FIRST DIVISION

[G.R. No. 125172, June 26, 1998]

SPOUSES ANTONIO AND LUZVIMINDA GUIANG, PETITIONERS, VS. COURT OF APPEALS AND GILDA CORPUZ, RESPONDENTS.

DECISION

PANGANIBAN, J.:

The sale of a conjugal property requires the consent of both the husband and the wife. The absence of the consent of one renders the sale null and void, while the vitiation thereof makes it merely voidable. Only in the latter case can ratification cure the defect.

The Case

These were the principles that guided the Court in deciding this petition for review of the Decision^[1] dated January 30, 1996 and the Resolution^[2] dated May 28, 1996, promulgated by the Court of Appeals in CA-GR CV No. 41758, affirming the Decision of the lower court and denying reconsideration, respectively.

On May 28, 1990, Private Respondent Gilda Corpuz filed an Amended Complaint^[3] against her husband Judie Corpuz and Petitioners-Spouses Antonio and Luzviminda Guiang. The said Complaint sought the declaration of a certain deed of sale, which involved the conjugal property of private respondent and her husband, null and void. The case was raffled to the Regional Trial Court of Koronadal, South Cotabato, Branch 25. In due course, the trial court rendered a Decision^[4] dated September 9, 1992, disposing as follows:^[5]

"ACCORDINGLY, judgment is rendered for the plaintiff and against the defendants,

1. Declaring both the Deed of Transfer of Rights dated March 1, 1990 (Exh. 'A') and the 'amicable settlement' dated March 16, 1990 (Exh. 'B') as null and void and of no effect;

2. Recognizing as lawful and valid the ownership and possession of plaintiff Gilda Corpuz over the remaining one-half portion of Lot 9, Block 8, (LRC) Psd-165409 which has been the subject of the Deed of Transfer of Rights (Exh. 'A');

3. Ordering plaintiff Gilda Corpuz to reimburse defendants Luzviminda and Antonio Guiang the amount of NINE THOUSAND (P9,000.00) PESOS corresponding to the payment made by defendants Guiangs to Manuel Callejo for the unpaid balance of the account of plaintiff in favor of Manuel Callejo, and another sum of P379.62 representing one-half of the amount of realty taxes paid by defendants Guiangs on Lot 9, Block 8, (LRC) Psd-165409, both with legal interests thereon computed from the finality of the decision.

No pronouncement as to costs in view of the factual circumstances of the case."

Dissatisfied, petitioners-spouses filed an appeal with the Court of Appeals. Respondent Court, in its challenged Decision, ruled as follows:^[6]

"WHEREFORE, the appealed decision of the lower court in Civil Case No. 204 is hereby AFFIRMED by this Court. No costs considering plaintiff-appellee's failure to file her brief, despite notice."

Reconsideration was similarly denied by the same court in its assailed Resolution:^[7]

"Finding that the issues raised in defendants-appellants' motion for reconsideration of Our decision in this case of January 30, 1996, to be a mere rehash of the same issues which We have already passed upon in the said decision, and there [being] no cogent reason to disturb the same, this Court RESOLVES to DENY the instant motion for reconsideration for lack of merit."

The Facts

The facts of this case are simple. Over the objection of private respondent and while she was in Manila seeking employment, her husband sold to the petitioners-spouses one half of their conjugal property, consisting of their residence and the lot on which it stood. The circumstances of this sale are set forth in the Decision of Respondent Court, which quoted from the Decision of the trial court, as follows:^[8]

"1. Plaintiff Gilda Corpuz and defendant Judie Corpuz are legally married spouses. They were married on December 24, 1968 in Bacolod City, before a judge. This is admitted by defendants-spouses Antonio and Luzviminda Guiang in their answer, and also admitted by defendant Judie Corpuz when he testified in court (tsn. p..3, June 9, 1992), although the latter says that they were married in 1967. The couple have three children, namely: Junie – 18 years old, Harriet – 17 years of age, and Jodie or Joji, the youngest, who was 15 years of age in August, 1990 when her mother testified in court.

Sometime on February 14, 1983, the couple Gilda and Judie Corpuz, with plaintiff-wife Gilda Corpuz as vendee, bought a 421 sq. meter lot located in Barangay Gen. Paulino Santos (Bo. 1), Koronadal, South Cotabato, and particularly known as Lot 9, Block 8, (LRC) Psd-165409 from Manuel Callejo who signed as vendor through a conditional deed of sale for a total consideration of P14,735.00. The consideration was payable in installment, with right of cancellation in favor of vendor should vendee fail to pay three successive installments (Exh. '2', tsn. p. 6, February 14, 1990).

2. Sometime on April 22, 1988, the couple Gilda and Judie Corpuz sold one-half portion of their Lot No. 9, Block 8, (LRC) Psd-165409 to the defendants-spouses Antonio and Luzviminda Guiang. The latter have since then occupied the one-half portion [and] built their house thereon

(tsn. p. 4, May 22, 1992). They are thus adjoining neighbors of the Corpuzes.

3. Plaintiff Gilda Corpuz left for Manila sometime in June 1989. She was trying to look for work abroad, in [the] Middle East. Unfortunately, she became a victim of an unscrupulous illegal recruiter. She was not able to go abroad. She stayed for sometime in Manila however, coming back to Koronadal, South Cotabato, x x x on March 11, 1990. Plaintiff's departure for Manila to look for work in the Middle East was with the consent of her husband Judie Corpuz (tsn. p. 16, Aug.12, 1990; p. 10, Sept. 6, 1991).

