

Republic of the Philippines Supreme Court Manila

SUPREME COURT OF THE PHILIPPINES TIME

SECOND DIVISION

SPOUSES EDILBERTO & EVELINE POZON; EDILBERTO POZON, deceased, substituted by his heirs, namely, wife EVELINE POZON and daughters GERALDINE MICHELLE POZON and ANGELICA EMILIA POZON, G.R. No. 210607

Promulgated:

Present:

CARPIO, J., Chairperson, PERLAS-BERNABE, CAGUIOA, J. REYES, JR., and LAZARO-JAVIER, JJ.

2 5 MAR 2019

Petitioners,

- versus -

DIANA JEANNE* LOPEZ,

Respondent.

RESOLUTION

CAGUIOA, J.:

Before the Court is a Petition for Review on *Certiorari*¹ (Petition) under Rule 45 of the Rules of Court filed by petitioners Spouses Edilberto and Eveline Pozon (collectively, petitioners Sps. Pozon) assailing the Decision² dated July 8, 2013 (assailed Decision) and Resolution³ dated November 27, 2013 (assailed Resolution) issued by the Court of Appeals, Special Seventh Division and Former Special Seventh Division (CA), respectively, in CA-G.R. CV No. 95280, which affirmed the Decision⁴ dated March 29, 2010 of the Regional Trial Court of Makati City (RTC), Branch 142 in Civil Case No. 96-692, which granted respondent Diana Jeanne Lopez's (respondent Lopez) Petition for Quieting of Title with Damages.

^{*} Spelled as "Jean" in some parts of the record.

ⁱ *Rollo*, pp. 14-35, including attachments.

² Id. at 366-383. Penned by then Associate Justice Noel G. Tijam (now retired Member of this Court),

with Associate Justices Leoncia R. Dimagiba and Ramon A. Cruz concurring.

³ Id. at 401-402.

⁴ Id. at 100-148. Penned by Presiding Judge Dina Pestaño Teves.

The Facts and Antecedent Proceedings

As narrated by the CA in its assailed Decision, the essential facts and antecedent proceedings of the instant case are as follows:

On May 16, 1996, [respondent] Diana Jeanne Lopez (Lopez) filed a petition for quieting of title and damages⁵ before the RTC of Makati[, Branch 142] against [petitioners Sps. Pozon, Tradex Realty Development Corporation (Tradex), Estate of Oscar Beltran[, Sr.], the Register of Deeds of Makati (RD), George Raymundo (Raymundo), Zosimo Cuasay (Cuasay), Cesar Diomampo (Diomampo), and Liserio Evangelista (Evangelista)]. The petition sought to declare void the Transfer Certificate of Title (TCT) No. 151522⁶ issued to [Tradex], covering a parcel of land with improvement located at 2149 Paraiso St., Dasmarinas Village, Makati City (subject property). In a Supplemental Complaint, [respondent Lopez] also sought the declaration of nullity of TCT No. 212133 subsequently issued in the name of [petitioners Sps. Pozon.]

Sometime in 1980, [respondent] Lopez, as assisted by her business associate, Rodolfo Cuenca [Cuenca], purchased from Mr. Enrique Zobel [Zobel] the subject property. The sale was brokered by [Raymundo], a real estate broker. After the sale of the subject property, [respondent] Lopez immediately took possession and occupied the same. [Respondent] Lopez and Cuenca then sought the assistance of Beltran Cuasay Law Office (Law Office) regarding the documentation of the sale and the transfer of the title from Mr. Zobel to [respondent] Lopez. The Law Office was instructed by them to organize a corporation named *Paraiso Realty Corporation* (Paraiso) which is to be owned by [respondent] Lopez with the end in view of reflecting that Paraiso acquired the subject property from Mr. Zobel. Atty. Oscar Beltran, Sr. [(Beltran, Sr.)] and [Evangelista] closely coordinated with Cuenca and [respondent] Lopez for the purpose of complying with the said instructions.

