATE RESPONDENTS' ANCESTOR, GERVACIO SERAPIO, HAD CEDED TO THE PETITIONER THE PERPETUAL USE OF LOT 5-B.
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> II
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> THE PUBLIC RESPONDENT GRIEVOUSLY IGNORED THE EVIDENCE ON RECORD AND ERRED IN NOT HOLDING THAT PRIVATE RESPONDENTS' CLAIM HAD CLEARLY BEEN BARRED BY LACHES.
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> III
>
> THE PUBLIC RESPONDENT COMMITTED GRAVE ABUSE OF DISCRETION WHEN IT AWARDED ACTUAL DAMAGES IN THE FORM OF BACK RENTALS WITHOUT PROOF TO SUPPORT THE SAME.
>
> IV

THE PUBLIC RESPONDENT COMMITTED GRAVE ABUSE OF DISCRETION IN AWARDING MORAL DAMAGES TO PRIVATE RESPONDENTS –

(A) IN THE ABSENCE OF A PRAYER FOR THE AWARD NOR PROOF OF THE SAME.

(B) IN THE FACE OF EVIDENCE CLEARLY SHOWING THAT PRIVATE RESPONDENTS WERE PURCHASERS IN BAD FAITH."[4]

The above-quoted errors allegedly committed by the respondent court call for a review of its **findings of facts**. As a general rule, the re-examination of the evidence submitted by the contending parties during the trial of the case is not a function that this Court normally undertakes inasmuch as the findings of facts of the respondent court are generally binding and conclusive on the Supreme Court.[5] The jurisdiction of this Court in a petition for review on certiorari under Rule 45 of the Revised Rules of Court is limited to reviewing only errors of law,[6] not of fact, **unless** the factual findings complained of are devoid of support by the evidence on record or the assailed judgment is based on misapprehension of facts.[7]

Petitioner contends that its case should be treated as an exception to the said general rule since the respondent court "overlooked certain relevant facts not disputed by the parties, which if properly considered, would justify a different conclusion."[8]

Let us examine these "relevant facts" which the respondent court allegedly overlooked when it rendered the assailed decision.

First. Petitioner maintains that Gervacio Serapio, the original owner of the land in question (Lot 5-B), had in his lifetime represented, committed and warranted that the said lot would be for petitioner's perpetual use as a road lot, it being the only access to the public road for Lot 5-A and Lot 5-C, and to each other.[9]

In support of this posture, petitioner cited the document entitled "Agreement Of Purchase And Sale"[10] dated July 8, 1959, executed between Gervacio Serapio and petitioner, which Agreement shows a sketch attached thereto as Annex "A"[11] indicating the location of the two (2) lots subject of the Agreement and two (2) proposed roads, the Simeon de Jesus St. and Padre Faura St. (which is the disputed Lot B). Petitioner argues that "without that map (sketch) and the implicit assurance that goes with it, there could not have been a sale."[12]

There is nothing significant in the said sketch which would justify a reversal of the findings and conclusions reached by the respondent court. It is merely a sketch of the location of the two (2) lots subject of the sale. There is no express or implied agreement in said annex containing the sketch which would confirm petitioner's claim that Geronimo Serapio "had ceded to the petitioner the perpetual use of Lot 5-B." If petitioner's claim was true, then the same could have easily been inserted as an additional agreement between the parties. That it was not made so, only shows that petitioner's claim is nothing but a mere conjecture, which has zero evidentiary weight. Section 9, Rule 130 of the Revised Rules of Court provides in part that where, as here, "the terms of an agreement have been reduced to writing, **it is considered as containing all the terms agreed upon and there can be, between the parties and their successors in interest, no evidence of such**

terms other than the contents of the written agreement." Simply put, any oral evidence of an agreement should be **excluded** when after all, the existing agreement is already in writing.[13] Thus, we are not prepared to disturb the following findings and conclusions of the respondent court:

> "Appellant first argues that the original owner of the subject land, Gervacio Serapio, had intended, represented and warranted that the same would be for its perpetual use as a road lot. Involving as it does a transmission of real rights, this claim should be based on something more concrete than bare allegations and speculations. In the instant case, however, there is notably no concrete evidence supporting appellant's claim.
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> "Appellant would have Us believe that the map attached to the Agreement of Purchase and Sale between it and Gervacio Serapio, containing as it does the proposed roads in the area, implicitly carries the assurance that Gervacio Serapio had made with respect to said proposed roads.
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> "Even the most careful perusal of the map attached to the Agreement of Purchase and Sale between appellant and Gervacio Serapio, however, does not reveal anything other than that it merely shows the location of the lots subject of such Agreement. Indeed, from the Agreement itself, it is clear that said map was attached simply to identify the location of the lots covered by the Agreement; and that reference to the map was simply as follows –
>
> > x x x, the SELLER by these presents PROMISE TO SELL to said BUYER, these portions of land more particularly identified and designated as Lot Nos. "A" and "C" in the sketch hereto attached and marked as Annex "A," xxx. (Exh. 16, Agreement of Purchase and Sale) [underline ours]
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> "There being no provision in the Agreement, whatsoever, regarding the subject lot, or the grant of its use unto appellant, We cannot now accept appellant's bare allegations on Gervacio Serapio's representation and warranty that the subject land would be for its perpetual use as a road lot. At any rate, it has been ruled that in case of doubt in the provisions of the Deed of Sale, the least transmission of rights should prevail (Gacos vs. Court of Appeals, 212 SCRA 8).
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> "The rest of appellant's arguments in support of its claim regarding perpetual use of the subject land as a road lot are nothing but mere speculations which, as We have stressed, cannot suffice for Us to uphold any transmission of real rights. Being painfully bereft of concrete evidence, said claim of appellant must be brushed aside."[14]

Even if we were to accept as true petitioner's stance that Lot 5-B was intended by Gervacio Serapio as a road right of way for petitioner's perpetual use, still a grant of a right of way in favor of petitioner does not legally entitle it to **occupy** part of the said lot which is registered in respondents-spouses' name, more so to **introduce permanent improvements** thereon such as a gymnasium and a boys' quarters/dormitory.