After his wife's departure for Manila, defendant Judie Corpuz seldom went home to the conjugal dwelling. He stayed most of the time at his place of work at Samahang Nayon Building, a hotel, restaurant, and a cooperative. Daughter Harriet Corpuz went to school at King's College, Bo. 1, Koronadal, South Cotabato, but she was at the same time working as household help of, and staying at, the house of Mr. Panes. Her brother Junie was not working. Her younger sister Jodie (Joji) was going to school. Her mother sometimes sent them money (tsn. p. 14, Sept. 6, 1991).

Sometime in January 1990, Harriet Corpuz learned that her father intended to sell the remaining one-half portion including their house, of their homelot to defendants Guiangs. She wrote a letter to her mother informing her. She [Gilda Corpuz] replied that she was objecting to the sale. Harriet, however, did not inform her father about this; but instead gave the letter to Mrs. Luzviminda Guiang so that she [Guiang] would advise her father (tsn. pp. 16-17, Sept. 6, 1991).

4. However, in the absence of his wife Gilda Corpuz, defendant Judie Corpuz pushed through the sale of the remaining one-half portion of Lot 9, Block 8, (LRC) Psd-165409. On March 1, 1990, he sold to defendant Luzviminda Guiang thru a document known as 'Deed of Transfer of Rights' (Exh. 'A') the remaining one-half portion of their lot and the house standing thereon for a total consideration of P30,000.00 of which P5,000.00 was to be paid in June , 1990. Transferor Judie Corpuz's children Junie and Harriet signed the document as witnesses.

Four (4) days after March 1, 1990 or on March 5, 1990, obviously to cure whatever defect in defendant Judie Corpuz's title over the lot transferred, defendant Luzviminda Guiang as vendee executed another agreement over Lot 9, Block 8, (LRC) Psd-165408 (Exh. '3'), this time with Manuela Jimenez Callejo, a widow of the original registered owner from whom the couple Judie and Gilda Corpuz originally bought the lot (Exh. '2'), who signed as vendor for a consideration of P9,000.00. Defendant Judie Corpuz signed as a witness to the sale (Exh. '3-A'). The new sale (Exh. '3') describes the lot sold as Lot 8, Block 9, (LRC) Psd-165408 but it is obvious from the mass of evidence that the correct lot is Lot 8, Block 9, (LRC) Psd-165409, the very lot earlier sold to the couple Gilda and Judie Corpuz.

5. Sometime on March 11, 1990, plaintiff returned home. She found her children staying with other households. Only Junie was staying in their

house. Harriet and Joji were with Mr. Panes. Gilda gathered her children together and stayed at their house. Her husband was nowhere to be found. She was informed by her children that their father had a wife already.

6. For staying in their house sold by her husband, plaintiff was complained against by defendant Luzviminda Guiang and her husband Antonio Guiang before the Barangay authorities of Barangay General Paulino Santos (Bo. 1), Koronadal, South Cotabato, for trespassing (tsn. p. 34, Aug. 17, 1990). The case was docketed by the barangay authorities as Barangay Case No. 38 for 'trespassing'. On March 16, 1990, the parties thereat signed a document known as 'amicable settlement'. In full, the settlement provides for, to wit:

'That respondent, Mrs. Gilda Corpuz and her three children, namely: Junie, Hariet and Judie to leave voluntarily the house of Mr. and Mrs. Antonio Guiang, where they are presently boarding without any charge, on or before April 7, 1990.

FAIL NOT UNDER THE PENALTY OF THE LAW.'

Believing that she had received the shorter end of the bargain, plaintiff went to the Barangay Captain of Barangay Paulino Santos to question her signature on the amicable settlement. She was referred however to the Officer-In-Charge at the time, a certain Mr. de la Cruz. The latter in turn told her that he could not do anything on the matter (tsn. p. 31, Aug. 17, 1990).

This particular point was not rebutted. The Barangay Captain who testified did not deny that Mrs. Gilda Corpuz approached him for the annulment of the settlement. He merely said he forgot whether Mrs. Corpuz had approached him (tsn. p. 13, Sept. 26, 1990). We thus conclude that Mrs. Corpuz really approached the Barangay Captain for the annulment of the settlement. Annulment not having been made, plaintiff stayed put in her house and lot.

7. Defendant-spouses Guiang followed thru the amicable settlement with a motion for the execution of the amicable settlement, filing the same with the Municipal Trial Court of Koronadal, South Cotabato. The proceedings [are] still pending before the said court, with the filing of the instant suit.

8. As a consequence of the sale, the spouses Guiang spent P600.00 for the preparation of the Deed of Transfer of Rights, Exh. 'A'; P9,000.00 as the amount they paid to Mrs. Manuela Callejo, having assumed the remaining obligation of the Corpuzes to Mrs. Callejo (Exh. '3'); P100.00 for the preparation of Exhibit '3'; a total of P759.62 basic tax and special educational fund on the lot; P127.50 as the total documentary stamp tax on the various documents; P535.72 for the capital gains tax; P22.50 as transfer tax; a standard fee of P17.00; certification fee of P5.00. These expenses particularly the taxes and other expenses towards the transfer of the title to the spouses Guiangs were incurred for the whole Lot 9, Block 8, (LRC) Psd-165409."