However, contrary to [respondent] Lopez and Cuenca's instruction, the Law Office, acting thru Beltran[, Sr.] and Evangelista, organized Paraiso but they made themselves and their nominees as the exclusive stockholders thereof, totally excluding [respondent] Lopez from ownership over the subject property. The Law Office made it appear that the subject property was acquired by Raymundo, instead of Paraiso, from Mr. Zobel. Thereafter, Raymundo purportedly sold and transferred the title of the subject property to Paraiso. Subsequently, the Law Office, thru Evangelista, who was acting on behalf of Paraiso, prepared a Deed of Absolute Sale over the subject property to one Lino Nep[0]m[u]ceno [Nepomuceno], said to be another collaborator of Beltran, Sr. Later, another Deed of Sale was executed where Nepomuceno sold to [Tradex] the subject property, resulting to the issuance of TCT No. 143835 in the name of the latter. [Respondent] Lopez claimed that all stockholders of [Tradex], namely: Diomampo, Messrs. Salter Han, Indah Ana Mohammad and Romeo De Guzman, were intimate colleagues of Beltran[, Sr.] [Respondent] Lopez claimed that the said chain of events was only discovered when she sought assistance of her counsel.

Sometime in 1987, [respondent] Lopez was informed that the [petitioners Sps. Pozon] wanted to inspect the subject property. Later, she discovered that the title of the subject property was in the name of [Tradex]

⁵ Id. at 36-45.

⁶ Id. at 97-99.

and was never transferred in her name. She also learned that Raymundo was brokering the sale of the subject property to [petitioners Sps. Pozon] on behalf of [Tradex]. [Respondent] Lopez claimed that she told Raymundo and [petitioners Sps. Pozon] that she owned the subject property and it was not for sale. [Respondent] Lopez also refused them entry into the subject property for inspection. Despite [respondent] Lopez's warning, [Tradex], thru Diomampo, sold the subject property to [petitioners Sps. Pozon.] Nonetheless, [Tradex] could not deliver possession of the subject property, [as respondent Lopez was still in possession of the subject property], prompting the [petitioners Sps. Pozon] to file an action for Specific Performance with Damages, docketed as Civil Case No. 17358, before the RTC of Makati City, Branch 147. [Respondent] Lopez was not impleaded as a party thereto.

[Respondent] Lopez claimed that Beltran, Sr., Zosimo Cuasay, Evangelista and Raymundo conspired in perpetrating fraud as they all knew that the subject property is owned by her. She argued that [petitioners Sps. Pozon] were not buyers in good faith.

[In the Quieting of Title Case, s]ummons were served upon the [therein] defendants. [Tradex] and the Estate of Beltran were declared in default by the RTC[, Branch 142] for their failure to file their respective answers to the petition within the required period.

XXXX

In their Amended Answer, [petitioners Sps. Pozon] claimed that [respondent] Lopez has no cause of action against them. The subject property was offered to them for sale by Raymundo. However, they were advised that they cannot inspect the subject property as the occupant did not allow them to do so. Raymundo assured them that [respondent] Lopez will eventually vacate the subject property. [Petitioners Sps. Pozon] claimed that they agreed that the purchase price shall be paid in [two (2)] installments, first upon execution of the contract, then upon delivery of possession of the subject property. They contended that upon presentation of the draft of the contract to sell, [petitioners Spouses Pozon] verified the title of the subject property and found out that it was in the name of [Tradex] and no encumbrance was annotated therein. When [Tradex] failed to deliver possession of the subject property as stipulated in the contract, [petitioners Sps. Pozon] were compelled to file a case for specific performance and damages docketed as Civil Case No. 17358, against [Tradex], et al. They contended that [Tradex] demanded that [respondent] Lopez vacate the subject property but she refused. Furthermore, [petitioners Sps. Pozon] claimed that [respondent] Lopez' cause of action had already prescribed as the latter, despite knowledge of the pendency of Civil Case No. 17358, did not intervene to defend her right of ownership over the subject property.

