



Republic of the Philippines
Supreme Court
 Manila

SUPREME COURT OF THE PHILIPPINES
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FIRST DIVISION

**SPOUSES JAIME AND CATHERINE
 BASA, SPOUSES JUAN AND
 ERLINDA OGALE** represented by
**WINSTON OGALE, SPOUSES
 ROGELIO AND LUCENA LAGASCA**
 represented by **LUCENA LAGASCA,**
 and **SPOUSES CRESENCIO AND
 ELEADORA APOSTOL,**
Petitioners,

G.R. No. 204131

- versus -

Present:

**ANGELINE LOY VDA. DE SENLY
 LOY, HEIRS OF ROBERT
 CARANTES, THE REGISTER OF
 DEEDS FOR BAGUIO CITY, and
 THE CITY ASSESSOR'S OFFICE OF
 BAGUIO CITY,**

LEONARDO-DE CASTRO,*
Acting Chairperson,
DEL CASTILLO,
JARDELEZA,
TIJAM, and**
GESMUNDO,* JJ.**

Respondents.

Promulgated:
JUN 04 2018

x-----

DECISION

DEL CASTILLO, J.:

This Petition for Review on *Certiorari*¹ assails the May 31, 2012 Decision² of the Court of Appeals (CA) in CA-G.R. CV No. 95490 affirming the January 22, 2010 Decision of the Regional Trial Court (RTC) of Baguio City, Branch 7 in Civil Case No. 6280-R, and the CA's subsequent October 11, 2012 Resolution³ denying herein petitioners' Motion for Reconsideration.⁴

* Per Special Order No. 2559 dated May 11, 2018.

** On Official leave.

*** Per Special Order No. 2560 dated May 11, 2018.

¹ *Rollo*, pp. 12-30.

² *Id.* at 32-47; penned by Associate Justice Fernanda Lampas Peralta and concurred in by Associate Justices Mario V. Lopez and Socorro B. Inting.

³ *Id.* at 58-59.

⁴ *Id.* at 48-56.

Factual Antecedents

This case revolves around a 496-square meter residential lot situated in New Lucban, Baguio City covered by Transfer Certificate of Title No. T-30086 (subject property) in the name of the late Busa Carantes, who is the predecessor-in-interest of Manuel Carantes and herein respondent Robert Carantes.

The subject property was mortgaged to respondent Angeline Loy and her husband in 1994. Thereafter, they foreclosed on the mortgage, and at the auction sale, they emerged the highest bidder. On March 31, 2006, after consolidating ownership over the subject property, Branch 6 of the Baguio RTC - in LRC ADM Case No. 1546-R - issued in their favor a writ of possession.

On May 30, 2006, herein petitioners - spouses Jaime and Catherine Basa, spouses Juan and Erlinda Ogale, spouses Rogelio and Lucena Lagasca, and spouses Cresencio and Eleadora Apostol - filed before Branch 7 of the Baguio RTC a petition for quieting of title with prayer for injunctive relief and damages, docketed as Civil Case No. 6280-R, against respondents Angeline Loy, Robert Carantes, the Registry of Deeds for Baguio City, and the Baguio City Sheriff and Assessor's Office. They essentially claimed that in 1992 and 1993, portions of the subject property - totaling 351 square meters - have already been sold to them by respondent Robert Carantes, by virtue of deeds of sale executed in their favor, respectively; that they took possession of the portions sold to them; and that the titles issued in favor of Angeline Loy created a cloud upon their title and are prejudicial to their claim of ownership. They thus prayed that the documents, instruments, and proceedings relative to the sale of the subject property to respondent Angeline Loy be cancelled and annulled, and that they be awarded damages and declared owners of the respective portions sold to them.

In her answer with counterclaim, Angeline Loy alleged that she was entitled to the subject property as a result of the foreclosure and consequent award to her as the highest bidder during the foreclosure sale; that the subject property was later divided by judicial partition, and new certificates of title were issued in the name of Manuel and Robert Carantes, which titles were later cancelled and new titles were issued in her name as co-owner of the subject property together with Manuel Carantes; that she had no knowledge of the supposed sales to petitioners by Robert Carantes as these transactions were not annotated on the title of Busa Carantes; and that the sales to the petitioners were either unnotarized or unconsummated for failure to pay the price in full.

In his answer, Robert Carantes alleged that the sales to petitioners did not materialize; that petitioners failed to fully pay the purchase price; that his transactions with Angeline Loy and her husband were null and void; and that he was the real owner of the subject property in issue.



Respondents Angeline Loy and Robert Carantes failed to appear during the scheduled mediation. Petitioners were then allowed to present their evidence *ex parte*.

