



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

REMEDIOS PASCUAL,
Petitioner,

G.R. No. 171722

Present:

CARPIO, *Chairperson*,
BRION,
DEL CASTILLO,
MENDOZA, and
LEONEN, *JJ.*

-versus-

BENITO BURGOS, ET AL.,
Respondents.

Promulgated:
11 JAN 2016

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DECISION

LEONEN, J.:

Only questions of law may be raised in a petition for review on certiorari.¹ The factual findings of the Court of Appeals bind this court.² Although jurisprudence has provided several exceptions to these rules, exceptions must be alleged, substantiated, and proved by the parties so this court may evaluate and review the facts of the case. In any event, even in such cases, this court retains full discretion on whether to review the factual findings of the Court of Appeals.

¹ Rules of Court, Rule 45, sec. 1.

² *Bank of the Philippine Islands v. Leobrera*, 461 Phil. 461, 469 (2003) [Per J. Ynares-Santiago, Special First Division].

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This Petition for Review on Certiorari³ assails the Court of Appeals Decision⁴ that reversed the trial court Decision, and ordered the trial court to disallow redemption of the property and to consolidate ownership upon respondents, and Resolution that denied reconsideration.⁵ The Court of Appeals reversed the factual findings of the trial court.⁶

Ernesto and Remedios Pascual (Pascual Spouses) and Benito Burgos, et al. (Burgos, et al.)⁷ co-own a fishpond situated in Bulacan covered by Original Certificate of Title No. 21.⁸

On September 8, 1965, Burgos, et al. filed an action for partition of the fishpond and prayed for an “accounting of the income of the . . . fishpond from 1945[.]”⁹

On August 31, 1976, the trial court rendered the Decision apportioning to Burgos, et al. 17% and to the Pascual Spouses 83% of the fishpond.¹⁰ The Pascual Spouses were also ordered to pay Burgos, et al. their unpaid shares in the income of the property since 1945, until the actual partition and delivery of shares.¹¹

The Pascual Spouses appealed the trial court Decision before the Court of Appeals,¹² which was denied on June 30, 1983.¹³ The Petition for Review on Certiorari filed before this court was also denied on January 11, 1984, and the Motion for Reconsideration denied on March 22, 1984.¹⁴

While the appeal of the trial court Decision on the partition case was pending, several incidents happened. On November 25, 1976, Burgos, et al. filed a Motion for Execution Pending Appeal of the money portion of the trial court Decision.¹⁵ The Motion was granted by the trial court.¹⁶ The Pascual Spouses then filed a Petition for Certiorari before the Court of Appeals.¹⁷

³ *Rollo*, pp. 10–25.

⁴ *Id.* at 26–40. The case was docketed as CA-G.R. CV No. 73060. The Decision was penned by Associate Justice Magdangal M. De Leon and concurred in by Associate Justices Salvador J. Valdez, Jr. (Chair) and Mariano C. Del Castillo (now an Associate Justice of this court) of the Eighth Division.

⁵ *Id.* at 41–42. The Resolution was penned by Associate Justice Magdangal M. De Leon and concurred in by Associate Justices Mariano C. Del Castillo (Chair) and Arturo D. Brion (now an Associate Justice of this court) of the Special Former Eighth Division.

⁶ *Id.* at 39, Court of Appeals Decision.

⁷ The names of the other respondents are not indicated in the *rollo* or in the lower courts’ records.

⁸ RTC records, p. 18, Court of Appeals Decision in CA-G.R. CV No. 15902.

⁹ *Id.*

¹⁰ *Id.* at 18–19.

¹¹ *Id.*

¹² *Rollo*, p. 29, Court of Appeals Decision. The case was docketed as CA-G.R. No. 62252-R.

¹³ *Id.*

¹⁴ *Id.* at 30.

¹⁵ *Id.* at 27.

¹⁶ *Id.*

¹⁷ *Id.* The case was docketed as CA-G.R. No. 07052-R.

On July 5, 1978, the Court of Appeals dismissed the Pascual Spouses' Petition for Certiorari assailing the grant of the Motion for Execution Pending Appeal.¹⁸ The Pascual Spouses then filed a Petition for Review before this court, which was denied on May 16, 1979.¹⁹

On December 28, 1981, the trial court issued another order granting execution pending appeal.²⁰ Thus, on February 9, 1982, the Deputy Sheriff of Bulacan addressed a Notice of Levy to the Register of Deeds of Bulacan, notifying that the fishpond and all its improvements were being levied.²¹

The Deputy Sheriff then issued a Notice of Auction Sale of Real Property setting the public auction on March 23, 1982.²² The auction sale was on the Pascual Spouses' share of the fishpond.²³

On March 23, 1982, the auction sale was conducted and the Pascual Spouses' share of the fishpond was sold for ₱95,000.00 to Burgos, et al., through a certain Marcial Meneses, the highest bidder.²⁴ A Certificate of Sale was then issued.²⁵

On February 23, 1983, after almost a year since the conduct of the auction sale, the Pascual Spouses filed an Omnibus Motion before the trial court assailing the Writ of Execution issued on December 28, 1981 and the ensuing levy and sale of their share in the fishpond.²⁶ The Pascual Spouses also "offer[ed] to post a bond to stay execution[.]"²⁷ On April 21, 1983, the trial court denied the Pascual Spouses' Omnibus Motion since the assailed orders had already become final and executory.²⁸

On April 25, 1983, the Pascual Spouses filed an Urgent Motion for Reconsideration and/or Extension of Time to Redeem before the trial court.²⁹ They argued that the sale was void since the trial court Decision³⁰ on the partition case, which was the basis for the Motion for Execution, was still pending appeal.³¹ They also argued that the Decision ordered that "the

¹⁸ Id.

