## **SECOND DIVISION**

# [ CA-G.R. CV No. 102246, December 12, 2014 ]

## SPS. DOMINGO E. DUGAN AND BEATRIZ R. DUGAN, PLAINTIFFS-APPELLEES, VS. SPS. RENERIO ANINIPOT AND NECITAS ANINIPOT, DEFENDANTS-APPELLANTS.

### DECISION

### **SALAZAR-FERNANDO, J.:**

Before this Court is an appeal from the Decision<sup>[1]</sup> dated October 11, 2013 of the Regional Trial Court, Fifth Judicial Region, Branch 53, Sorsogon City in Civil Case No. 2009-8126 entitled "Sps. Domingo E. Dugan [and] Beatriz R. Dugan, Plaintiffs, versus Sps. Renerio Aninipot and Necitas Aninipot, Defendants.", the dispositive portion of which reads:

#### "WHEREFORE, judgment is hereby rendered:

- 1) Declaring that the parties' sale transaction concerning defendants' property covered by TCT No. T-20389 is for the price of P800,000.00 of which plaintiffs have already paid defendants in full, with an excess payment of P2,000.00 which should be returned to plaintiffs by deducting the same from the consigned amount;
- 2) Directing defendants to execute in favor of plaintiffs the necessary absolute deed of sale of the property in question, to deliver to plaintiffs the said deed, and to turn over the physical possession of the vended property to the latter;
- 3) Ordering defendants to pay plaintiffs moral damages and attorney's fees in the sum of P100,000.00 and P25,000.00, respectively, and to pay the cost of the suit.

SO ORDERED."

#### The facts are:

In their Verified Complaint<sup>[2]</sup> for Specific Performance and Damages against defendants-appellants Sps. Renerio Aninipot and Necitas Aninipot (Sps. Aninipot for brevity), plaintiffs-appellees Spouses Domingo E. Dugan and Beatriz R. Dugan (Sps. Dugan for brevity) alleged that: defendants-appellants Sps. Aninipot offered to sell to them a parcel of land covered by TCT No. T-20389, situated in Brgy. Bibincahan, Sorsogon, Sorsogon for P800,000.00; they initially paid the sum of P207,000.00 and decided to formalize their agreement in writing; they were able to pay a total of P747,050.00 leaving a balance of P52,950.00; sometime in August 2009, they

informed defendants-appellants Sps. Aninipot that they are willing to pay the remaining balance and demanded that the latter comply with their obligation under the agreement and execute a Deed of Absolute Sale; however, despite repeated demands defendants-appellants Sps. Aninipot failed and refused to accept their payment of the balance of the purchase price and to execute the deed of sale; they referred the matter to the Lupon Tagapamayapa in their barangay for settlement and conciliation, but to no avail; hence, they were constrained to file this case and incurred damages, attorney's fees and other litigation expenses; and they deposited to the court, by way of consignation, the balance of the purchase price in the amount of P52,950.00.

In their Answer with Counterclaim<sup>[3]</sup>, defendants-appellants Sps. Aninipot denied some of the material allegations in the complaint and admitted that they indeed offered to sell their property to plaintiffs-appellees Sps. Dugan, albeit, the price was P800,000.00, if paid in cash, and P1,000,000.00 if paid on installment.

By way of affirmative and special defenses, they averred that: sometime in the early part of 2007, defendant-appellant Renerio Aninipot and plaintiffs-appellees Sps. Dugan signed an Agreement consisting of two (2) pages both signed by defendantappellant Renerio Aninipot; however, the purported copy attached to the complaint was not a faithful reproduction of the original agreement as the page one (1) thereof no longer bears his signature; there were already material insertions on page one (1), such as the allegation in paragraph 5 wherein it stated that defendant-appellant Renerio Aninipot was already paid the amount of P207,000.00 as earnest money, which he denied receipt; they admitted that on several occasions, they received amounts from plaintiffs-appellees Sps. Dugan, with corresponding receipts signed by them; they denied that they received from plaintiffs-appellees Sps. Dugan the amount of P133,000.00 and the signature of defendant-appellant Renerio Aninipot on the corresponding receipt was forged; the total amount given by plaintiffs-appellees Sps. Dugan was only P612,050.00 out of the P1,000,000.00 agreed price; when defendant-appellant Renerio Aninipot signed on page 1 of the original agreement, the amount of P800,000.00 was already canceled supposedly to be replaced with the amount of P1,000,000.00, as agreed upon by them if the payment was done by installment as in this case; the change in the price was admitted and agreed upon by plaintiffs-appellees Sps. Dugan during their attempted settlement before the Lupon Tagapamayapa of Brgy. Bibincahan, Sorsogon, City; from the P1,000,000.00 purchase price, the remaining balance was P387,950.00, if the amount of P612,050.00 paid by the plaintiffs-appellees Sps. Dugan is to be subtracted; despite non-payment in full of the price of the land, plaintiffs-appellees Sps. Dugan kept in their custody TCT. No. T-20389 taking advantage of their lack of education and knowledge to transact business of this kind; and, plaintiffs-appellees Sps. Dugan have no cause of action against them.

