

MARIA CONCEPCION, PETITIONER, VS. THE PAYATAS ESTATE IMPROVEMENT CO., INC., RESPONDENT.*G.R. No. 11531. May 30, 1958*

Ponente: CONCEPCION, J.

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Being interrelated, these three (3) cases were jointly heard in the Court of First Instance of Rizal, which, in due course, rendered a single decision in favor of the plaintiffs therein and petitioners herein. On appeal taken by defendant (respondent herein) The Payatas Estate Improvement Co., the Court of Appeals ordered the case remanded to the court of origin, for the reception of additional evidence. Not being satisfied with the resolution of the Court of Appeals to this effect, plaintiffs-petitioners now seek a review thereof by writ of certiorari.

As set forth in the decision of the court of first instance, and quoted with approval in said resolution of the Court of Appeals, the main facts are:

"In Civil Case No. 1476, the subject matter is Lot No. 12 of plan Psu-115484. This Lot No. 12 of plan Psu-115484 is admittedly southeast of a parcel of land (Lot No. 92 of plan Psu-24733) which the plaintiff Maria Concepcion and Gregorio Diaz bought from the defendant company in 1925 as will be discussed in more detail hereinafter. The contention of the plaintiff Maria Concepcion is that in 1925 when she and Gregorio Diaz bought Lot No. 92 from the defendant company, the boundary on the southeast was the San Mateo Elver, and that it was only subsequently thereafter that the river gradually receded in an easterly direction leaving dry and abandoned the river bed which is now Lot 12 of plan Psu-115484. On the other hand, the defendant company contends that when the plaintiff Maria Concepcion and Gregorio Diaz bought Lot No. 92 in 1925, the boundary on the southeast was land comprised within the titled property of the defendant.

"In Civil Case No. 1477, the subject-matter are Lots Nos. 4, 5, 6, 7, and 14 of plan Psu-115484. These five lots are admittedly immediately adjacent to Lots Nos. 95 and 97 of plan Psu-24733 and Lot No. 96-of plan Psu 564 which Patricio de la Cruz (father of plaintiff) and plaintiff Alfonso Cruz bought from the defendant company in 1926 and in 1927, respectively, as will be discussed in more detail hereinafter. It is the contention of the plaintiff Alfonso Cruz that when he and his father bought from the defendant company, Lots Nos. 95 and 96-Q, they were bounded on the east by the San Mateo River, and that Lot No. 97 was surrounded on all sides by the San Mateo River, but that subsequently thereafter the said river receded gradually In an easterly direction leaving the river bed dry and abandoned which is now the disputed Lots Nos. 4, 5, 6, 7, and 14 of plan Psu-115484. On the other hand, the defendant company contends that at the time it sold to the plaintiff and to the latter's father Lots 95 and 96-Q, they were bounded on the east by land, and that Lot 97 was surrounded on all sides by land which, were comprised in the titled property of the defendant.

"In Civil Case No. 1478, the subject matter are Lots Nos. 8, 9, and 10 of plan Psu-115484. These three lots are admittedly east of Lot 94-F of plan Psu-1859 which the plaintiffs Angel Sta. Maria, Vicente Sta. Maria, together with their now deceased sister Eliza Sta. Maria, bought from the defendant company in 1929 as will be discussed more in detail hereinafter. It is the contention of the plaintiffs that when they bought from the defendant company in 1929 Lot No. 94-F it was bounded on the east by the San Mateo River, and that

subsequently thereafter the said river receded gradually in an easterly direction, leaving dry and abandoned the river bed which is now the disputed Lots Nos. 8, 9, and 10 of plan Psu-115484. On the other hand, the defendant company contends that when it sold to the plaintiffs and Eliza Sta. Maria in 1929, Lot No. 94-F was bounded on the east by land which was comprised in the titled property of the defendant."

