



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

MARIETTA N. BARRIDO,
Petitioner,

G.R. No. 176492

Present:

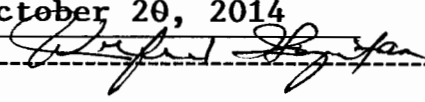
PERALTA, * *J., Acting Chairperson,*
VILLARAMA, JR.,
REYES,
PERLAS-BERNABE, ** and
JARDELEZA, *JJ.*

- versus -

LEONARDO V. NONATO,
Respondent.

Promulgated:

October 20, 2014

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DECISION

PERALTA, *J.:*

For the Court's resolution is a Petition for Review filed by petitioner Marietta N. Barrido questioning the Decision¹ of the Court of Appeals (CA), dated November 16, 2006, and its Resolution² dated January 24, 2007 in CA-G.R. SP No. 00235. The CA affirmed the Decision³ of the Regional Trial Court (RTC) of Bacolod City, Branch 53, dated July 21, 2004, in Civil Case No. 03-12123, which ordered the partition of the subject property.

The facts, as culled from the records, are as follows:

* Per Special Order No. 1815 dated October 3, 2014.

** Designated Acting Member, in lieu of Associate Justice Presbitero J. Velasco, Jr., per Special Order No. 1816 dated October 3, 2014.

¹ Penned by Associate Justice Pampio A. Abarintos, with Associate Justices Agustin S. Dizon and Priscilla Baltazar-Padilla; concurring; *rollo*, pp. 21-32.

² *Id.* at 39-40.

³ CA *rollo*, pp. 29-33.

In the course of the marriage of respondent Leonardo V. Nonato and petitioner Marietta N. Barrido, they were able to acquire a property situated in Eroreco, Bacolod City, consisting of a house and lot, covered by Transfer Certificate of Title (*TCT*) No. T-140361. On March 15, 1996, their marriage was declared void on the ground of psychological incapacity. Since there was no more reason to maintain their co-ownership over the property, Nonato asked Barrido for partition, but the latter refused. Thus, on January 29, 2003, Nonato filed a Complaint for partition before the Municipal Trial Court in Cities (*MTCC*) of Bacolod City, Branch 3.

Barrido claimed, by way of affirmative defense, that the subject property had already been sold to their children, Joseph Raymund and Joseph Leo. She likewise moved for the dismissal of the complaint because the *MTCC* lacked jurisdiction, the partition case being an action incapable of pecuniary estimation.

The Bacolod *MTCC* rendered a Decision dated September 17, 2003, applying Article 129 of the Family Code. It ruled in this wise:

WHEREFORE, PREMISES CONSIDERED, judgment is hereby rendered, ordering the conjugal property of the former Spouses Leonardo and Marietta Nonato, a house and lot covered by *TCT* No. T-140361 located at Eroreco, Bacolod City, which was their conjugal dwelling, adjudicated to the defendant Marietta Nonato, the spouse with whom the majority of the common children choose to remain.

Furthermore, defendant's counterclaim is hereby granted, ordering plaintiff to pay defendant ₱10,000.00 as moral damages for the mental anguish and unnecessary inconvenience brought about by this suit; and an additional ₱10,000.00 as exemplary damages to deter others from following suit; and attorney's fees of ₱2,000.00 and litigation expenses of ₱575.00.

SO ORDERED.⁴

Nonato appealed the *MTCC* Decision before the *RTC*. On July 21, 2004, the Bacolod *RTC* reversed the ruling of the *MTCC*. It found that even though the *MTCC* aptly applied Article 129 of the Family Code, it nevertheless made a reversible error in adjudicating the subject property to Barrido. Its dispositive portion reads:

WHEREFORE, premises considered, the decision dated September 17, 2003 is hereby REVERSED and SET ASIDE and a new judgment is hereby rendered ordering the parties:

⁴ *Rollo*, pp. 23-24.

(1) to equitably partition the house and lot covered by TCT No. T-140361;

(2) to reimburse Joseph Raymund and Joseph Leo Nonato of the amount advanced by them in payment of the debts and obligation of TCT No. T-140361 with Philippine National Bank;

(3) to deliver the presumptive legitimes of Joseph Raymund and Joseph Leo Nonato pursuant to Article 51 of the Family Code.

SO ORDERED.⁵

Upon appeal, the CA affirmed the RTC Decision on November 16, 2006. It held that since the property's assessed value was only ₱8,080.00, it clearly fell within the MTCC's jurisdiction. Also, although the RTC erred in relying on Article 129 of the Family Code, instead of Article 147, the dispositive portion of its decision still correctly ordered the equitable partition of the property. Barrido filed a Motion for Reconsideration, which was, however, denied for lack of merit.

Hence, Barrido brought the case to the Court via a Petition for Review. She assigned the following errors in the CA Decision:

I.

THE HONORABLE COURT OF APPEALS ERRED IN HOLDING THAT THE MTCC HAD JURISDICTION TO TRY THE PRESENT CASE.

II.

THE HONORABLE COURT OF APPEALS ERRED IN HOLDING THAT THE LOT COVERED BY TCT NO. T-140361 IS CONJUGAL AFTER BEING SOLD TO THE CHILDREN, JOSEPH LEO NONATO AND JOSEPH RAYMUND NONATO.

