Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

HEIRS OF SPOUSES SILVESTRE MANZANO and GERTRUDES D. MANZANO, represented by CONRADO D. MANZANO as Attorney-in-Fact and also in his Personal Capacity, Petitioners,	**G.R. No. 214087**
- versus -	Present: CAGUIOA, *Chairperson*, INTING, GAERLAN, DIMAAMPAO, *and* SINGH, *JJ.*
KINSONIC PHILIPPINES, INC., Respondent.	Promulgated: February 27, 2023

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DECISION

GAERLAN, *J.*:

Before this Court is a Petition for Review on *Certiorari*[1] that seeks the reversal and setting aside of both the Decision[2] dated November 13, 2013 and Resolution[3] dated August 29, 2014 of the Court of Appeals (CA) Fifth Division in CA-G.R. CV No. 93799.

Both said final orders of the CA affirmed with modification the Judgment[4] dated April 15, 2009 of the Regional Trial Court (RTC) of Malolos City, Bulacan (Branch 80)[5]—the validity of which is essentially being

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1 *Rollo*, pp. 8-24.

2 Id. at 26-34; penned by Associate Justice Rosmari D. Carandang (former Member of this Court), with Associate Justices Ricardo R. Rosario (now a Member of this Court) and Leoncia R. Dimagiba, concurring.

3 Id. at 44-45.

4 No copy of the same (as well as of any records of the proceedings in the trial court below) is attached to the *rollo*. However, the essential and relevant facts are sufficiently pleaded, identified, and stipulated in the Petition proper, respondent's Comment, petitioners' Reply, and in both of the final orders of the CA Fifth Division being assailed at bar.

5 *Rollo*, p. 26.

assailed here on a pure question of law concerning the concept of indispensable parties in civil actions. It also must be noted that this is the second Petition for Review on *Certiorari* filed by the Heirs of Spouses Silvestre Manzano and Gertrudes D. Manzano (Spouses Manzano), represented by Conrado D. Manzano (Conrado) as Attorney-In-Fact and also in his personal capacity (collectively, petitioners) before the Court involving the same controversy.

Factual Antecedents

On July 19, 1993, the parties entered into a Contract to Sell over a parcel of land situated in *Barangay* Lias, Marilao, Bulacan (covered by OCT No. 0-3705, and with an area of 35,426 square meters [sq. m.]) for a total agreed price of ₱23,026,900.00 (or a contract price of ₱650.00 per sq. m.). Kinsonic Philippines, Inc. (respondent), as vendee, paid a total of ₱8,000,000.00 as of January 27, 1995, as acknowledged by petitioners through Conrado as attorney-in-fact. Respondent had also incurred the expense of ₱700,000.00 in the process of converting the subject parcel from "agricultural" to "industrial."[6]

Respondent then tendered payments of ₱5,000,000.00 and ₱10,000,000.00 on February 23 and March 16, 1995, respectively, but petitioners refused to accept the same on the ground that the time for paying the contract price's balance had allegedly expired. Thus, respondent filed a Complaint against petitioners for specific performance and/or sum of money before RTC-Malolos City, with the concomitant prayer for: 1) petitioners' acceptance of the balance of the contract price; 2) petitioners' subsequent execution and delivery of the deed of absolute sale over the subject parcel; 3) or in the alternative, petitioners' payment of actual damages in the amount of ₱8,700,000.00 plus legal interest; and 4) the payment of exemplary damages amounting to ₱500,000.00, attorney's fees amounting to ₱500,000.00, and the costs of the suit and litigation expenses.[7]

Petitioners' defense before the trial court below was that the Contract to Sell had been rescinded and automatically cancelled in accordance with the provisions of paragraph 5 thereof. In accordance with said paragraph, respondent's failure to complete payment within the agreed period of 60 days from the date of the approval of the subject parcel's land conversion on November 25, 1994 was, in petitioners' contemplation, sufficient to cancel the Contract to Sell.[8]

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6 Id. at 27.
7 Id.
8 Id.