In the language of the petition herein, "the pivotal issue in all the three (3) cases is whether the disputed lots were under water and were parts of the bed of the San Mateo River at the time of the respective purchases by the plaintiffs from the defendant company, or whether they were lands within the titled property of defendant company at the time of said purchases." In the Court of First Instance of Rizal, respondent offered parol evidence to the effect that, at that time, said lots were no longer part of the bed of the San Mateo River, the same having changed its course and uncovered the area represented by said lots, several years prior thereto. Petitioners objected to the admission of this evidence and the lower court rejects it, upon the ground that respondent thereby sought to alter the contents of the deeds of sale evidencing said purchases, respondent having stated therein that the lots thus conveyed to petitioners, and/ or their predecessors in interest, were bounded on the East or Southeast by the San Mateo River, except lot No. 97, which, according to the corresponding deed of sale, was surrounded, on all sides, by said river, and that, likewise, respondent was, therefore, in estoppel.

Without passing upon the question of estoppel, the Court of Appeals had the following to say in its aforementioned resolution:

"The record discloses that in the answers interposed by the defendant company, the latter specifically denied the allegations in the complaints that the questioned lots were bounded on the Southeast and East by the San Mateo River; defendant affirmatively averred that said lots were bounded in said direction by its own properties. Defendant further asserted that the lots in issue formed part and parcel of a huge mass of land originally registered under Certificate of Title No. 333 in the name of Maria de la Concepcion Martinez Canas Noriega de Roguera; that in 1920, the three parcels of land were sold to Nanyo Shoji Kaisha Ltd. in whose favor Transfer Certificate of Title No. 5251 was issued; that subsequently, this title was cancelled and in lieu thereof, Transfer Certificates of Title Nos. 5858 and 5859 were issued in the names of Francisco Hidalgo and Nanyo Shoji Kaisha. Ltd.; that on December 23, 1952, Transfer Certificate of Title No. 6085 already in the name of the Payatas Estate Improvement Co., was cancelled by title No. 7377 in the name of Frank W. Carpenter and this latter title was, in turn, cancelled by title No. 8691, again in the name of the Payatas Estate Improvement Co.; that title No. 8691 was, upon petition of defendant company, cancelled in favor of titles Nos. 8815 and 8816; and that the lots now in question are not accretions to the lots originally sold by the defendant to the plaintiffs or to the latter's predecessors-in-interest.

"There seems to be no question that the lots now in question, except lot No. 97, are all bounded toward the East and Southeast by the San Mateo River according to the deeds of sale executed by the defendant in favor of the plaintiffs; lot No. 97, according to Exhibit G-I, however, is bounded on all sides by said river.

"The lengthy answers interposed by the defendant in these cases do not employ the precise wordings of the rule in support of its contention that the documents involved do not express the true intent and agreement of the parties. A careful perusal, however, of said pleadings yields the ineluctable finding that the defendant company's main contention consisted in that the lots in question were not included in the sales but formed part and parcel of the company's original property and that said lots were not accretions of riparian property. In its pleadings, defendant further alleged that during the Japanese occupation, it caused the survey of these lots and the plan thus made was considered a subdivision plan on the theory that the lots so surveyed formed part of the original mass belonging to Maria de la Concepcion Martinez Canas Noriega de Roguera under Certificate of Title No. 333. Defendant, in this connection, claims that the technical descriptions set forth in the deeds of sale in favor of the plaintiffs or their predecessors were copied literally from Transfer Certificate of Title No. 8815 which contains the old technical descriptions appearing in the titles issued in favor of the previous owners; and that in the preparation of the documents of sale, defendant merely had to copy the technical descriptions

appearing in the title itself in accordance with the rules governing voluntary transfers of registered real properties.

"After a painstaking and careful consideration of the entire record- by themselves voluminous-we find that the defendant-appellant should, by reason of the allegations set up in Its answers, be allowed to show the actual condition of the lots in question as of the time the deeds of sale were executed by it in favor of the plaintiffs and appellees.