Petitioners thereafter filed a Formal Offer of Evidence praying for admission of the following documentary evidence:

1. Exhibit "A" - unnotarized 'Deed of Absolute Sale of a Portion of a Registered Parcel of a Residential Land' between respondent Robert Carantes and petitioners, spouses Jaime and Catherine Basa covering 107 square meters;
2. Exhibit "B" - unnotarized 'Deed of Absolute Sale of a Portion of a Parcel of Land' between Robert Carantes and petitioners, spouses Juan and Erlinda Ogale, covering 84 square meters;
3. Exhibit "C" - 'Deed of Sale of Undivided Rights and Interests' in favor of petitioners Rogelio and Lucena Lagasca, covering 80 square meters;
4. Exhibit "D" - 'Deed of Sale of Undivided Rights and Interests' in favor of petitioners Cresencio and Eleadora Apostol, covering 80 square meters; and
5. Exhibit "E" - Affidavit of Robert Carantes.⁵

On July 24, 2009, the trial court issued an Order denying admission of Exhibits "A" to "D" on the ground that Exhibits "A" to "C" were mere photocopies and were only previously provisionally marked, while there was no such document marked Exhibit "D".

Ruling of the Regional Trial Court

On January 22, 2010, the trial court rendered its Decision in Civil Case No. 6280-R, declaring thus:

At the outset, the Court would like to put emphasis on the ruling of the Supreme Court in the case of *Acabal vs. Acabal*, 454 SCRA 555 that, '*It is a basic rule in evidence that the burden of proof lies on the party who makes the allegations - el encumbit probatio, qui dicit, non qui negat; cum per rerum natruam factum negatis probatio nulla sit* (the proof lies upon him who affirms, not upon him who denies; since by nature of things, he who denies a fact cannot produce any proof). *If he claims a right granted by law, he must prove it by competent evidence, relying on the strength of his own evidence and not upon the weakness of that of his opponent.*'

In the present case, the petitioners Cresencio Apostol, Jaime Basa, Lucena Lagasca and Erlinda Ogale was [sic] presented to substantiate the allegations in their petition. All four gave similar testimonies that respondent Robert Carantes

⁵ Id. at 37-38.



sold to them certain portions of a parcel of land for different sums of money on different occasions. However, although they identified photocopies of the deeds covering the transactions which were provisionally marked, they failed to submit the original copies thereof for which reason, the Court denied admission of the said documents when they were formally offered. The only other piece of documentary evidence the petitioners presented to back up their claims was an Affidavit purportedly executed by respondent Robert Carantes. However, the said respondent was never presented to testify on his affidavit, thus, the contents thereof could not be appreciated in favor of the petitioners following the ruling in the case of *People vs. Brioso*, 37 SCRA 336, that, '*Affidavits are generally rejected in judicial proceeding as hearsay, unless the affiants themselves are placed on the witness stand to testify thereon.*'

Considering that the petitioners failed to discharge their burden of proving the truth of their claims even by preponderance of evidence, the court is left with no recourse but to deny the reliefs prayed for in their petition.⁶

WHEREFORE, all the foregoing premises considered, the petition is hereby DENIED and the above-entitled case is hereby DISMISSED without pronouncement as to costs.

SO ORDERED.⁷

Petitioners moved to reconsider, but the trial court - in a June 18, 2010 Order - would not reverse. It held –

The court finds no cogent reason to reconsider the decision.

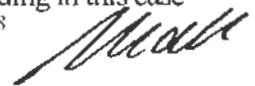
In the case of *Llemos vs. Llemos*, 513 SCRA 128, the Supreme Court had the occasion to rule that, '*Under Section 3, Rule 130, Rules of Court, the original document must be produced and no evidence shall be admissible other than the original document itself, except in the following cases: x x x a) When the original has been lost or destroyed or cannot be produced in court, without bad faith on the part of the offeror; b) When the original is in the custody or under the control of the party against whom the evidence is offered, and the latter fails to produce it after reasonable notice; c) When the original consists of numerous accounts or other documents which cannot be examined in court without great loss of time and the fact sought to be established from them is only the general result of the whole; and d) When the original is a public record in the custody of a public officer or is recorded in a public office.*'

In the present case, there is no showing that the plaintiffs' failure to produce the original documents was based on the exceptions aforementioned. Moreover, the plaintiffs never questioned the Court's resolution of their formal offer of evidence contained in an Order dated July 24, 2009 admitting only Exhibit "E". Thus, their assertion that they did not have to present the originals there being no objection from the defendants who incidentally have lost their standing in this case as early as January 22, 2008, all the more appears to be untenable.⁸

⁶ Id. at 40-41.