III.

THE HONORABLE COURT OF APPEALS ERRED IN HOLDING THAT ARTICLE 129 OF THE FAMILY CODE HAS NO APPLICATION IN THE PRESENT CASE, ON THE ASSUMPTION THAT THE TRIAL COURT HAD JURISDICTION OVER THE CASE.⁶

The petition lacks merit.

Contrary to Barrido's contention, the MTCC has jurisdiction to take cognizance of real actions or those affecting title to real property, or for the recovery of possession, or for the partition or condemnation of, or

⁵ *Id.* at 24.

⁶ *Id.* at 14.

foreclosure of a mortgage on real property.⁷ Section 33 of *Batas Pambansa Bilang 129*⁸ provides:

Section 33. *Jurisdiction of Metropolitan Trial Courts, Municipal Trial Courts and Municipal Circuit Trial Courts in civil cases.* – Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts shall exercise:

X X X X

(3) Exclusive original jurisdiction in all **civil actions which involve title to, or possession of, real property**, or any interest therein where the **assessed value of the property** or interest therein **does not exceed Twenty thousand pesos (₱20,000.00)** or, in civil actions in Metro Manila, where such assessed value does not exceed Fifty thousand pesos (₱50,000.00) exclusive of interest, damages of whatever kind, attorney's fees, litigation expenses and costs: *Provided*, That value of such property shall be determined by the assessed value of the adjacent lots. (*as amended by R.A. No. 7691*)⁹

Here, the subject property's assessed value was merely ₱8,080.00, an amount which certainly does not exceed the required limit of ₱20,000.00 for civil actions outside Metro Manila to fall within the jurisdiction of the MTCC. Therefore, the lower court correctly took cognizance of the instant case.

The records reveal that Nonato and Barrido's marriage had been declared void for psychological incapacity under Article 36¹⁰ of the Family Code. During their marriage, however, the conjugal partnership regime governed their property relations. Although Article 129¹¹ provides for the

⁷ *Fortune Motors (Phils.), Inc. v. Court of Appeals*, 258-A Phil. 336, 340 (1989).

⁸ Entitled *AN ACT REORGANIZING THE JUDICIARY, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES*.

⁹ Emphasis ours.

¹⁰ Art. 36. A marriage contracted by any party who, at the time of the celebration, was psychologically incapacitated to comply with the essential marital obligations of marriage, shall likewise be void even if such incapacity becomes manifest only after its solemnization. (As amended by Executive Order 227)

¹¹ Art. 129. Upon the dissolution of the conjugal partnership regime, the following procedure shall apply:

(1) An inventory shall be prepared, listing separately all the properties of the conjugal partnership and the exclusive properties of each spouse.

(2) Amounts advanced by the conjugal partnership in payment of personal debts and obligations of either spouse shall be credited to the conjugal partnership as an asset thereof.

(3) Each spouse shall be reimbursed for the use of his or her exclusive funds in the acquisition of property or for the value of his or her exclusive property, the ownership of which has been vested by law in the conjugal partnership.

(4) The debts and obligations of the conjugal partnership shall be paid out of the conjugal assets. In case of insufficiency of said assets, the spouses shall be solidarily liable for the unpaid balance with their separate properties, in accordance with the provisions of paragraph (2) of Article 121.

procedure in case of dissolution of the conjugal partnership regime, Article 147 specifically covers the effects of void marriages on the spouses' property relations. Article 147 reads:

Art. 147. When a man and a woman who are capacitated to marry each other, live exclusively with each other as husband and wife without the benefit of marriage or under a void marriage, their wages and salaries shall be owned by them in equal shares and the property acquired by both of them through their work or industry shall be governed by the rules on co-ownership.

In the absence of proof to the contrary, properties acquired while they lived together shall be presumed to have been obtained by their joint efforts, work or industry, and shall be owned by them in equal shares. For purposes of this Article, a party who did not participate in the acquisition by the other party of any property shall be deemed to have contributed jointly in the acquisition thereof if the former's efforts consisted in the care and maintenance of the family and of the household.

Neither party can encumber or dispose by acts inter vivos of his or her share in the property acquired during cohabitation and owned in common, without the consent of the other, until after the termination of their cohabitation.

When only one of the parties to a void marriage is in good faith, the share of the party in bad faith in the co-ownership shall be forfeited in favor of their common children. In case of default of or waiver by any or all of the common children or their descendants, each vacant share shall belong to the respective surviving descendants. In the absence of descendants, such share shall belong to the innocent party. In all cases, the forfeiture shall take place upon termination of the cohabitation.

This particular kind of co-ownership applies when a man and a woman, suffering no illegal impediment to marry each other, exclusively live together as husband and wife under a void marriage or without the benefit of marriage.¹² It is clear, therefore, that for Article 147 to operate, the man and the woman: (1) must be capacitated to marry each other; (2)

(5) Whatever remains of the exclusive properties of the spouses shall thereafter be delivered to each of them.