хххх

During the trial of the case [for Quieting of Title before RTC, Branch 142], [respondent] Lopez presented the following witnesses, namely: Diomampo, Mamerto Rodriguez, Cuenca, Anette Isabel Tamayo, [petitioner Eveline (as hostile witness)], Oscar Beltran, Jr., Atty. Jose Bernas and herself.

[Petitioners Sps. Pozon] and Raymundo filed their respective demurrer to evidence but both were denied by the RTC [, Branch 142]. As

a consequence, [petitioner Edilberto] took the witness stand. In view of the repeated non-appearances of Cuasay, Evangelista and Beltran, Sr. during the scheduled hearings for their respective presentation of evidence, they were deemed to have waived their right to present evidence. After submitting the required memoranda, the case was submitted for decision.

On March 29, 2010, the RTC[, Branch 142] rendered a Decision declaring [respondent] Lopez as the lawful owner of the subject property, the dispositive portion of the said decision reads:

WHEREFORE, in view of the foregoing, judgment is hereby rendered:

- 1. Declaring the plaintiff to be the true, lawful, and sole owner of the subject property at No. 2149 Paraiso Street, Dasmariñas Village, Makati City;
- 2. Directing the defendant Register of Deeds to cancel the registration of T.C.T. No. 212133 in the name of the defendants-spouses Edilberto and Eveline Pozon and to issue a new T.C.T. in the name of the plaintiff, free from any liens or encumbrance[s];
- Ordering the defendants Estate of Beltran, Tradex Realty Development Corporation, Z[o]simo Cuasay, Cesar Diomampo, Li[s]erio Evangelista, Lino Nepomuceno and Estate of George Raymundo to jointly and severally pay the petitioner:
 - a. Attorney's fees and litigation expenses in the amount of Three Hundred Thousand Pesos (Php300,000.00); and
 - b. Costs of the suit.

SO ORDERED.⁷

[In declaring petitioners Sps. Pozon as purchasers in bad faith, RTC, Branch 142 held that:

On the testimony of the defendant Eveline Pozon, when testifying as an adverse witness for the plaintiff, defendant Eveline Pozon admitted that she never met any director or officer of defendant TRADEX prior to the alleged purchase, since her only contact was defendant Raymundo, and that there was no power of attorney or board resolution that authorizes defendant Raymundo to act on behalf of defendants (sic) TRADEX and she relied on defendant Raymundo who presented the agreement to purchase and sell which was duly signed by defendant Diomampo as President of TRADEX. If the defendants-spouses Pozon were, because of the information relayed by defendant Raymundo to them, hesitant to purchase the property in question, then why did defendant Eveline Pozon make her two (2) checks

Ĩ•.•

payable to David Raymundo, even if defendant Raymundo possessed no power of attorney or board resolution that authorized him to act on behalf of defendant TRADEX? How could she know that the "Agreement to Purchase and Sell" was duly signed by defendant Diomampo as President of TRADEX, even if she never met any director or officer of defendant corporation? For the defendants-spouses Pozon to have been engaged in the real estate business since 1986, yet purchased the subject property ten (10) years later by climbing up a ladder to view only the backyard and swimming pool or the exterior and the surrounding garden, and the purchase being started by a downpayment of two (2)checks made payable to the son of the broker and the broker presented no power of attorney or board resolution to act on behalf of the seller corporation TRADEX, prevents the defendants-spouses Pozon from laying any claim that they have discharged the burden of proving the status of a purchaser in good faith.

хххх

x x x However, this Court initially notes that defendant Edilberto Pozon did not deny having handwritten his contact numbers on the dorsal side of the Petitioner's Exhibit "V" so that, as the plaintiff testified, she could call the former. What likewise deserves this Court's attention is why the counsel for the defendants-spouses Pozon did not during [the] cross-examination of the plaintiff and of her witnesses mention the meeting between defendant Edilberto Pozon and Maryjane, the daughter of Rudy Cuenca. What finally swings the pendulum in the plaintiff's favor is the Decision in Civil Case No. 17358, which declares:

> "Subsequently, Miss Lopez talked with Mr. Pozon in Hongkong. Miss Lopez told him that she is not a tenant in the premises in question, that there was no lease agreement whatsoever and that the properties were given to her as a gift; that she is not moving out of the house and that it is not true that she is buying another house in order to move out.