⁷ Id. at 38.

⁸ Id. at 41-42.



Ruling of the Court of Appeals

Petitioners interposed their appeal before the CA which, on May 31, 2012, rendered the assailed Decision containing the following pronouncement:

Petitioners x x x argue that ownership over the portions they occupied should be transferred to them because (i) they were able to establish that the same were sold to them by respondent x x x Robert Carantes and they had fully paid the purchase price thereof; (ii) respondent x x x Angeline Loy was in bad faith 'in not making an investigation before entering into mortgage with Robert Carantes'; and (iii) the trial court should have reconsidered its Decision dated January 22, 2010 since petitioners x x x filed a 'motion for reconsideration explaining the reason and simultaneously submitting the original pieces of evidence.'

It is a basic rule that in civil cases, the burden of proof is on the plaintiff to establish his case by preponderance of evidence. x x x

x x x x

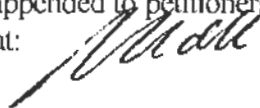
Thus, although the trial court allowed petitioners x x x to present their evidence *ex-parte* for failure of respondents x x x to appear in the mediation proceedings, petitioners x x x still had to prove their allegations in their petition by preponderance of evidence.

In *Saguid vs. Court of Appeals*, wherein respondent therein was allowed to present her evidence *ex-parte*, the Supreme Court stressed:

'As in other civil cases, the burden of proof rests upon the party who, as determined by the pleadings or the nature of the case, asserts an affirmative issue. Contentions must be proved by competent evidence and reliance must be had on the strength of the party's own evidence and not upon the weakness of the opponent's defense. This applies with more vigor where, as in the instant case, the plaintiff was allowed to present evidence *ex parte*. The plaintiff is not automatically entitled to the relief prayed for. The law gives the defendant some measure of protection as the plaintiff must still prove the allegations in the complaint. Favorable relief can be granted only after the court is convinced that the facts proven by the plaintiff warrant such relief. Indeed, the party alleging a fact has the burden of proving it and a mere allegation is not evidence.'

In support of their allegation that portions of Lot No. T-30086 were sold to them by respondent x x x Robert Carantes, petitioners x x x presented during the *ex-parte* hearing two (2) sets of documents, to wit: (i) four (4) photocopied deeds of sale, and (ii) an original affidavit executed by respondent x x x Robert Carantes. In its Decision dated January 22, 2010, the trial court did not consider these pieces of evidence because (i) petitioners x x x did not submit the original deeds of sale, and (ii) respondent x x x Robert Carantes was not presented in court to identify his affidavit.

The trial court cannot be faulted in so ruling. Neither can it be faulted for not reconsidering its Decision dated January 22, 2010 despite the purported 'original' deeds of sale appended to petitioners' x x x motion for reconsideration. It must be considered that:



Firstly, petitioners' x x x failure to append the original deeds of sale cannot be excused on their alleged mistaken belief that submission of the same was no longer necessary when respondents x x x did not object to the presentation of photocopies during the *ex-parte* hearing, as the trial court itself required the submission of the original deeds of sale. Record bears that the Branch Clerk of Court provisionally marked the photocopied deeds of sale as Exhibits 'A' to 'D' subject to the submission of the original thereof. In fact, petitioners x x x counsel manifested that they reserved the right to present the original deeds of sale.

Secondly, while during the *ex-parte* hearing, two (2) documents, both denominated as 'Deed of Sale of Undevided [sic] Rights and Interests,' were presented to prove the sale of portions of subject lot to petitioners x x x spouses Rogelio and Lucena Lagasca and spouses Cresencio and Eleadora Apostol, what was appended to petitioners' x x x motion for reconsideration was a different document, a carbon copy of a document denominated as 'Deed of Sale of Undevided Portions of Registered Land,' between respondent x x x Robert Carantes and petitioners x x x Rogelio Lagasca and Cresencio Apostol.

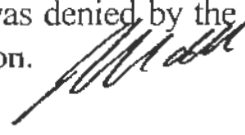
Thirdly, the 'Deed of Absolute Sale of a Portion of a Registered Parcel of a Residential Land' between respondent x x x Robert Carantes and petitioners x x x spouses Jaime and Catherine Basa was a mere carbon copy.