¹⁹ Id.

²⁰ Id. at 28.

²¹ Id.

²² Id.

²³ Id.

²⁴ Id.

²⁵ Id.

²⁶ Id.

²⁷ Id.

²⁸ Id.

²⁹ Id.

³⁰ RTC records, pp. 18–30. The case was docketed as CA-G.R. CV No. 15902. The Decision was penned by Associate Justice Hector L. Hofileña and concurred in by Associate Justices Pedro A. Ramirez and Cancio C. Garcia of the Eighth Division.

³¹ *Rollo*, pp. 28–29, Court of Appeals Decision.

disputed property should not be touched pending appeal[.]”³² The Pascual Spouses also prayed that they be given until May 16, 1983 to redeem the property considering that the period of redemption already expired on April 15, 1983.³³

Burgos, et al. filed a Motion for Confirmation of Sale on July 8, 1983, and then a Motion for Issuance of Writ of Possession on August 30, 1983.³⁴

In the Order dated September 16, 1983, the trial court denied the Pascual Spouses’ Urgent Motion for Reconsideration and/or Extension of Time to Redeem and granted Burgos, et al.’s Motions for Confirmation of Sale and Issuance of Writ of Possession.³⁵

Undeterred, the Pascual Spouses filed on September 26, 1983 an Urgent Motion to Quash and/or Recall Writ of Possession also before the trial court.³⁶ They argued for the first time that irregularities attended the auction sale, alleging anomalies in the number of times the notice of sale was published, the unconscionably low price the fishpond was sold at the auction sale, the lack of authority of Marcial Meneses to buy the fishpond on behalf of Burgos, et al., and the insufficiency in the description of rights and interests to be sold in the notice of sale.³⁷

Without waiting for the resolution of the Urgent Motion to Quash and/or Recall Writ of Possession, the Pascual Spouses initiated on April 24, 1984 a separate case for annulment of execution of sale against Burgos, et al.³⁸ This was raffled to Branch 6 of the Regional Trial Court, Malolos, Bulacan.³⁹ Burgos, et al. then filed a Motion for Preliminary Hearing of their defense of lack of jurisdiction.⁴⁰ The trial court denied the Motion, which prompted Burgos, et al. to file a Petition for Certiorari before the Court of Appeals.⁴¹ The Court of Appeals granted the Petition and ordered the dismissal of the Pascual Spouses’ annulment of execution sale case.⁴² The Pascual Spouses filed a Petition for Review before this court, which was denied on March 10, 1989.⁴³

As to the Pascual Spouses’ Urgent Motion to Quash and/or Recall

³² RTC records, p. 20.

³³ *Rollo*, pp. 28–29, Court of Appeals Decision.

³⁴ *Id.* at 29.

³⁵ *Id.*

³⁶ *Id.* at 30.

³⁷ *Id.*

³⁸ *Id.* The case was docketed as Civil Case No. 7442-M.

³⁹ *Id.*

⁴⁰ *Id.* at 31.

⁴¹ *Id.*; RTC records, p. 22, Court of Appeals Decision in CA-G.R. CV No. 15902. The case was docketed as CA-G.R. No. 19179.

⁴² RTC records, pp. 22–23, Court of Appeals Decision in CA-G.R. CV No. 15902.

⁴³ *Id.* at 23.

Writ of Possession, the trial court denied the Motion in the Decision dated October 10, 1984.⁴⁴ The Pascual Spouses filed a Motion for Partial Reconsideration that was denied by the trial court in the Order dated December 18, 1986.⁴⁵ The trial court also rejected the Pascual Spouses' argument on the irregularities of the auction sale and, instead, upheld its validity.⁴⁶ Thus, the Pascual Spouses filed a Petition for Review before the Court of Appeals assailing the trial court's October 10, 1984 Decision and its December 18, 1986 Order.⁴⁷

On May 6, 1994, the Court of Appeals⁴⁸ affirmed the trial court's Decision upholding the validity of the auction sale.⁴⁹ However, it considered the Pascual Spouses' allegation that the price at which the fishpond was sold was unconscionably low.⁵⁰ The Court of Appeals ordered the remand of the case to the trial court for reception of evidence in order to determine the fair market value of the fishpond at the time of the auction sale and whether equity demands that the Pascual Spouses still be allowed to redeem the property.⁵¹ The dispositive portion of the Decision states:

WHEREFORE, this case is hereby remanded to the lower court, which is hereby directed to receive evidence solely for the purpose of determining the fair market value of the property in question on March 23, 1982, when the rights and interests of defendants-appellants therein were sold at public action, and to decide on the basis thereof, whether or not it is equitable to allow the defendants-appellants to redeem the said rights and interests. In all other aspects not inconsistent with this, the orders herein appealed from are hereby AFFIRMED, with costs against the defendants-appellants.⁵²

Burgos, et al. filed before this court a Petition for Review on Certiorari assailing the Court of Appeals Decision remanding the case to the trial court.⁵³ This court denied the Petition on July 12, 1995, and the Resolution became final and executory on October 9, 1995.⁵⁴ The case was then remanded to the Regional Trial Court.⁵⁵

On April 23, 1999, the trial court set the case for hearing pursuant to the Court of Appeals Decision dated May 6, 1994.⁵⁶

⁴⁴ Id. at 21–22.

⁴⁵ Id. at 22.

⁴⁶ Id.

⁴⁷ Id. at 18.