> Disturbed by the statement of Miss Lopez, Edilberto Pozon went back to the Philippines and sought defendant Raymundo telling the latter that he could no longer wait. $x \propto x''$ ⁸

Aggrieved by the RTC[, Branch 142's] Decision, [petitioners Sps. Pozon] and Evangelista filed their joint [appeal] before [the CA].⁹



⁸ Id. at 134-138.

⁹ Id. at 367-372.

The Ruling of the CA

In its assailed Decision, the CA denied the joint appeal filed by petitioners Sps. Pozon and Evangelista, affirming the RTC, Branch 142's Decision dated March 29, 2010. The dispositive portion of the assailed Decision reads:

WHEREFORE, the appeal is DENIED. The assailed Decision, dated March 29, 2010 of the Regional Trial Court (RTC) of Makati City, Branch 142 in Civil Case No. 96-692, is hereby AFFIRMED.

SO ORDERED.¹⁰

In sum, the CA found that based on the evidence on record, respondent Lopez was able to convincingly prove her equitable title/interest over the subject property. The CA likewise found that the overwhelming evidence solidifies the fact that petitioners Sps. Pozon were not innocent purchasers for value of the subject property.

On July 31, 2013, petitioners Sps. Pozon filed their Motion for Reconsideration,¹¹ which was denied by the CA in its assailed Resolution.

Hence, the instant Petition.

On August 4, 2014, respondent Lopez filed her Comment (on the Petition for Review on Certiorari)¹² of even date.

On August 18, 2014, petitioners Sps. Pozon filed their Reply¹³ dated August 14, 2014.

On December 22, 2014, respondent Lopez filed her *Ad Cautelam* Memorandum¹⁴ dated December 19, 2014.

Issues

In the instant Petition, petitioners Sps. Pozon raise two issues for the Court's consideration:

1. Whether or not the CA erred in disregarding the previous rulings of this Honorable Court on the same subject matter; and

2. Whether or not the conclusions made by the CA are substantiated by the evidence and can be legally sustained.¹⁵

¹⁰ Id. at 382.

¹¹ Id. at 384-399.

¹² Id. at 441-462.

¹³ Id. at 467-472.

¹⁴ Id. at 528-570.

¹⁵ Id. at 17.

The Court shall discuss the two aforementioned issues in seriatim.

The Court's Ruling

I. The alleged conclusiveness of Civil Case No. 17358 and Civil Case No. 69262 with respect to the issue of ownership over the subject property

With respect to the first issue raised by petitioners Sps. Pozon, it is argued that the CA, in affirming RTC, Branch 142's granting of respondent Lopez's Petition for Quieting of Title, committed a grave error in disregarding two previously decided cases resolved in favor of them that supposedly touched upon the same subject matter as in the Quieting of Title case.¹⁶ In essence, petitioners Sps. Pozon posit that the two decided cases they cited are conclusive upon the court *a quo* with respect to their ownership over the subject property.

A close examination of both cases referred to by petitioners Sps. Pozon reveal that such argument is erroneous. The final and executory decisions identified by them are <u>not</u> in any way conclusive as to the issue of ownership over the subject property.

The First Case: Civil Case No. 17358 (The Specific Performance Case)

The first case cited by petitioners Sps. Pozon is Civil Case No. 17358, titled Spouses Edilberto G. Pozon and Eveline Z. Pozon vs. Tradex Realty Development Corporation, J. H. Pajara Construction Corporation, Cesar Diomampo, and Fausto George Raymundo (Specific Performance Case). The said case was filed by petitioners Sps. Pozon before the RTC of Makati City, Branch 147.