The Court thus finds that the evidence adduced during the *ex-parte* hearing was unsatisfactory and inconclusive. Moreover, instead of substantiating respondent x x x Robert Carantes' 'Affidavit', the testimonies of petitioners' x x x witnesses contradicted said 'Affidavit' as regards the areas allegedly sold and the price per square meter. In the Affidavit, respondent x x x Robert Carantes stated that he sold to petitioners x x x spouses Cresencio and Eleadora Apostol and spouses Rogelio and Lucena Lagasca portions of the subject property measuring 80 square meters each for ₱320,000.00 per portion. But during the *ex-parte* hearing, petitioner x x x Cresencio Apostol testified that what was actually sold by respondent x x x Robert Carantes for ₱320,000.00 was 95 square meters. In petitioners' x x x motion for reconsideration, it appeared that respondent x x x Robert Carantes sold to petitioners x x x spouses Cresencio and Eleadora Apostol for ₱100,000.00 a total of 95 square meters. On the other hand, the testimony of petitioner x x x Lucena Lagasca did not indicate the number of square meters sold for the purchase price of ₱320,000.00, while the motion for reconsideration indicated that a total of 99 square meters was sold by respondent x x x Robert Carantes to petitioners x x x spouses Rogelio and Lucena Lagasca for ₱100,000.00.

In sum, the pieces of evidence presented by petitioners x x x do not preponderate in their favor. The Court finds no cogent reason to reverse the findings of the trial court. x x x

WHEREFORE, the appealed Decision dated January 22, 2010 and Order dated June 18, 2010 are **AFFIRMED**.

SO ORDERED.⁹ (Citations omitted; emphasis and italics in the original)

Petitioners filed their motion for reconsideration, which was denied by the CA via its October 11, 2012 Resolution. Hence, the instant Petition. 

⁹ Id. at 42-46.

Issue

Petitioners submit the lone issue of whether they have proved, by preponderant evidence, their case for quieting of title.

Petitioners' Arguments

Praying that the assailed CA dispositions be set aside and that they be declared owners of the respective portions of the subject property which they claim were bought from respondent Robert Carantes, petitioners argue that they have adequately proved their ownership of the disputed property; that the lower courts disregarded the fact that they were in possession of the respective portions claimed, which otherwise constituted proof of delivery and, thus, consummation of the sales in their favor; that while the trial court dismissed their case for failure to present the originals of the deeds of sale in their favor during trial, the same were nonetheless attached to their motion for reconsideration - but the trial court just the same refused to consider them, which is erroneous on account of the principle that substantive law and considerations of justice should outweigh technicalities and rules of procedure; that respondent Angeline Loy was a buyer in bad faith, knowing as she did that they were in possession of the disputed property when she and her husband acquired the same; and that between a prior unrecorded sale and a subsequent mortgage by the seller, the former prevails on account of the better right accorded to the buyer as against the subsequent mortgagee.

Private Respondents' Arguments

In her Comment,¹⁰ respondent Angeline Loy maintains that the CA committed no error in affirming the trial court; that petitioners' case was frivolous and dilatory in that it was aimed at delaying or thwarting the execution of the writ of possession issued in her favor in LRC ADM Case No. 1546-R; and that the petition raised issues of fact which were ably passed upon by the courts below and were beyond review by this Court.

On the other hand, the surviving heirs of Robert Carantes - who passed away during these proceedings - failed to comment on the instant petition.

Our Ruling

The Petition lacks merit.



¹⁰ Id. at 206-210.

In order that an action for quieting of title may prosper, it is essential that the plaintiff must have legal or equitable title to, or interest in, the property which is the subject-matter of the action. Legal title denotes registered ownership, while equitable title means beneficial ownership. In the absence of such legal or equitable title, or interest, there is no cloud to be prevented or removed.

x x x x

An action for quieting of title is essentially a common law remedy grounded on equity. The competent court is tasked to determine the respective rights of the complainant and other claimants, not only to place things in their proper place, to make the one who has no rights to said immovable respect and not disturb the other, but also for the benefit of both, so that he who has the right would see every cloud of doubt over the property dissipated, and he could afterwards without fear introduce the improvements he may desire, to use, and even to abuse the property as he deems best. But 'for an action to quiet title to prosper, two indispensable requisites must concur, namely: (1) the plaintiff or complainant has a legal or an equitable title to or interest in the real property subject of the action; and (2) the deed, claim, encumbrance, or proceeding claimed to be casting cloud on his title must be shown to be in fact invalid or inoperative despite its *prima facie* appearance of validity or legal efficacy.'¹¹

Petitioners' case for quieting of title was dismissed by the trial court for the reason that they failed to present the originals of the purported deeds of sale executed by respondent Robert Carantes in their favor. In other words, short of saying that petitioners failed to prove the first element in a suit for quieting of title - the existence of a legal or equitable title - the trial court simply held that they failed to discharge the burden of proof required in such case. Petitioners then attempted to obtain a reversal by attaching the supposed originals of the deeds of sale to their motion for reconsideration, but the trial court did not reconsider as they failed to show that the reason for their failure to present the original copies of the deeds fell within the exceptions under the best evidence rule, or Section 3, Rule 130 of the Rules of Court.¹²