After the termination of the pre-trial conference on January 25, 2001 and before trial was to begin, respondent filed on March 19, 2002 a Motion for Summary Judgment "alleging that upon the Complaint and Answer filed and the implied admission of the relevant documents and relevant matters set forth in the Amended Request for Admission by defendants-appellants [*i.e.*, petitioners], there is no genuine issue as to any material fact of the case."[9] The trial court denied the same, as well as respondent's motion for reconsideration, which prompted respondent to file a Petition for *Certiorari* (with Prayer for *Ex Parte* Issuance of Temporary Restraining Order and/or Writ of Preliminary Injunction) before the CA (docketed as CA-G.R. SP No. 74623).[10]

On March 21, 2003, the CA Fourth Division granted respondent's Petition for *Certiorari* with the following dispositive portion:

> WHEREFORE, premises considered, the present petition is hereby GIVEN DUE COURSE, and the writ prayed for, accordingly GRANTED. The assailed Orders of respondent Judge are hereby ordered ANNULLED, VACATED[,] and SET ASIDE, and a summary judgment is hereby entered for the petitioner in accordance with the prayer in its Complaint, as follows:
>
> Private respondents are hereby ORDERED:
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> (1) to execute the deed of sale over the property subject of the Contract to Sell in favor of petitioner upon payment by the latter of the full balance of the purchase price; or in the alternative –
>
> (2) to return all the payments received by them from petitioner, totaling EIGHT MILLION PESOS (P8,000,000.00), as well as to reimburse the sum of SEVEN HUNDRED THOUSAND PESOS (P700,000.00) spent by petitioner for the land conversion, with legal interest thereon, from the time of the finality of this Decision until the aforesaid amounts shall have been fully paid.
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> The case is hereby REMANDED to the court *a quo* for reception of evidence on the claim for damages by the petitioner.
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> No pronouncement as to costs.
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> SO ORDERED.[11]

With their Motion for Reconsideration *vis-à-vis* the abovementioned ruling denied by the CA for lack of merit in a Resolution dated May 23, 2003, petitioners elevated the case to this Court on their first Petition for Review on *Certiorari*. The Court denied the same in a Resolution dated July 28, 2003

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9 Id. at 28.
10 Id.
11 Id. at 28-29.

"after finding that herein defendants-appellants [*i.e.*, petitioners] failed to show that a reversible error had been committed by the appellate court."[12] The Court also denied petitioners' Motion for Reconsideration *vis-à-vis* the said denial in a Resolution dated September 23, 2003.[13] The Court's Resolution dated July 28, 2003 became final and executory on November 6, 2003, as noted by the CA Fifth Division in its Decision dated November 13, 2013 in CA-G.R. CV No. 93799.[14]

Pursuant to the CA Fourth Division's remand of the case, RTC-Malolos City rendered a Judgment[15] dated April 15, 2009 that ordered petitioners to pay respondent ₱200,000.00 in attorney's fees and ₱50,000.00 as exemplary damages. Respondent's evidence-in-chief was the testimony of its lone witness, *i.e.*, Atty. Florencio Z. Sioson, the name partner of respondent's counsel of record, while petitioners failed to appear despite proper notice.[16]

2nd Ruling of the CA

On appeal from the trial court's Judgment dated April 15, 2009, petitioners raised three main issues: 1) the said Judgment is arguably a patent nullity for failure to join the administrator of the estates/conjugal partnership of the Spouses Manzano as an indispensable party; 2) the disposition of the conjugal property (*i.e.*, the subject parcel) was void for the lack of liquidation of the conjugal partnership of gains of the Spouses Manzano in accordance with Article 130[17] of Executive Order No. 209, otherwise known as the Family Code of the Philippines; and 3) the earlier summary judgment of the trial court must be set aside due to genuine issues of fact raised in petitioners' Answer that must be tried on the merits.[18]

In its Decision dated November 13, 2013, the CA Fifth Division disposed of the appeal in the following manner:

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12 Id. at 29.