⁴⁸ Id. at 18–30. The case was docketed as CA-G.R. CV No. 15902. The Decision was penned by Associate Justice Hector L. Hofileña and concurred in by Associate Justices Pedro A. Ramirez and Cancio C. Garcia of the Eighth Division.

⁴⁹ Id. at 24–27.

⁵⁰ Id. at 29.

⁵¹ Id.

⁵² Id.

⁵³ Id. at 34.

⁵⁴ Id.

⁵⁵ Id. at 35.

⁵⁶ Id. at 36.

The Pascual Spouses presented three (3) witnesses⁵⁷ to prove that the fair market value of the fishpond sold at public auction in 1982 was ₱200,000.00 per hectare. On the other hand, Burgos, et al. presented three (3) witnesses⁵⁸ to prove that the fishpond's fair market value was only ₱10,000.00 to ₱20,000.00 per hectare.

The Pascual Spouses' first witness, Silvestre Pascual, is the brother of Ernesto Pascual.⁵⁹ He testified that, as the son of the fishpond's owner and as a fishpond operator himself, he knew the value of the fishpond.⁶⁰ Silvestre Pascual testified that in 1963 or 1964, the fishpond previously owned by his mother was sold to Ernesto Pascual for ₱100,000.00.⁶¹ In 1982, he learned from his friends and neighbors who were also fishpond operators that the value of the fishpond was already ₱200,000.00 per hectare.⁶²

The Pascual Spouses' second witness was Guillermo Samonte, a fishpond caretaker.⁶³ He testified that the market value of the fishpond was ₱200,000.00 per hectare in 1982.⁶⁴ He knew this amount as he witnessed the sale transaction between the Fishermen Corporation and Precillano⁶⁵ Gonzales Development Corporation.⁶⁶ To prove the transaction, Guillermo Samonte presented a Deed of Absolute Sale⁶⁷ dated November 19, 1981 and testified that the total consideration was ₱10,000,000.00.⁶⁸ The Deed documented a sale of a 481,461-square meter parcel of land in Bulacan for ₱4,000,000.00.⁶⁹

Antonio Gonzales was the Pascual Spouses' third witness. He was the former President of Precillano Gonzales Development Corporation and he purchased the property testified to by Guillermo Samonte for the Corporation.⁷⁰ He corroborated the testimony of Guillermo Samonte and clarified that ₱4,000,000.00 was paid in cash to the seller and the seller's

⁵⁷ *Rollo*, p. 43, Regional Trial Court Decision. The witnesses were "Silvestre Pascual, the son of the former owner of the property and a fishpond operator himself, Guillermo Samonte, a fishpond caretaker of Lito Samonte and a former fishpond caretaker of Antonio Gonzales at Taliptip, Bulacan, Bulacan, and Atty. Antonio Gonzales, the former President of Precillano Gonzales Development Corporation."

⁵⁸ *Id.* at 44. The witnesses were "Policarpio A. [d]ela Cruz, the son of one of the heirs, Patricia de los [sic] Reyes, the great grandniece of plaintiff Benito Burgos and Antonio Magpayo[,], Jr., the Municipal Assesor [sic] of Bulacan, Bulacan."

⁵⁹ *Id.*

⁶⁰ *Id.* at 43.

⁶¹ *Id.* at 44.

⁶² *Id.*

⁶³ *Id.*

⁶⁴ *Id.*

⁶⁵ Precillano (*Id.* at 43) and Precillano (*Id.* at 45) are used interchangeably in the records.

⁶⁶ *Id.* at 45.

⁶⁷ RTC records, pp. 94-97.

⁶⁸ *Rollo*, pp. 44-45, Regional Trial Court Decision.

⁶⁹ RTC records, p. 96, Deed of Absolute Sale.

⁷⁰ *Rollo*, p. 45, Regional Trial Court Decision.

loan of ₱6,000,000.00 to Philippine National Bank was assumed by the buyer, totaling ₱10,000,000.00.⁷¹

Burgos, et al.'s first witness, Policarpio dela Cruz, was the son of Catalina Antonio, one of the former owners of the fishpond who sold her share to the Pascual Spouses.⁷² He claimed knowledge of the prices of fishponds as he grew up in and continued visiting Bulacan.⁷³ He testified that in 1982, first-class fishponds were sold at ₱20,000.00 to ₱30,000.00 per hectare "while second[-]class fishponds were sold at a lower price."⁷⁴ The fishpond in this case is considered second-class so it was priced at ₱10,000.00 to ₱20,000.00 per hectare.⁷⁵

Policarpio dela Cruz presented two (2) tax declarations.⁷⁶ The first tax declaration with number 223⁷⁷ series of 1974 covered the fishpond. The tax declaration states that the market value of the fishpond was ₱202,694.00.⁷⁸ The second tax declaration with number 10468⁷⁹ series of 1980 covered a parcel of land in Bulacan used as a fishpond with an area of 12.9493 hectares.⁸⁰ The market value of the property was ₱388,479.00.⁸¹

Patricia delos Reyes was Burgos, et al.'s second witness. She testified that she is the great grandniece of Benito Burgos and was in possession of the property pursuant to this court's Decision.⁸² She presented two (2) tax declarations covering the property to prove its market value.⁸³ The first was the same tax declaration presented by Policarpio dela Cruz with number 223,⁸⁴ series of 1974. It showed that the property had an area of 10.1347 hectares and market value of ₱202,694.00.⁸⁵ Tax declaration number 223 series of 1974 was cancelled by tax declaration number 12807⁸⁶ dated April 9, 1985,⁸⁷ the second tax declaration presented by Patricia delos Reyes. Tax declaration number 12807 states that the market value of the property is ₱304,041.00.⁸⁸

Burgos, et al.'s last witness was Antonio Magpayo, the Municipal

⁷¹ Id.