In the Specific Performance Case, by virtue of a contract to sell titled *Agreement to Purchase and to Sell* dated December 9, 1986 entered with Tradex, petitioners Sps. Pozon prayed that the subsequent Deed of Sale entered into by Tradex with another purchaser, *i.e.*, J.H. Pajara Construction Corporation, be declared null and void, and that Tradex be ordered to execute the appropriate instrument to convey the subject property to petitioners.¹⁷

In a Decision¹⁸ dated July 18, 1990, RTC, Branch 147 issued its Decision granting petitioners Sps. Pozon's prayer for specific performance, declaring the sale over the subject property made by Tradex to J.H. Pajara

¹⁶ ld. at 19-22.

¹⁷ "On December 9, 1986, Tradex Development Corporation ("Tradex") and respondents spouses Edilberto and Eveline Pozon ([Sps.] Pozon, for brevity) entered into an Agreement to Purchase and to Sell whereby the former agreed to sell to the latter a house and lot located on Paraiso Street, Dasmariñas Village, Makati City ("Paraiso property", for brevity). Tradex failed to comply with its obligation to deliver the Paraiso property to the Pozons, unilaterally rescinded the Agreement to Purchase and to Sell on June 30, 1987 and sold the Paraiso property to J.H. Pajara Construction Corporation, a few days before informing the Pozons of the rescission." [Lopez v. Sps. Pozon and Court of Appeals, 469 Phil. 808, 810 (2004)]

¹⁸ *Rollo*, pp. 52-65. Penned by Judge Teofilo L. Guadiz, Jr.

Construction Corporation null and void, as well as ordering Tradex to execute a deed of conveyance in favor of petitioners Sps. Pozon.

The RTC, Branch 147's Decision was upheld by the CA Second Division in its Decision¹⁹ dated November 29, 1995 and by the Court²⁰ in its Resolution²¹ dated September 18, 1996.

Petitioners Sps. Pozon maintain that the resolution of the Specific Performance Case in their favor should have compelled the CA to deem them as the owners of the subject property.

The argument is mistaken.

At the outset, a perusal of the RTC, Branch 147's Decision reveals that the issue of ownership was not discussed and resolved; <u>the right of ownership</u> <u>over the subject property was not at all an issue in the Specific</u> <u>Performance Case</u>.

In fact, in the said Decision, it was made clear that petitioners Sps. Pozon did not pray that they be declared the owners of the subject property. Instead, their prayer was limited only to the nullification of the sale entered into by Tradex with J.H. Pajara Construction Corporation and to compel Tradex to execute an instrument conveying the subject property to them.²²

Further, it must be emphasized that the Specific Performance Case did not dwell whatsoever on the issues surrounding respondent Lopez's claim of ownership over the subject property. In fact, it must be stressed that **respondent Lopez was not even impleaded in the Specific Performance Case**.

This leads the Court to its second point on the Specific Performance Case. Even assuming *arguendo* that the Specific Performance Case had dwelled on the issue of ownership over the subject property, which it did not, such case cannot bind respondent Lopez as she was not impleaded therein.

The Court's pronouncement in *Spouses Yu v. Pacleb*²³ is instructive:

Petitioner spouses argue that the decision of the Regional Trial Court in Civil Case No. 741-93 as to the rightful owner of the Langcaan Property is conclusive and binding upon respondent even if the latter was not a party thereto since it involved the question of possession and ownership of real property, and is thus not merely an action *in personam* but an action *quasi in rem*.

In *Domagas v. Jensen*, we distinguished between actions *in personam* and actions *quasi in rem*.

The settled rule is that the aim and object of an action determine its character. Whether a proceeding is *in rem*, or *in personam*, or *quasi in rem* for that matter, is determined

¹⁹ Id. at 67-93. Penned by Associate Justice Fermin A. Martin, Jr. with Associate Justices Fidel P. Purisima and Conchita Carpio Morales concurring.

²⁰ Third Division.

²¹ *Rollo*, pp. 94-96.

²² Id. at 52.