13 Id.

14 Id.

15 Id. at 30 (As stated previously, no copy is attached to the *rollo*).

16 Id.

17 ART. 130. Upon the termination of the marriage by death, the conjugal partnership property shall be liquidated in the same proceeding for the settlement of the estate of the deceased.

If no judicial settlement proceeding is instituted, the surviving spouse shall liquidate the conjugal partnership property either judicially or extra-judicially within one year from the death of the deceased spouse. If upon the lapse of said period no liquidation is made, any disposition or encumbrance involving the conjugal partnership property of the terminated marriage shall be **void**.

Should the surviving spouse contract a subsequent marriage without complying with the foregoing requirements, a mandatory regime of complete separation of property shall govern the property relations of the subsequent marriage. (Emphasis and underscoring supplied)

18 *Rollo*, pp. 14-15.

> **WHEREFORE**, premises considered, the appeal is **PARTLY GRANTED**. The Judgment dated April 15, 2009 of the Regional Trial Court of Malolos City, Bulacan is hereby **AFFIRMED** with **MODIFICATION** by deleting the award of exemplary damages for lack of legal basis.
>
> **SO ORDERED.**[19] (Emphases in the original)

The CA Fifth Division reasoned its ruling in the following manner:

> This Court notes that instead of assailing the propriety of the award of damages granted by the trial court in favor of plaintiff-appellee, defendants-appellants proffered issues and arguments which are being raised only for the first time in this appeal. It was not alleged in their Answer or in any other pleading submitted before the trial court. This is a tenuous and shallow attempt on the part of defendants-appellants to turn the tide in their favor, which cannot be done.
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> As a rule, no question will be entertained on appeal unless it has been raised in the court below. Points of law, theories, issues[,] and arguments not brought to the attention of the lower court need not be, and ordinarily will not be, considered by a reviewing court, as they cannot be raised for the first time at that late stage. Basic considerations of due process impel this rule.
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> Moreover, defendants-appellants can no longer question the validity of the disposition of the subject parcel of land as well as the propriety of the summary judgment rendered by this Court considering that said Decision dated March 21, 2003 granting a summary judgment had already become final and executory on November 6, 2003; hence, it is already immutable and unalterable.
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> Further, defendants-appellants are grasping at straws in arguing that the trial court had no jurisdiction[,] since the administrator, an indispensable party, was not joined in the case. In the first place, no such administrator has been appointed[,] either by the heirs or by any court. More importantly, the administrator is not an indispensable party to this civil case for specific performance and/or sum of money. As this case concerns the Contract to Sell, the indispensable parties are only those parties to said contract, *i.e.*, the heirs of the spouses Manzano and their attorney-in-fact.[20] (Citation omitted)

As to the award of exemplary damages by the trial court, the CA deleted the same in the interest of justice—even if petitioners did not raise it as an error on appeal. This is because no compensatory damages were awarded to respondent, which are a prerequisite for the grant of exemplary damages.[21]

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19 Id. at 33.
20 Id. at 31-32.
21 Id. at 33.

Aggrieved, petitioners filed their Motion for Reconsideration,[22] which essentially raised no new arguments. The CA Fifth Division denied the same in a Resolution[23] dated August 29, 2014 with the following dispositive portion:

> There being no novel issues presented that would convince Us to reconsider Our earlier ruling, the instant motion is hereby **DENIED** for lack of merit.
>
> **SO ORDERED.**[24] (Emphases in the original)

Hence, the instant Petition.