⁷² Id. at 45–46.

⁷³ Id. at 46.

⁷⁴ Id. at 45.

⁷⁵ Id.

⁷⁶ Id. at 46.

⁷⁷ RTC records, p. 107.

⁷⁸ Id.

⁷⁹ Id. at 109.

⁸⁰ Id.

⁸¹ Id.

⁸² *Rollo*, p. 46, Regional Trial Court Decision.

⁸³ Id.

⁸⁴ RTC records, p. 129.

⁸⁵ Id.

⁸⁶ Id. at 128.

⁸⁷ Id.

⁸⁸ Id. at 128.

Assessor in Bulacan in 1975 and re-appointed in 1995.⁸⁹ Antonio Magpayo identified and showed in his Book of Tax Declarations the tax declaration presented by Patricia delos Reyes.⁹⁰ He also testified that no tax declaration was issued in 1982.⁹¹

On September 24, 2001, the trial court⁹² gave credence to the evidence presented by the Pascual Spouses.⁹³ The trial court considered the testimony of Antonio Gonzales authoritative, having come from a disinterested witness who was a fishpond operator himself and who negotiated the sale of a 48-hectare fishpond also in Bulacan.⁹⁴ The trial court did not give any weight to the tax declarations presented by Burgos, et al.'s witnesses as these did not reflect the actual fair market value of the properties covered by these tax declarations.⁹⁵ The trial court held:

WHEREFORE, this Court finds the fair market value of the fishpond in question to be P200,000.00 per hectare or P2,000,000.00 in 1982. Considering that it was only sold at an unusually lower price of P95,000.00 than its true value, the Court consequently finds it equitable to allow the defendants to redeem the rights and interests thereto within a period of ninety (90) days after the finality of this decision.

SO ORDERED.⁹⁶

Burgos, et al. appealed the trial court Decision.⁹⁷

On June 30, 2005, the Court of Appeals rendered the Decision granting the appeal.⁹⁸ It emphasized that the Decision, which remanded the case to the trial court, still affirmed the validity of the auction sale and the issuance of a Writ of Possession in favor of Burgos.⁹⁹ The case was remanded solely to determine the fair market value of the property to decide on whether the Pascual Spouses can still redeem the property as a matter of equity.¹⁰⁰

Upon review of the evidence presented by the parties, the Court of Appeals found that there was a discrepancy between the testimony of Antonio Gonzales and the provisions in the Deed of Sale presented.¹⁰¹

⁸⁹ *Rollo*, p. 47, Regional Trial Court Decision.

⁹⁰ *Id.*

⁹¹ *Id.*

⁹² The Decision was penned by Judge Manuel R. Ortiguerra of Branch 8 of the Regional Trial Court of Malolos, Bulacan.

⁹³ *Rollo*, p. 48, Regional Trial Court Decision.

⁹⁴ *Id.*

⁹⁵ *Id.*

⁹⁶ *Id.*

⁹⁷ *Id.* at 26, Court of Appeals Decision.

⁹⁸ *Id.* at 39.

⁹⁹ *Id.* at 33.

¹⁰⁰ *Id.* at 33 and 39.

¹⁰¹ *Id.* at 35.

Antonio Gonzales testified that the purchase price of the fishpond in the sale between The Fishermen Corporation and Precillano Gonzales Development Corporation was ₱10,000,000.00.¹⁰² ₱4,000,000.00 was paid in cash, while the buyer had to assume the ₱6,000,000.00 loan of the seller.¹⁰³ However, the Deed of Sale provides otherwise:

From the purchase price of P4,000,000.00, the BUYER shall undertake to pay the existing indebtedness of SELLER to the National Investment and Development Corporation and the Philippine National Bank in order to secure the release of the mortgaged property. The amount paid to the National Investment and Development Corporation shall be considered as part of the purchase price.¹⁰⁴ (Underscoring in the original)

The Pascual Spouses offered no proof to clarify this inconsistency.¹⁰⁵ Moreover, the sale testified to by the witnesses of the Pascual Spouses was an isolated transaction.¹⁰⁶ No evidence was presented to show that the fishpond subject of the sale was the same type, quality, and quantity of the disputed fishpond.¹⁰⁷ The Court of Appeals held that this sale cannot be deemed to reflect the fair market value of the disputed fishpond.¹⁰⁸

On the other hand, the tax declarations presented by Burgos, et al., being public documents, are prima facie evidence of the statements written there, including the market value of the property.¹⁰⁹ Thus, the Pascual Spouses must present ample proof to substantiate a contrary allegation,¹¹⁰ which they failed to do. Thus:

WHEREFORE, this appeal is **GRANTED**. The *Decision* dated September 24, 2001 of the Regional Trial Court, Branch 8, Malolos, Bulacan is hereby **REVERSED** and **SET ASIDE**. The trial court is ordered not to allow appellees to redeem their former rights, interests and participation in the property covered by Original Certificate of Title No. 21, and to consolidate ownership of the same upon appellants.¹¹¹

The Pascual Spouses filed a Motion for Reconsideration, which was denied by the Court of Appeals in the Resolution dated February 13, 2006.¹¹²

Remedios Pascual filed this Petition for Review on Certiorari assailing

¹⁰² Id.

¹⁰³ Id.

¹⁰⁴ Id.

¹⁰⁵ Id. at 37.

¹⁰⁶ Id. at 38.

¹⁰⁷ Id.

¹⁰⁸ Id.

¹⁰⁹ Id. at 36.

¹¹⁰ Id.