The trial court cannot be faulted for ruling the way it did. By petitioners' failure to present the original copies of the purported deeds of sale in their favor, the case for quieting of title did not have a leg to stand on. Petitioners were unable to show their claimed right or title to the disputed property, which is an essential

¹¹ *Mananquil v. Moico*, 699 Phil. 120, 122, 126-127 (2012), citing *Eland Philippines, Inc. v. Garcia*, 626 Phil. 735, 758 (2010), citing *Baricuatro, Jr. v. Court of Appeals*, 382 Phil. 15, 25 (2000).

¹² Sec. 3. Original document must be produced; exceptions. — When the subject of inquiry is the contents of a document, no evidence shall be admissible other than the original document itself, except in the following cases:

(a) When the original has been lost or destroyed, or cannot be produced in court, without bad faith on the part of the offeror;

(b) When the original is in the custody or under the control of the party against whom the evidence is offered, and the latter fails to produce it after reasonable notice;

(c) When the original consists of numerous accounts or other documents which cannot be examined in court without great loss of time and the fact sought to be established from them is only the general result of the whole; and

(d) When the original is a public record in the custody of a public officer or is recorded in a public office.

element in a suit for quieting of title. Their belated presentation of the supposed originals of the deeds of sale by attaching the same to their motion for reconsideration does not deserve consideration as well; the documents hardly qualify as evidence.

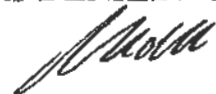
The CA correctly found that petitioners' failure to append the original copies of the deeds of sale was inexcusable; that the document that was appended to their motion for reconsideration was different from what was presented and marked during the *ex-parte* hearing; and that the testimonies of petitioners contradicted the affidavit of Roberto Carantes, their supposed seller, with regard to the price and lot area of the subject properties.¹³

Moreover, the unnotarized "Deed of Absolute Sale of a Portion of a Registered Parcel of a Residential Land" between respondent Robert Carantes and petitioner-spouses Jaime and Catherine Basa cannot stand without the corroboration or affirmation of Robert Carantes. On its own, the unnotarized deed is self-serving. Since Robert Carantes's affidavit - Exhibit "E" - was rendered inadmissible by his failure to appear and testify thereon, then the supposed unnotarized deed of sale executed by him in favor of the Basa spouses cannot sufficiently be proved.

To repeat, "for an action to quiet title to prosper, two (2) indispensable requisites must concur, namely: (1) the plaintiff or complainant has a legal or an equitable title to or interest in the real property subject of the action; and (2) the deed, claim, encumbrance, or proceeding claimed to be casting cloud on his title must be shown to be in fact invalid or inoperative despite its *prima facie* appearance of validity or legal efficacy."¹⁴ "Legal title denotes registered ownership, while equitable title means beneficial ownership."¹⁵

Even if petitioners are in possession of the disputed property, this does not necessarily prove their supposed title. It may be that their possession of the disputed property is by lease or any other agreement or arrangement with the owner - or simply by mere tolerance. Without adequately proving their title or right to the disputed portions of the property, their case for quieting of title simply cannot prosper.

WHEREFORE, for the foregoing reasons, the Petition is **DENIED**. The assailed dispositions of the Court of Appeals are **AFFIRMED**.



¹³ CA rollo, pp. 44-46.

¹⁴ *Eland Philippines, Inc. v. Garcia*, supra note 11 at 759.

¹⁵ *Mananquil v. Moico*, supra note 11 at 122.

SO ORDERED.

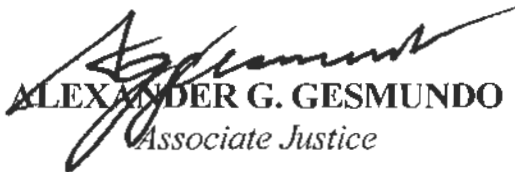

MARIANO C. DEL CASTILLO
Associate Justice

WE CONCUR:


TERESITA J. LEONARDO-DE CASTRO
Associate Justice


FRANCIS H. JARDELEZA
Associate Justice

(On official leave)
NOEL GIMENEZ TIJAM
Associate Justice


ALEXANDER G. GESMUNDO
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


TERESITA J. LEONARDO-DE CASTRO
Associate Justice
Acting Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Acting Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



ANTONIO T. CARPIO
Acting Chief Justice