Arguments of the Parties

Before this Court, petitioners raise the same arguments it raised before the CA Fifth Division, with the main argument being that the trial court's failure to implead the administrator of the estates/conjugal partnership of the Spouses Manzano rendered all proceedings and judgments relative to the case as null and void.[25]

In its Comment,[26] respondent argues that the CA Fifth Division had already sufficiently rebutted petitioners' arguments, and noted that petitioners' new issues were indeed not raised in their Answer and in proceedings before the trial court. Respondent further argues that petitioners' main jurisprudential basis for allowing new issues to be raised on appeal for the first time, *i.e.*, *Del Rosario v. Bonga*,[27] actually affirms the general rule of no new theories of the case when on appeal. Finally, respondent asserts that petitioners are already barred by estoppel *vis-à-vis* their newly raised issues in accordance with the Court's ruling in *Imani v. Metropolitan Bank & Trust Co.*[28] (*Imani*).

In their Reply,[29] petitioners counter-assert that respondent knew of the conjugal nature of the subject lot, and that it should have impleaded the administrator of the estates/conjugal partnership of the Spouses Manzano accordingly. Petitioners also argue that estoppel does not apply in this case

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22 Id. at 35-42.
23 Id. at 44-45.
24 Id. at 45.
25 Id. at 14.
26 Id. at 47-56.
27 402 Phil. 949 (2001).
28 649 Phil. 647 (2010).
29 *Rollo*, pp. 65-72.

since the judgments and proceedings of the trial court were, to them, patent nullities.

Issues before the Court

For the Court's consideration in resolving the controversy at bar are the following issues:

1) Whether or not the administrator of the estates/conjugal partnership of the Spouses Manzano is an indispensable party to the proceedings relative to respondent's Complaint before the trial court;

2) Whether or not the issue of the impleading of said administrator is an issue that can be raised for the first time on appeal; and

3) Whether or not petitioners are already barred by estoppel in invoking the abovementioned issue, as well as new theories for their case at this stage of litigation.

(2nd) Ruling of the Court

The instant Petition must be denied.

The Court begins its discussion on the primordial procedural issue of whether or not an estate's administrator is an indispensable party to a complaint for specific performance and/or sum of money involving real estate that putatively belongs to a conjugal partnership of gains that covered the said estate's property, but which was sold to a third party by the heirs before the conjugal partnership was liquidated.

Section 7, Rule 3 of both the 1997 and 2019 Rules of Civil Procedure uniformly states that "[p]arties in interest without whom no final determination can be had of an action shall be joined either as plaintiffs or defendants." This is also known as the rule on compulsory joinder of indispensable parties. The Court held in *Uy v. Court of Appeals*[30] that an indispensable party's "interest in the subject matter of the suit and in the relief sought are so inextricably intertwined with the other parties' that his legal presence as a party to the proceeding is an absolute necessity."[31] And

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30 527 Phil. 117 (2006).
31 Id. at 126.

"[w]henever it appears to the court in the course of a proceeding that an indispensable party has not been joined, it is the duty of the court to stop the trial and to order the inclusion of such party."[32] This is because "[t]he absence of an indispensable party renders all subsequent actuations of the court null and void, for want of authority to act, not only as to the absent parties, but even as to those present."[33]

Gemy Lito L. Festin defines an administrator as "a person appointed by the intestate court to administer the estate of a deceased person who: a) dies without leaving a will; b) or did not name any executor even if there was a will; c) or if there be one named, he is incompetent, refuses the trust, or fails to give a bond, or that the will is subsequently declared null and void."[34] Alvin T. Claridades has a simpler definition: an administrator is "one appointed by the Court in accordance with the Rules or governing statutes to administer and settle the intestate estate where the testator did not name any executor, or that the executor so named refuses to accept the trust or fails to file a bond, or is otherwise incompetent."[35]

In relation to an administrator's power and authority over properties corresponding to the intestate estate, Section 3, Rule 84 of the 1997 Rules of Court states that "[a]n executor or administrator shall have the right to the possession and management of the real as well as the personal estate of the deceased so long as it is necessary for the payment of the debts and the expenses of administration."