²³ 599 Phil. 354 (2009).

by its nature and purpose, and by these only. A proceeding in personam is a proceeding to enforce personal rights and obligations brought against the person and is based on the jurisdiction of the person, although it may involve his right to, or the exercise of ownership of, specific property, or seek to compel him to control or dispose of it in accordance with the mandate of the court. The purpose of a proceeding *in personam* is to impose, through the judgment of a court, some responsibility or liability directly upon the person of the defendant. Of this character are suits to compel a defendant to specifically perform some act or actions to fasten a pecuniary liability on him. An action in personam is said to be one which has for its object a judgment against the person, as distinguished from a judgment against the propriety (sic) to determine its state. It has been held that an action in personam is a proceeding to enforce personal rights or obligations; such action is brought against the person.

хххх

On the other hand, a proceeding *quasi in rem* is one brought against persons seeking to subject the property of such persons to the discharge of the claims assailed. In an action *quasi in rem*, an individual is named as defendant and the purpose of the proceeding is to subject his interests therein to the obligation or loan burdening the property. Actions *quasi in rem* deal with the status, ownership or liability of a particular property but which are intended to operate on these questions only as between the particular parties to the proceedings and not to ascertain or cut off the rights or interests of all possible claimants. The judgments therein are binding only upon the parties who joined in the action.

Civil Case No. 741-93 is an action for specific performance and damages filed by petitioner spouses against Javier to compel performance of the latter's undertakings under their Contract to Sell. As correctly held by the Court of Appeals, its object is to compel Javier to accept the full payment of the purchase price, and to execute a deed of absolute sale over the Langcaan Property in their favor. The obligations of Javier under the contract to sell attach to him alone, and do not burden the Langcaan Property.

We have held in an unbroken string of cases that an action for specific performance is an action *in personam*. In *Cabutihan v. Landcenter Construction and Development Corporation*, we ruled that an action for specific performance praying for the execution of a deed of sale in connection with an undertaking in a contract, such as the contract to sell, in this instance, is an action *in personam*.

Being a judgment *in personam*, Civil Case No. 741-93 is binding only upon the parties properly impleaded therein and duly heard or given an opportunity to be heard. Therefore, it cannot bind respondent since he was not a party therein. Neither can respondent be considered as privy thereto since his signature and that of his late first wife, Angelita Chan, were forged in the deed of sale.²⁴

²⁴ Id. at 366-368. Emphasis in the original.

Analogous to the instant case, in *Spouses Yu v. Pacleb*, petitioners therein argued that since a previous action for specific performance and damages was granted in their favor compelling performance by the seller under a contract to sell to accept the full payment of the purchase price and to execute a deed of absolute sale over the subject property therein in their favor, such decision is already conclusive as to their ownership over the subject property therein and binding to the therein respondent, even if the latter was not impleaded in the case.

Finding the therein petitioners' argument unmeritorious, the Court held that an action for specific performance praying for the execution of an instrument in connection with an undertaking in a contract to sell, which is precisely similar to the Specific Performance Case invoked by petitioners Sps. Pozon in the instant case, is an **action in** *personam*. And being a judgment in *personam*, **the judgment is binding ONLY upon the parties properly impleaded therein**.

Since it is beyond dispute that respondent Lopez was NOT impleaded in the Specific Performance Case, then, contrary to the assertion of petitioners Sps. Pozon, it cannot bind and affect respondent Lopez and her claim of ownership over the subject property.

The Second Case: Civil Case No. 69262 (The Ejectment Case)

Moving now to the second case invoked by petitioners Sps. Pozon, the records reveal that on February 8, 2000, they filed a Complaint for Ejectment against respondent Lopez, docketed as Civil Case No. 69262 before the Metropolitan Trial Court of Makati City, Branch 61 (MeTC).²⁵

In its Decision²⁶ dated December 23, 2000, the MeTC ruled that petitioners Sps. Pozon were entitled to the possession of the subject property based on the sale entered into by Tradex with them.

The said Decision was eventually affirmed by the RTC, CA, and the Court in *Lopez v. Sps. Pozon and Court of Appeals*.²⁷

Petitioners Sps. Pozon assert that the fact that the Ejectment Case was successfully resolved in their favor should have convinced the CA that they are the true owners of the subject property.