¹¹¹ Id. at 39.

¹¹² Id. at 41–42, Court of Appeals Resolution.

the Court of Appeals Decision and Resolution, which reversed and set aside the trial court Decision.

Upon order¹¹³ of this court, Burgos, et al. filed a Comment¹¹⁴ on September 21, 2006. This court then required Remedios Pascual to file a Reply.¹¹⁵ Remedios Pascual filed a Manifestation¹¹⁶ stating that she was not filing a Reply.

The issues raised by petitioner Remedios Pascual and respondents Benito Burgos, et al. are:

First, whether a petition for review before this court allows a review of the factual findings of the lower courts; and

Second, whether this case presents an exception to the rule on this court's power to review decisions of the Court of Appeals via a petition for review. If in the affirmative, whether the price at which the fishpond was sold is unconsonably low.

We find that the case does not fall under any of the exceptions. Thus, we do not delve into the factual issues of the case and affirm the Decision of the Court of Appeals.

I

Review of appeals filed before this court is “not a matter of right, but of sound judicial discretion[.]”¹¹⁷ This court's action is discretionary. Petitions filed “will be granted only when there are special and important reasons[.]”¹¹⁸ This is especially applicable in this case, where the issues have been fully ventilated before the lower courts in a number of related cases.

The Rules of Court require that only questions of law should be raised in petitions filed under Rule 45.¹¹⁹ This court is not a trier of facts. It will not entertain questions of fact as the factual findings of the appellate courts are “final, binding[,] or conclusive on the parties and upon this [c]ourt”¹²⁰

¹¹³ Id. at 63, Supreme Court Resolution dated June 26, 2006.

¹¹⁴ Id. at 76–82.

¹¹⁵ Id. at 87, Supreme Court Resolution dated November 29, 2006.

¹¹⁶ Id. at 93–94.

¹¹⁷ RULES OF COURT, Rule 45, sec. 6.

¹¹⁸ RULES OF COURT, Rule 45, sec. 6.

¹¹⁹ RULES OF COURT, Rule 45, sec. 1.

¹²⁰ *Commissioner of Internal Revenue v. Embroidery and Garments Industries (Phil.), Inc.*, 364 Phil. 541, 546 (1999) [Per J. Pardo, First Division].

when supported by substantial evidence.¹²¹ Factual findings of the appellate courts will not be reviewed nor disturbed on appeal to this court.¹²²

However, these rules do admit exceptions. Over time, the exceptions to these rules have expanded. At present, there are 10 recognized exceptions that were first listed in *Medina v. Mayor Asistio, Jr.*:¹²³

(1) When the conclusion is a finding grounded entirely on speculation, surmises or conjectures; (2) When the inference made is manifestly mistaken, absurd or impossible; (3) Where there is a grave abuse of discretion; (4) When the judgment is based on a misapprehension of facts; (5) When the findings of fact are conflicting; (6) When the Court of Appeals, in making its findings, went beyond the issues of the case and the same is contrary to the admissions of both appellant and appellee; (7) The findings of the Court of Appeals are contrary to those of the trial court; (8) When the findings of fact are conclusions without citation of specific evidence on which they are based; (9) When the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondents; and (10) The finding of fact of the Court of Appeals is premised on the supposed absence of evidence and is contradicted by the evidence on record.¹²⁴ (Citations omitted)

These exceptions similarly apply in petitions for review filed before this court involving civil,¹²⁵ labor,¹²⁶ tax,¹²⁷ or criminal cases.¹²⁸

A question of fact requires this court to review the truthfulness or falsity of the allegations of the parties.¹²⁹ This review includes assessment of the "probative value of the evidence presented."¹³⁰ There is also a question of fact when the issue presented before this court is the correctness

¹²¹ *Siasat v. Court of Appeals*, 425 Phil. 139, 145 (2002) [Per J. Pardo, First Division]; *Tabaco v. Court of Appeals*, 239 Phil. 485, 490 (1994) [Per J. Bellosillo, First Division]; and *Padilla v. Court of Appeals*, 241 Phil. 776, 781 (1988) [Per J. Paras, Second Division].

¹²² *Bank of the Philippine Islands v. Leobrera*, 461 Phil. 461, 469 (2003) [Per J. Ynares-Santiago, Special First Division].

¹²³ 269 Phil. 225 (1990) [Per J. Bidin, Third Division].

¹²⁴ *Id.* at 232.

¹²⁵ *Dichoso, Jr. v. Marcos*, G.R. No. 180282, April 11, 2011, 647 SCRA 495, 501–502 [Per J. Nachura, Second Division] and *Spouses Caoili v. Court of Appeals*, 373 Phil. 122, 132 (1999) [Per J. Gonzaga-Reyes, Third Division].

¹²⁶ *Go v. Court of Appeals*, 474 Phil. 404, 411 (2004) [Per J. Ynares-Santiago, First Division] and *Arriola v. Pilipino Star Ngayon, Inc.*, G.R. No. 175689, August 13, 2014, 732 SCRA 656, 673 [Per J. Leonen, Third Division].

¹²⁷ *Commissioner of Internal Revenue v. Embroidery and Garments Industries (Phil.), Inc.*, 364 Phil. 541, 546–547 (1999) [Per J. Pardo, First Division].

¹²⁸ *Macayan, Jr. v. People*, G.R. No. 175842, March 18, 2015 <<http://sc.judiciary.gov.ph/jurisprudence/2015/march2015/175842.pdf>> 9 [Per J. Leonen, Second Division]; *Benito v. People*, G.R. No. 204644, February 11, 2015 <<http://sc.judiciary.gov.ph/pdf/web/viewer.html?file=/jurisprudence/2015/february2015/204644.pdf>> 7 [Per J. Leonen, Second Division].