And relative to an administrator's duty to make an inventory of the estate's properties, the Court said the following in *Chua Tan v. Del Rosario*:[36]

> It is the duty of the administrator of the testate or intestate estate of a deceased to present an inventory of the real estate and all goods, chattels, rights, and credits of the deceased which have come into his possession or knowledge, in accordance with the provisions of [S]ection 668 of the Code of Civil Procedure, and to manage them according to [S]ection 643 of the same Code; ***and in order that he may have in his power and under his custody all such property, [S]ection 702 of the aforesaid Code authorizes him to bring such actions for the purpose as he may deem necessary***. Section 642[,] in providing for the appointment of an administrator where there is no will or the will does not name an executor, seeks to protect not only the estate of the deceased but also the rights of the creditors in order that they may be able to collect their credits, and of the heirs and legatees in order that they may receive the portion of the inheritance or legacy

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32 Id. at 128.
33 Id.
34 GEMY LITO FESTIN, SPECIAL PROCEEDINGS: A FORESIGHT TO THE BAR EXAM (2011 ed.), p. 45.
35 ALVIN CLARIDADES, SPECIAL PROCEEDINGS: AN EXHAUSTIVE EXPOSITION (2017 ed.), p. 130.
36 57 Phil. 411 (1932).

> appertaining to them after all the debts and expenses chargeable against the deceased's estate have been paid. Under the provisions of the law, therefore, the judicial administrator is the legal representative not only of the testate or intestate estate, but also of the creditors, and heirs and legatees, inasmuch as he represents their interest in the estate of the deceased.[37] (Emphasis, italics, and underscoring supplied)

A synthesis of the foregoing would yield a conclusion that the administrator of an intestate estate (or otherwise) has personality and power over the estate's properties for purposes of wrapping up and winding down the decedent's affairs, *i.e.*, the settling of the decedent's outstanding debts and the partition and final settlement of the remainder of the estate among the heirs. He or she also has the power and authority to make the initial inventory of the decedent's estate, and to bring forward the necessary actions in court for the recovery of any property that may have been either excluded or alienated without the probate/intestate court's approval.

But without letters of administration issued by the proper probate/ intestate court—or more crucially, without any probate/intestate court acquiring jurisdiction over the decedent's affairs—there is no such administrator to speak of. Since there appears to be no indication in the record that an administrator had been appointed, let alone any indication that intestate proceedings for the settlement of the estates and conjugal partnership of the Spouses Manzano had commenced, the Court fails to see how a non-existent officer of the probate/intestate court becomes an indispensable party to the controversy at bar.

At best, the Court sees said future administrator as a necessary party defined in Section 8, Rule 3 of both the 1997 and 2019 Rules of Court as "one who is not indispensable but who ought to be joined as a party if complete relief is to be accorded as to those already parties, or for a complete determination or settlement of the claim subject of the action."

Verily, Willard B. Riano expounded on the difference between indispensable and necessary parties, *viz.*:

> An indispensable party *must* be joined under any and all conditions while a necessary party should be joined *whenever* possible (*Borlasa vs. Polistico, 47 Phil. 345*). Stated otherwise, an indispensable party must be joined because the court cannot proceed without him. Hence, his presence is mandatory. **The presence of a necessary party is not mandatory because his interest is separable from that of the indispensable party. He has to be joined whenever possible to afford complete relief to those who are already parties and to avoid multiple litigation. A necessary party is not**

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37 Id. at 414-415.