"Defendant's claim to the effect that the technical descriptions set forth in the old title were lifted bodily therefrom and reproduced verbatim in the deeds of sale in plaintiffs' favor is, to our mind, well taken as this is a practice commonly adhered to in the making of deeds of sales or other voluntary transfers or conveyances of registered properties. This practice is exemplified by transfer certificate of title No. 11856 in the name of plaintiff Maria Concepcion (Exhibit D-2). Be it noted that Maria Concepcion acquired the rights of her co-owner Gregorio Diaz over lot 92-C and, as a consequence thereof, transfer certificate of title No. 11856 (Exhibit D-2) was issued in her name on December 11, 1948. The technical description appearing in this title No. 11856, though recently made, still points to the San Mateo River as the southeastern boundary of lot No. 92-C despite the fact that the present actual southeastern boundary of said lot 92-C is lot 12 of plan Psu-115484 one of the lots now in question (Civil Case No. 1476).

"The reason for this seeming discrepancy is obvious. "When the old title in the name of Maria Concepcion and Gregorio Diaz was cancelled and a new one issued in the sole name of Maria Concepcion who had consolidated ownership in her name, the technical description set forth in the old title was copied verbatim and reproduced literally in the new consolidated title.

"With the evidence at hand, it is impossible for us to properly evaluate and adequately weigh the respective contentions of the parties. For this reason, we are constrained to remand the records hereof to the court a quo for the reception of the evidence, testimonial and documentary, the defendant may desire to present tending to show the actual conditions of the lots in issue as of the date of the execution of the deeds of sale (Exhibits D, E, F, G and G-1) in favor of the plaintiffs or their predecessors-in-interest, and to prove whether the lots now in question were, in fact, included in the original title No. 333. Plaintiffs, on their part, may present rebuttal evidence, if they so wish, apropos of the points covered by the defendant's additional evidence. Once the parties have rested their case, the court below should render a new decision based upon all the evidence adduced,"

Petitioners assail this view of the Court of Appeals upon the ground "that in the answer interposed by the defendant company (respondent herein) there is no allegation whatsoever that the * * * deed of sale" already adverted to "do not express the true intent and agreement of the parties." Thus, petitioners impliedly concedes that the parol evidence in question would be admissible if respondent's answer contained said allegation. It is not indispensable however, that the question whether the averments in the answer amount or not to an allegation that said deeds of sale do not faithfully reflect the intent of the parties be decided now. The assertions made in said pleading are sufficient, to our mind, to warrant a deferment of the determination of said question, and the provisional admission of the parol evidence already referred to. What the parties to a given transaction had in mind usually depends upon a number of circumstances, some of which may be important, if not decisive, in the task of ascertaining their intent. Very often, it is difficult, if not impossible, to have the right perspective until after all pertinent facts have been assembled. Until then, it is not possible, at times, to view, in its true light, the effect, upon a party, of a pleading filed by his opponent, such as, for instance, whether it sufficiently advises the former that the latter assails the accuracy of the deed executed by both in describing the transaction between them. For these reasons, it is best, to our mind, that the issue before us be settled, later on, after the admission of the evidence alluded to in the resolution of the Court of Appeals.' After all, pleadings, as well as remedial laws, should be construed liberally, in order that litigants may have ample opportunity to prove their respective claims,

and that a possible denial of substantial justice, due to legal technicalities, may be avoided.

It is urged, by petitioners herein, that respondent is in estoppel to maintain that its own deeds of sale are inaccurate, and that, regardless of whether or not the inaccuracy is alleged in its answer, respondent's parol evidence thereon should not be admitted. There is, however, in the record before us, nothing to indicate that petitioners were misled by the alleged inaccuracy in said instruments, and that, acting upon the erroneous impression thus produced by respondent's acts, said petitioners assumed an obligation or paid a price which otherwise they would not have assumed or paid. Without passing upon the merits of the petitioners' plea of estoppel, insofar as material to the right of action of petitioners herein, it is our considered opinion that the allegations in their petition and the arguments adduced in support hereof are not enough to justify interference with the resolution complained of.

Subject to the qualifications above stated, said resolution of the Court of Appeals is hereby affirmed, therefore, without special pronouncement as to costs. It is so ordered.

Bengzon, Montemayor, Bautista Angelo, Reyes, J.B.L., Endencia, and Felix, JJ., concur.

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