¹²⁹ *Republic v. Ortigas and Company Limited Partnership*, G.R. No. 171496, March 3, 2014, 717 SCRA 601, 613 [Per J. Leonen, Third Division] and *Cirtek Employees Labor Union-Federation of Free Workers v. Cirtek Electronics, Inc.*, 665 Phil. 784, 788 (2011) [Per J. Carpio Morales, Third Division].

¹³⁰ *Republic v. Ortigas and Company Limited Partnership*, G.R. No. 171496, March 3, 2014, 717 SCRA 601, 612 [Per J. Leonen, Third Division].

of the lower courts' appreciation of the evidence presented by the parties.

Petitioner asks this court to review the facts of the case:

This Honorable Court is now, from the foregoing, confronted with a controversy as to which will prevail – the findings of facts of the trial court which is based on preponderance of evidence or the findings of facts of the court *a quo* which is based on the alleged misapprehension of facts allegedly committed by the former court.¹³¹

Petitioner admits that she is raising factual issues that this court cannot entertain.¹³² However, she argues that this case falls under the exceptions to this rule.¹³³

II

Parties praying that this court review the factual findings of the Court of Appeals must demonstrate and prove that the case clearly falls under the exceptions to the rule. They have the burden of proving to this court that a review of the factual findings is necessary.¹³⁴ Mere assertion and claim that the case falls under the exceptions do not suffice.

Petitioner claims that this case presents two (2) exceptions to the rule against a review of factual findings by this court.¹³⁵ Petitioner alleges that the Court of Appeals committed grave abuse of discretion.¹³⁶ Further, she states that the findings of fact of the Court of Appeals and of the Regional Trial Court are contrary to each other.¹³⁷

Respondents counter that the Court of Appeals Decision is “more consistent with the testimony of the witnesses and the evidence presented by the parties during the trial[.]”¹³⁸

III

The Court of Appeals must have gravely abused its discretion in its

¹³¹ *Rollo*, p. 23, Petition.

¹³² *Id.* at 20.

¹³³ *Id.* at 21.

¹³⁴ *Borlongan v. Madrideo*, 380 Phil. 215, 223 (2000) [Per J. De Leon, Jr., Second Division]: “In civil cases the burden of proof to be established by preponderance of evidence is on the plaintiff who is the party asserting the affirmative of an issue. He has the burden of presenting evidence required to obtain a favorable judgment, and he, having the burden of proof, will be defeated if no evidence were given on either side.”

¹³⁵ *Rollo*, p. 21, Petition.

¹³⁶ *Id.* at 22.

¹³⁷ *Id.*

¹³⁸ *Id.* at 77, Comment.

appreciation of the evidence presented by the parties and in its factual findings to warrant a review of factual issues by this court. Grave abuse of discretion is defined, thus:

By grave abuse of discretion is meant such capricious and whimsical exercise of judgment as is equivalent to lack of jurisdiction. The abuse of discretion must be grave as where the power is exercised in an arbitrary or despotic manner by reason of passion or personal hostility and must be so patent and gross as to amount to an evasion of positive duty or to a virtual refusal to perform the duty enjoined by or to act at all in contemplation of law.

Grave abuse of discretion refers not merely to palpable errors of jurisdiction; or to violations of the Constitution, the law and jurisprudence. It refers also to cases in which, for various reasons, there has been a gross misapprehension of facts.¹³⁹ (Citations omitted)

This exception was first laid down in *Buyco v. People, et al.*:¹⁴⁰

In the case at bar, the Tenth Amnesty Commission, the court of first instance and the Court of Appeals found, in effect, that the evidence did not suffice to show that appellant had acted in the manner contemplated in the amnesty proclamation. Moreover, unlike the Barrioquinto cases, which were appealed *directly* to this Court, which, accordingly, had authority to pass upon the validity of the findings of fact of the court of first instance and of its conclusions on the veracity of the witnesses, the case at bar is before us on appeal *by certiorari* from a decision of the Court of Appeals, *the findings and conclusions of which, on the aforementioned subjects, are not subject to our review, except in cases of grave abuse of discretion*, which has not been shown to exist.¹⁴¹ (Emphasis supplied)

Petitioner fails to convince this court that the Court of Appeals committed grave abuse of discretion in reversing the trial court's factual findings and appreciation of the evidence presented by the parties. Petitioner claims that:

[T]he court a quo gravely abused its discretion when it rendered its assailed decision and resolution since it contravened the principle that “findings of fact of trial courts are entitled to great respect and are bindings [sic] on the Supreme Court in the absence of showing bias, partiality, or grave abuse of discretion on the part of the presiding judge” – (People vs. Vitancur, 345 SCRA 414) and the principle that “in the absence of a palpable error or grave abuse of discretion on the part of the trial judge, the trial court's evaluation of the credibility of witnesses will not be disturbed on appeal” –

¹³⁹ *United Coconut Planters Bank v. Looyuko*, 560 Phil. 581, 591–592 (2007) [Per J. Austria-Martinez, Third Division].

¹⁴⁰ 95 Phil. 453 (1954) [Per J. Concepcion, En Banc].

¹⁴¹ *Id.* at 461.

(*People vs. Mendez*, 335 SCRA 147).¹⁴²

Other than saying that the Court of Appeals allegedly failed to apply doctrines laid down by this court, petitioner has not presented this court with cogent reasons why the Court of Appeals gravely abused its discretion when it re-evaluated the evidence presented by the parties and reached different factual findings.