As counterclaim, they prayed for damages , attorney's fees and other litigation expenses.

Pre-trial conference<sup>[4]</sup> was held on July 19, 2010 where parties admitted the following: 1) identity of the parties; 2) identity of the subject property; and 3) that the matter was referred to the Lupon Tagapamayapa for conciliation.

To support their claim, plaintiffs-appellees Sps. Dugan presented plaintiff-appellee

Beatriz Dugan and Henedina Dugan as witnesses.

Plaintiff-appellee Beatriz Dugan testified that she knows defendants-appellants Sps. Aninipot because they are their neighbors. The latter offered to sell to plaintiffs-appellees Sps. Dugan a lot located at Gate 3 SPPVS Brgy. Bibincahan, Sorsogon City and covered by TCT No. T-20389. The agreed price for the subject property was P800,000.00. They were able to pay a total of P747,050.00, leaving a balance of P52,950.00. When they were paying the said balance, defendants-appellants Sps. Aninipot refused to accept the same prompting plaintiffs-appellees Sps. Dugan to refer the matter to the Lupon Tagapamayapa of Brgy. Bibincahan, to no avail. Hence, this case.

Henedina R. Dugan, daughter of plaintiffs-appellees Sps. Dugan, corroborated the testimonies of plaintiff-appellee Beatriz Dugan and testified further that she personally knows the transaction between her parents and defendants-appellants Sps. Aninipot. She and her siblings even contributed a certain amount to pay the purchase price. When defendants-appellants Sps. Aninipot refused to accept the balance of P52,950.00, they deposited the same with the Office of the Clerk of Court of the lower court.

Plaintiffs-appellees Sps. Dugan offered the following exhibits as evidence: 1) Exhibit "A" - Agreement; 2) Exhibits "B" to "B-22" - Receipts with their corresponding amounts and signature of defendants-appellants Sps. Aninipot; 3) Exhibit "B-11" - Letter of defendants-appellants Sps. Aninipot; 4) Exhibit "C" - TCT No. T-20389; 5) Exhibits "D" - "D-72" - Receipts with their corresponding amounts; 6) Exhibit "E" - Certification to File Action; 7) Exhibits "F"-"F-2" - Receipts with their corresponding amounts; 8) Exhibits "G"-"G-3" -Summary of Payments; and 9) Exhibit "H" - TCT No. T-20389. [5]

On the other hand, for defendants-appellants Sps. Aninipot, they testified denying receipt of the payment and alleged that the signature of defendant-appellant Renerio Aninipot was forged. After giving their testimonies, they offered the following documents as evidence: 1) Exhibits "1" and "2" - List of payments as prepared by defendant-appellant Necitas Aninipot; 2) Exhibits "3" and "3-a" - Order and Resolution of the Lupon Tagapamayapa; 3) Exhibit "4" and submarkings – Agreement; 4) Exhibit "5" - Receipt for P133,000.00; and 5) Exhibit "6" - Notebook containing list of payments.

After a judicious review of the parties' evidence, the lower court rendered the assailed decision. Hence, this appeal by defendants-appellants Sps. Aninipot presenting the following issues, to wit:

- "i. Whether or not the trial court erred in finding valid the disputed agreement and in finding the sale fully paid.
- ii. Whether or not the trial court erred in finding in favor of Plaintiff (sic) including damages in disregard of the personal circumstances of the Defendants-Appellants."