

## SECOND DIVISION

[ G.R. No. 150925, May 27, 2004 ]

**SPOUSES JAMES TAN AND FLORENCE TAN, PETITIONERS, VS.  
CARMINA, REYNALDO, YOLANDA AND ELISA, ALL SURNAMED  
MANDAP, RESPONDENTS.**

### D E C I S I O N

**QUISUMBING, J.:**

For review on *certiorari* is the decision<sup>[1]</sup> dated August 10, 2001, of the Court of Appeals, in CA-G.R. CV No. 59694, which affirmed in toto the decision,<sup>[2]</sup> dated March 25, 1998, of the Regional Trial Court (RTC) of Manila, Branch 34, in Civil Case No. 89-50263. The trial court declared the sale of properties between Dionisio Mandap, Sr., and the spouses Crispulo and Elenita Vasquez simulated and thus void, and hence, the subsequent sale between the Vasquez spouses and petitioners herein, the spouses James and Florence Tan, similarly void. Likewise assailed by the petitioners is the resolution<sup>[3]</sup> dated November 23, 2001 of the appellate court, denying their motion for reconsideration.

The pertinent facts, as found by the trial court, are as follows:

The respondents are the legitimate children of the marriage of Dionisio Mandap, Sr., and Maria Contreras Mandap. When the Mandap spouses parted ways, their children opted to stay with Maria. To help support the children, Maria filed Civil Case No. E-02380 in the former Juvenile and Domestic Relations Court of Manila for the dissolution and separation of the conjugal partnership.

Two separate lots, each with an area of 88 square meters covered by TCT Nos. 44730 and 55847, respectively, located in Felix Huertas Street, Sta. Cruz, Manila, with improvements thereon, were adjudicated by the Juvenile and Domestic Relations Court in favor of Dionisio Mandap, Sr.

Meanwhile, Dionisio Mandap, Sr., until his death on October 2, 1991 at age 64, lived with Diorita Dojoles, with whom he had two children. He suffered from diabetes since 1931, became totally blind in 1940, and was crippled for about 10 years until his death. However, before his death on May 25, 1989, he conveyed the subject properties to his common-law wife's sister, Elenita Dojoles Vasquez; and her husband, Crispulo Vasquez. As a result of this sale, TCT Nos. 44730 and 55847 were cancelled and TCT Nos. 186748 and 186749 covering the subject properties were issued in the name of Elenita Vasquez married to Crispulo Vasquez.

On September 11, 1989, the Vasquez spouses conveyed the parcel of land covered by TCT No. 186748 in favor of petitioners. TCT No. 188862 covering the subject lot was then issued in favor of the latter.

On September 5, 1989, prior to the sale to petitioners, the respondents filed an action for cancellation of title with damages, before the RTC of Manila against Diorita Dojoles and the Vasquez spouses, alleging that the sale of subject properties by their father was fictitious, and without any consideration. Further, the consent of their father was vitiated due to his physical infirmities. The action was docketed as Civil Case No. 89-50263.

On February 15, 1991, respondents filed a supplemental complaint, this time against the spouses Tan, for the nullification of the sale to the latter of subject lot.

On March 25, 1998, the trial court decided Civil Case No. 89-50263 in favor of the herein respondents. The decretal part of its judgment reads as follows:

WHEREFORE, premises considered judgment is hereby rendered as follows:

IN CIVIL CASE NO. 89-50263

1. Declaring the Deeds of Sale (Exh. "A" and "A-1"; "B" and "B-1") both dated May 25, 1989 executed in favor of Elenita Vasquez married to Crispulo Vasquez as null and void and of no legal force and effect whatsoever;
2. Ordering the Register of Deeds of Manila to cancel TCT No. 186748 (Exh. "K" to "K-2") and TCT No. 186749 (Exh. "L" and "L-1") registered in the name of Elenita Vasquez married to Crispulo Vasquez having been issued thru a void and inexistent contract; further ordering the reconveyance of said title to the Estate of Dionisio Mandap, Sr.;
3. Ordering the plaintiffs or the Estate of Dionisio Mandap, Sr., to reimburse or return the sum of P570,000.00 representing the purchase price of the subject lot, plus legal rate of interest starting from the rendition of this decision until fully paid;
4. Ordering the defendants Spouses Crispulo and Elenita Vasquez and Diorita Dojoles to jointly and severally reimburse or return the fruits or earnings in the mentioned lots in the form of rentals which is hereby fixed at P10,000.00 per month from the date this complaint was filed until defendants restore and/or surrender the subject premises to the Estate of Dionisio Mandap, Sr.;
5. Ordering the defendants Spouses Crispulo and Elenita Vasquez and Diorita Dojoles to pay attorney's fees in the amount of P50,000.00 and to pay the costs of this suit.

IN THE SUPPLEMENTAL COMPLAINT AGAINST SPOUSES JAMES AND  
FLORENCE TAN

1. Declaring the Deed of Sale dated September 11, 1989 (Exh. "Q" and "7", Tan) executed by Elenita Vasquez married to Crispulo Vasquez as null and void and of no force and effect whatsoever, the

vendor having no valid title to dispose of the same;

2. Ordering the Register of Deeds of Manila to cancel TCT No. 188862 issued in the name of James Tan, the source of which having been declared null and void;
3. Ordering Spouses Crispulo and Elenita Vasquez to return the sum of P1,000,000.00 representing the purchase price of the lot covered by TCT No. 188862 with legal rate of interest from the date of this decision;
4. Ordering defendants James and Florence Tan to jointly and severally pay the sum of P15,000.00 as and for attorney's fees.

IN BOTH CASES THE COUNTERCLAIMS INTERPOSED BY THE DEFENDANTS ARE DISMISSED FOR LACK OF MERIT.

SO ORDERED.<sup>[4]</sup>

From the above judgment, petitioners appealed to the Court of Appeals in CA-G.R. CV No. 59694 on the ground that the trial court erred in not declaring them to be buyers in good faith and in not sustaining the validity of their title, TCT No. 188862.

In its decision dated August 10, 2001, the Court of Appeals found the appeal bereft of merit and affirmed *in toto* the lower court decision, thus:

WHEREFORE, the appeals interposed by appellants Dojoles, Sps. Vasquez and Sps. James and Florence Tan is without merit; the Decision of the lower court dated March 25, 1998 is AFFIRMED *in toto*.

Costs against appellants.

SO ORDERED.<sup>[5]</sup>

Petitioners seasonably moved for reconsideration, but it was denied by the appellate court.

Hence, this petition for review, submitting the following issues for our resolution:

## I

WHETHER OR NOT PETITIONERS HAVE THE LEGAL PERSONALITY TO BRING THE INSTANT PETITION.

## II

WHETHER OR NOT THE SALE BETWEEN MANDAP SR. AND THE VASQUEZES IS VALID.

## III