As well, this argument is unmeritorious.

It simply does not follow that since the Ejectment Case was ruled in favor of petitioners Sps. Pozon, the latter are conclusively deemed the owners of the subject property.

It is an elementary rule that since the only issue for resolution in an ejectment case is physical or material possession, where the parties to an

²⁵ Lopez v. Sps. Pozon and Court of Appeals, supra note 17 at 811.

²⁶ *Rollo*, pp. 303-308. Penned by Judge Selma Palacio Alaras.

²⁷ Lopez v. Sps. Pozon and Court of Appeals, supra note 17.

Resolution

ejectment case raise the issue of ownership, the courts may pass upon that issue only for the purposes of determining who between the parties has the better right to possess the property. Where the issue of ownership is inseparably linked to that of possession, adjudication of ownership is not final and binding, but merely for the purpose of resolving the issue of possession.²⁸

In fact, ironically, in the same Decision by the Court in the Ejectment Case heavily invoked by petitioners Sps. Pozon, and contrary to their assertion, the Court held that despite the resolution of the Ejectment Case, respondent Lopez may thresh out the issue of ownership in the appropriate proceeding, *i.e.*, the Quieting of Title Case filed before the RTC, Branch 142:

[If respondent] Lopez believes that she is entitled to relief, it may be secured from the action for quieting of title pending before another branch of the RTC. $x \times x$

It is also not difficult to see that [respondent] Lopez wants this Court to take cognizance of circumstances which she believes would support her alleged ownership of the [subject] property and cast doubt on the [petitioners Sps. Pozon's] manner of acquisition, and then rule on these competing claims, especially since she refuses to accept the determination of the courts below in the ejectment case that, based on the TCT in their name, the [petitioners Sps.] Pozon have a better right to possess the [subject] property.

This Court is not a trier of facts nor can it take cognizance of facts alleged by [respondent] Lopez that have yet to be proven in an <u>appropriate</u> <u>proceeding</u>, such as <u>Civil Case No. 96-692 pending in the RTC[, Branch</u> 142.]²⁹

Hence, considering the foregoing, the Court finds the first issue raised by petitioners Sps. Pozon in the instant Petition unmeritorious.

II. The alleged failure of respondent Lopez to establish her claim of ownership over the subject property with preponderance of evidence

In essence, the second issue raised by petitioners Sps. Pozon in the instant Petition centers on the supposed misappreciation of evidence committed by the CA, alleging that respondent Lopez purportedly failed to establish by preponderance of evidence her claim of ownership over the subject property.³⁰

At the outset, it should be stressed that petitioners Sps. Pozon themselves, in the instant Petition, acknowledge that the arguments made in their submissions essentially involve questions of facts and that the resolution of their Petition would necessarily entail that the Court act as a "trier of facts."³¹

³¹ Id. at 17-19.

²⁸ Spouses Santiago v. Northbay Knitting, Inc., G.R. No. 217296, October 11, 2017, 842 SCRA 502, 511.

Lopez v. Sps. Pozon and Court of Appeals, supra note 17 at 818; emphasis and underscoring supplied.

³⁰ *Rollo*, pp. 23-26.

Resolution

A *catena* of cases has consistently held that questions of fact cannot be raised in an appeal *via certiorari* before the Court and are not proper for its consideration.³² The Court is not a trier of facts. It is not the Court's function to examine and weigh all over again the evidence presented in the proceedings below.³³

A question of facts exists when the doubt or difference arises as to the truth or falsehood of facts or when the query invites calibration of the whole evidence considering mainly the credibility of the witnesses, the existence and relevancy of specific surrounding circumstances as well as their relation to each other and to the whole, and the probability of the situation.³⁴

Petitioners Sps. Pozon's submission that the court *a quo* supposedly misappreciated evidence and that respondent Lopez allegedly failed to establish by preponderance of evidence her claim of ownership over the subject property obviously calls for the recalibration, reexamination, and reassessment of evidence, the credibility of witnesses, as well as the existence and relevancy of specific surrounding circumstances.