Grave abuse of discretion, to be an exception to the rule, must have attended the evaluation of the facts and evidence presented by the parties. In *Cariño v. Court of Appeals*,¹⁴³ the issue presented before this court was “whether the respondent Court of Appeals committed grave abuse of discretion in concluding that the Deed of Sale of House and Transfer of Rights (Exhibit ‘D-1’), on which the petitioners have based their application over the questioned lot, is simulated and, therefore, an inexistent deed of sale.”¹⁴⁴ To resolve the issue, this court examined whether there was substantial and convincing evidence to support the factual findings of the Court of Appeals.¹⁴⁵

In any case, the Court of Appeals’ reversal or modification of the factual findings of the trial court does not automatically mean that it gravely abused its discretion. The Court of Appeals, acting as an appellate court, is still a trier of facts. Parties can raise questions of fact before the Court of Appeals and it will have jurisdiction to rule on these matters. Otherwise, if only questions of law are raised, the appeal should be filed directly before this court.

This is not to say that the trial court’s findings of fact, especially with regard to the credibility of witnesses, are of little weight. The doctrine in the cases cited by petitioner, *People v. Vitancur*¹⁴⁶ and *People v. Mendez*,¹⁴⁷ is a time-honored rule. The trial court’s findings of fact are given much weight because of the trial court judges’ first-hand knowledge and familiarity with the disposition of the witnesses who testified before them, and this is important in certain cases. However, this doctrine does not diminish the Court of Appeals’ jurisdiction in reviewing the factual findings of the trial court. Further, in the cited cases, the Court of Appeals did not even have the opportunity to review the factual findings of the trial court as the case was directly elevated to this court on automatic appeal.¹⁴⁸

¹⁴² *Rollo*, p. 22, Petition.

¹⁴³ 236 Phil. 566 (1987) [Per J. Padilla, Second Division].

¹⁴⁴ *Id.* at 573.

¹⁴⁵ *Id.*

¹⁴⁶ 399 Phil. 131 (2000) [Per J. Mendoza, Second Division].

¹⁴⁷ 390 Phil. 449 (2000) [Per J. Gonzaga-Reyes, En Banc].

¹⁴⁸ *People v. Vitancur*, 399 Phil. 131, 133 (2000) [Per J. Mendoza, Second Division] and *People v. Mendez*, 390 Phil. 449, 454 (2000) [Per J. Gonzaga-Reyes, En Banc].

IV

The Court of Appeals' appreciation of the weight of the evidence presented by the parties is opposed to that of the trial court. Unlike the trial court, the Court of Appeals did not give any weight to Antonio Gonzales' testimony.¹⁴⁹ Instead, it relied on the tax declarations presented by the parties to find the market value of the fishpond in 1982.¹⁵⁰

While the factual findings of the Court of Appeals are contrary to those of the trial court, this alone does not automatically warrant a review of factual findings by this court. In *Uniland Resources v. Development Bank of the Philippines*:¹⁵¹

It bears emphasizing that mere disagreement between the Court of Appeals and the trial court as to the facts of a case does not of itself warrant this Court's review of the same. It has been held that the doctrine that the findings of fact made by the Court of Appeals, being conclusive in nature, are binding on this Court, applies even if the Court of Appeals was in disagreement with the lower court as to the weight of evidence with a consequent reversal of its findings of fact, so long as the findings of the Court of Appeals are borne out by the record or based on substantial evidence. While the foregoing doctrine is not absolute, petitioner has not sufficiently proved that his case falls under the known exceptions.¹⁵² (Citations omitted)

The lower courts' disagreement as to their factual findings, at most, presents only *prima facie* basis for recourse to this court:

One such exception, of course, is where — as here — the factual findings of the Court of Appeals conflict with those of the Trial Court, but it is one that must be invoked and applied only with great circumspection and upon a clear showing that manifestly correct findings have been unwarrantedly rejected or reversed. On the one hand, the trial court is the beneficiary of the rule that its findings of fact are entitled to great weight and respect; on the other, the Court of Appeals is, as a general proposition, the ultimate judge of the facts in a case appealed to it — a prerogative which is at the same time a duty conferred upon it by law. Thus, while a conflict in their findings may *prima facie* provide basis for a recourse to this Court, only a showing, on the face of the record, of gross or extraordinary misperception or manifest bias in the Appellate Court's reading of the evidence will justify this Court's intervention by way of assuming a function usually within the former's exclusive province. There is no showing here of such exceptional circumstances, petitioners advertence to certain findings of the Court of Appeals in her view contrary to the weight or import of the evidence notwithstanding. In short, nothing in the record warrants this Court's substituting its own assessment of the

¹⁴⁹ *Rollo*, pp. 37–38, Court of Appeals Decision.

¹⁵⁰ *Id.* at 36–37.

¹⁵¹ G.R. No. 95909, August 16, 1991, 200 SCRA 751 [Per J. Gancayco, First Division].

¹⁵² *Id.* at 755.

evidence for that of the Court of Appeals in contravention of the general rule that restricts to questions of law the scope of its review of the latter's decisions.¹⁵³ (Citation omitted)

Garcia, et al. v. Court of Appeals, et al.,¹⁵⁴ the case cited by *Medina*¹⁵⁵ as basis for this exception, supports this pronouncement. In *Garcia*, this court considered the contrary findings of the Court of Appeals and the trial court as one of the circumstances compelling this court to find out whether the case falls under the exceptions allowing it to review factual findings of the Court of Appeals.¹⁵⁶ Thus:

The preliminary question which poses itself in connection with this first assignment of error is whether this Court may make its own findings of fact independently of those made by the Court of Appeals. The general rule is that the appellate court's findings are conclusive, but this rule is not without some recognized exceptions, such as:

(1) When the conclusion is a finding grounded entirely on speculations, surmises or conjectures; (2) when the inference is manifestly mistaken, absurd or impossible; (3) when there is a grave abuse of discretion; (4) when the judgment is based on a misapprehension of facts; (5) when the findings of fact are conflicting; (6) when the Court of Appeals, in making its findings, went beyond the issues of the case and the same is contrary to the admissions of both appellant and appellee.