(6) Unless the owner had been indemnified from whatever source, the loss or deterioration of movables used for the benefit of the family, belonging to either spouse, even due to fortuitous event, shall be paid to said spouse from the conjugal funds, if any.

(7) The net remainder of the conjugal partnership properties shall constitute the profits, which shall be divided equally between husband and wife, unless a different proportion or division was agreed upon in the marriage settlements or unless there has been a voluntary waiver or forfeiture of such share as provided in this Code.

(8) The presumptive legitimes of the common children shall be delivered upon the partition in accordance with Article 51.

(9) In the partition of the properties, the conjugal dwelling and the lot on which it is situated shall, unless otherwise agreed upon by the parties, be adjudicated to the spouse with whom the majority of the common children choose to remain. Children below the age of seven years are deemed to have chosen the mother, unless the court has decided otherwise. In case there is no such majority, the court shall decide, taking into consideration the best interests of said children.

¹² *Valdes v. Regional Trial Court, Branch 102, Quezon City*, 328 Phil. 1289, 1296 (1996).

live exclusively with each other as husband and wife; and (3) their union is without the benefit of marriage or their marriage is void. Here, all these elements are present.¹³ The term "capacitated" in the first paragraph of the provision pertains to the legal capacity of a party to contract marriage.¹⁴ Any impediment to marry has not been shown to have existed on the part of either Nonato or Barrido. They lived exclusively with each other as husband and wife. However, their marriage was found to be void under Article 36 of the Family Code on the ground of psychological incapacity.¹⁵

Under this property regime, property acquired by both spouses through their work and industry shall be governed by the rules on equal co-ownership. Any property acquired during the union is *prima facie* presumed to have been obtained through their joint efforts. A party who did not participate in the acquisition of the property shall be considered as having contributed to the same jointly if said party's efforts consisted in the care and maintenance of the family household.¹⁶ Efforts in the care and maintenance of the family and household are regarded as contributions to the acquisition of common property by one who has no salary or income or work or industry.¹⁷

In the analogous case of *Valdez*,¹⁸ it was likewise averred that the trial court failed to apply the correct law that should govern the disposition of a family dwelling in a situation where a marriage is declared void *ab initio* because of psychological incapacity on the part of either or both parties in the contract of marriage. The Court held that the court *a quo* did not commit a reversible error in utilizing Article 147 of the Family Code and in ruling that the former spouses own the family home and all their common property in equal shares, as well as in concluding that, in the liquidation and partition of the property that they owned in common, the provisions on co-ownership under the Civil Code should aptly prevail.¹⁹ The rules which are set up to govern the liquidation of either the absolute community or the conjugal partnership of gains, the property regimes recognized for valid and voidable marriages, are irrelevant to the liquidation of the co-ownership that exists between common-law spouses or spouses of void marriages.²⁰

Here, the former spouses both agree that they acquired the subject property during the subsistence of their marriage. Thus, it shall be presumed to have been obtained by their joint efforts, work or industry, and shall be jointly owned by them in equal shares. Barrido, however, claims that the

¹³ *Mercado-Fehr v. Fehr*, 460 Phil. 445, 457 (2003).

¹⁴ *Valdes v. Regional Trial Court, Branch 102, Quezon City*, *supra* note 12.

¹⁵ *Mercado-Fehr v. Fehr*, *supra* note 13.

¹⁶ *Id.*

¹⁷ *Agapay v. Palang*, 342 Phil. 302, 311 (1997).

¹⁸ *Valdes v. Regional Trial Court, Branch 102, Quezon City*, *supra* note 12.

¹⁹ *Id.*

²⁰ *Id.*

ownership over the property in question is already vested on their children, by virtue of a Deed of Sale. But aside from the title to the property still being registered in the names of the former spouses, said document of sale does not bear a notarization of a notary public. It must be noted that without the notarial seal, a document remains to be private and cannot be converted into a public document,²¹ making it inadmissible in evidence unless properly authenticated.²² Unfortunately, Barrido failed to prove its due execution and authenticity. In fact, she merely annexed said Deed of Sale to her position paper. Therefore, the subject property remains to be owned in common by Nonato and Barrido, which should be divided in accordance with the rules on co-ownership.


WHEREFORE, premises considered, the petition is **DENIED**. The Decision of the Court of Appeals, dated November 16, 2006, as well as its Resolution dated January 24, 2007 in CA-G.R. SP No. 00235, are hereby **AFFIRMED**.

SO ORDERED.



DIOSDADO M. PERALTA
Associate Justice
Acting Chairperson

WE CONCUR:



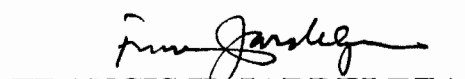
MARTIN S. VILLARAMA, JR.
Associate Justice



BIENVENIDO L. REYES
Associate Justice



ESTELA M. PERLAS-BERNABE
Associate Justice



FRANCIS H. JARDELEZA
Associate Justice

²¹ *Gonzales v. Atty. Ramos*, 499 Phil. 345, 347 (2005).

²² *Salas v. Sta. Mesa Market Corporation*, 554 Phil. 343, 348 (2007).

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.



DIOSDADO M. PERALTA
Associate Justice
Acting Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Acting 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