While petitioners Sps. Pozon are correct in their insistence that the Court may, in the interest of justice, review evidence if the inference drawn by the appellate court from the facts is manifestly mistaken,³⁵ based on the Court's examination of the CA's assailed Decision, as well as the records of the instant case, it does not find any manifest and patent error in the court *a quo*'s findings.

Conversely, the assailed Decision's findings that respondent Lopez established her equitable title/interest over the subject property and that petitioners Sps. Pozon were not purchasers in good faith are well-founded and wellsubstantiated.

As pointed out by the CA, contrary to petitioners Sps. Pozon's argument that respondent Lopez's claim of ownership was anchored primarily on her own testimony,³⁶ respondent Lopez was able to provide strong evidence establishing her claim of ownership, such as official receipts for payment of association dues and garbage dues, records of the Dasmarinas Village Association, water bills, tax declarations and receipts of payment, the corroborating testimony of Cuenca, and a Letter dated May 21, 1993 signed by Beltran, Jr. and Diomampo acknowledging respondent Lopez's ownership over the subject property, among others.³⁷

In fact, striking is the CA's reference to the judicial admission made by petitioners Sps. Pozon themselves in their Memorandum dated March 15, 1990 (in the Specific Performance Case), wherein they stated unequivocally that "[t]he inability of defendants to comply with their obligation and their subsequent fraudulent scheme can be traced to one fact – the defendant Tradex did not actually own the property although it is registered in its

³² See Bautista v. Puyat Vinyl Products, Inc., 416 Phil. 305, 309 (2001).

³³ Republic of the Philippines v. Sandiganbayan, et al., 426 Phil. 104, 110 (2002).

³⁴ Id.

³⁵ Heirs of Spouses Tanyag v. Gabriel, et al., 685 Phil. 517, 533 (2012).

³⁶ *Rollo*, pp. 23-24.

³⁷ Id. at 374-375.

Resolution

name."³⁸ Hence, the CA was correct in finding that petitioners Sps. Pozon indeed knew that the subject property was not owned by Tradex, from whom they acquired their supposed title over the subject property.

With respect to the status of petitioners Sps. Pozon as purchasers in bad faith, it must be noted that even in the Resolution³⁹ dated September 18, 1996 issued by the Court in relation to the Specific Performance Case, which they invoked to further their argument, the Court, citing the court *a quo*'s Decision, found that:

[t]here is no dispute that [petitioners Sps. Pozon] were informed from the start by defendant Raymundo of [respondent Lopez'] occupancy of the [subject property]; that [petitioners Sps. Pozon] were not able to inspect the premises except to view it from the outside atop a ladder; that as a result, [petitioners Sps. Pozon] initially expressed misgivings about buying the property; that [Edilberto] Pozon had occasion to meet [respondent] Lopez in Hongkong; and that up to the present, the [subject] property remains in the possession of [respondent] Lopez.⁴⁰

For the following reasons, petitioners Sps. Pozon's argument that there was a misappreciation of evidence committed by the CA and that respondent Lopez purportedly failed to establish by preponderance of evidence her claim of ownership over the subject property is not well-taken.

WHEREFORE, premises considered, the instant appeal is hereby **DENIED**. The Decision dated July 8, 2013 and Resolution dated November 27, 2013 issued by the Court of Appeals, Special Seventh Division and Former Special Seventh Division, respectively, in CA-G.R. CV No. 95280 are **AFFIRMED**.

SO ORDERED.

IN S. CAGUIOA LFRED stice sociate

WE CONCUR:

ANTONIO T. CARPIO Associate Justice Chairperson

- ³⁸ Id. at 375; emphasis supplied.
- ³⁹ Id. at 94-96.

⁴⁰ Id. at 95.

ESTELA Ń BERNABE Associate Justice

JOSE C. RÉYÉS, JR. Associate Justice

ZARO-JAVIER Associate Justice

ATTESTATION

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

ANTONIO T. CARPIO Associate Justice Chairperson, Second Division

CERTIFICATION

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

BERSAMIN Chief-Justice