*Several circumstances compelled us to go into the record of this case in order to find out whether or not it falls within the exceptions above stated: first, the findings of the Court of Appeals are contrary to those of the trial court; second, said findings are in the nature of conclusions, without citation of the specific evidences on which they are based; and third, the facts set forth in the petition as well as in the petitioners' main and reply briefs, with the corresponding references to the record, are not disputed by the respondents. These facts are necessary for a clear understanding and proper resolution of the issue of rescission in this case.*¹⁵⁷ (Emphasis supplied)

The three (3) circumstances in *Garcia* that compelled this court to look into the records of the case to determine whether an exception exists were then included as exceptions to the rule in *Tolentino v. De Jesus*¹⁵⁸ and subsequent cases.¹⁵⁹ In *Remalante v. Tibe*,¹⁶⁰ this court, in a footnote,

¹⁵³ *Fernan v. Court of Appeals*, 260 Phil. 594, 598–599 (1990) [Per J. Narvasa, First Division].

¹⁵⁴ 144 Phil. 615 (1970) [Per J. Makalintal, En Banc].

¹⁵⁵ *Medina v. Mayor Asistio, Jr.*, 269 Phil. 225, 232 (1990) [Per J. Bidin, Third Division].

¹⁵⁶ *Garcia, et al. v. Court of Appeals, et al.*, 144 Phil. 615, 619 (1970) [Per J. Makalintal, En Banc].

¹⁵⁷ Id. at 618–619, citing *Roque v. Buan, et al.*, 128 Phil. 738, 746–747 (1967) [Per J. Angeles, En Banc]; *Ramos, et al. v. Pepsi-Cola Bottling Co. of the Phils., et al.*, 125 Phil. 701, 704 (1967) [Per J. J. P. Bengzon, En Banc]; and *Hilario v. The City of Manila, et al.*, 128 Phil. 100, 101 (1967) [Per J. J. P. Bengzon, En Banc].

¹⁵⁸ 155 Phil. 144, 151 (1974) [Per J. Makasiar, First Division].

¹⁵⁹ *Sacay v. Sandiganbayan*, 226 Phil. 496, 512 (1986) [Per J. Feria, En Banc] and *AMA Computer College-East Rizal, et al. v. Ignacio*, 608 Phil. 436, 454 (2009) [Per J. Chico-Nazario, Third Division].

discussed:

In *Sacay v. Sandiganbayan*, the Court enumerated four more exceptions:

... (7) the findings of the Court of Appeals are contrary to those of the trial court; (8) said findings of fact are conclusions without citation of specific evidence on which they are based; (9) the facts set forth in the petition as well as in the petitioners' main and reply briefs are not disputed by the respondents; (10) the finding of fact of the Court of Appeals is premised on the supposed absence of evidence and is contradicted by the evidence on record.

However, in *Garcia*, the Court considered exception Nos. 7, 8 and 9 as circumstances that, taken together, compelled it to go into the record of the case in order to find out whether or not it fell within any of the six established exceptions.


On the other hand, exception No. 10 may be considered as an illustration of the fourth exception — that the judgment is based on a misapprehension of facts.¹⁶¹

Petitioner failed to show why the factual findings of the Court of Appeals are without any basis. Petitioner does not dispute the tax declarations relied upon by the Court of Appeals. Instead, petitioner insists that the testimony of Antonio Gonzales should be given weight despite the valid and substantial basis provided by the Court of Appeals to find otherwise. She still failed to clarify and explain the anomaly between Antonio Gonzales' testimony on the purchase price of the fishpond sold to Precillano Gonzales Development Corporation and the provision on the purchase price in the Deed of Sale presented.

We do not find any compelling reason to review the factual findings of the Court of Appeals. It is time for this long dispute that has vexed both parties to be finally laid to rest.

WHEREFORE, the Petition for Review is **DENIED**.

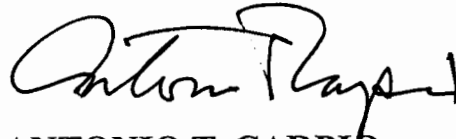
SO ORDERED.


MARVIC M.V.F. LEONEN
Associate Justice

¹⁶⁰ 241 Phil. 930 (1988) [Per J. Cortes, En Banc].

¹⁶¹ Id. at 936, citing *Sacay v. Sandiganbayan*, 226 Phil. 496, 512 (1986) [Per J. Feria, En Banc]; *Garcia, et al. v. Court of Appeals, et al.*, 144 Phil. 615, 619 (1970) [Per J. Makalintal, En Banc]; and *Salazar v. Gutierrez, et al.*, 144 Phil. 233, 239 (1970) [Per J. Makalintal, En Banc].

WE CONCUR:



ANTONIO T. CARPIO
Associate Justice
Chairperson



ARTURO D. BRION
Associate Justice



MARIANO C. DEL CASTILLO
Associate Justice



JOSE CATRAL MENDOZA
Associate Justice

ATTESTATION


I attest that the conclusions in the above Decision 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

CERTIFICATION

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



MARIA LOURDES P. A. SERENO
Chief Justice