> **indispensable but he ought to be joined if complete relief is to be had among those who are already parties** (*Sec. 8, Rule 3, Rules of Court*). **A final decree can be had in a case even without a necessary party because his interests are separable from the interest litigated in the case** (*Chua vs. Torres, 468 SCRA 358; Seno vs. Mangubat, 156 SCRA 113*). **The non-inclusion of a necessary party does not prevent the court from proceeding in the action, and the judgment rendered therein shall be without prejudice to the rights of such necessary party** (*Sec. 9, Rule 3, Rules of Court; Agro Conglomerates, Inc. vs. Court of Appeals, 348 SCRA 450; Hemedez vs. Court [sic], 316 SCRA 347*).[38] (Italics in the original; emphasis and underscoring supplied)

In the context of the controversy at bar, the interest of the future administrator in respondent's Complaint for specific performance and/or sum of money *vis-à-vis* the subject parcel is separable from the interest of the true indispensable parties to the same, *i.e.*, the immediate concerns of the parties to the Contract to Sell. The CA Fifth Division was thus correct in such estimation of the facts. The separability of the future administrator's interest is bolstered further by the legal options that will be at his or her disposal with regard to the outcome of the contractual relations between petitioners and respondent, since nothing will prevent him or her from bringing forth proper civil actions for the recovery of the property, such as, for example, a petition for annulment of judgment under Rule 47 *vis-à-vis* the summary judgment granted by the CA Fourth Division on the grounds petitioners mentioned in their arguments. The future administrator may also avail eventually of an original action for the declaration of the nullity of the Contract to Sell itself, so long as the same is not barred by laches or prescription, and so long as he or she has proper authority from the probate/intestate court yet to acquire jurisdiction over the property.

Thus, since the interest of a future administrator of the estates/conjugal partnership of the Spouses Manzano in the controversy at bar is not prejudiced by the summary judgment granted by the CA Fourth Division, and since said interest is entirely separable from the Complaint for specific performance and/or sum of money filed by respondent, the Court hereby rules that said administrator is ***not*** an indispensable party to the case, but rather a necessary party whose non-participation will divest neither the Court, nor even the CA, nor especially RTC-Malolos City of jurisdiction and render all proceedings void.

As for the propriety of petitioners' raising of the issue of the non-joinder of the future administrator on appeal, the same is thus rendered moot by the reasoning above. The non-joinder of the administrator of the estates/conjugal partnership of the Spouses Manzano is actually immaterial

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38 WILLARD RIANO, CIVIL PROCEDURE (A RESTATEMENT FOR THE BAR): RULES 1-71 (2009 ed.), pp. 224-225.

vis-à-vis the controversy at bar. However, said non-joinder, along with other new theories of the case that petitioners raised (such as the alleged nullity of the Contract to Sell in accordance with Article 130 of the Family Code and the allegedly genuine issues of fact raised in petitioners' Answer that must be tried on the merits), warrants the Court's short but final disquisition.

It is true that Article 130 of the Family Code declares as void any disposition or encumbrance of conjugal partnership property done without the prerequisite liquidation of assets. This is a reiteration of the ruling of the Court in *Corpuz v. Corpuz*,[39] which affirmed the rule under Section 1 of Act No. 3176,[40] *viz.*:

> The Court of Appeals, however, took the view that, even supposing the property to be conjugal, still "in accordance with the law in force at the time of the sale and decided cases, the surviving husband, as administrator of the community property, had authority to sell conjugal property without the concurrence of the children of the marriage." The assertion is inaccurate because, at the time of the sale, Act No. 3176, which took effect in 1924, had already been approved. Said Act declared that when the marriage is dissolved by the death of the husband or wife, the community property shall be administered and liquidated in the testamentary or intestate proceedings of the deceased spouse, or in an ordinary liquidation and partition proceeding. In the present case, there has been no liquidation or partition of any kind and, under the Act, the death of the wife did not make the husband the *de facto* administrator of the conjugal estate or invest him with power to dispose of the same. In fact, the Act declares that a sale, without the formalities established for the sale of the property of deceased persons, "shall be null and void, except as regards the portion that belongs to the vendor at the time the liquidation and partition was made."[41]

Moreover, jurisprudence has held that the failure to follow the protocols governing the sale, mortgage, or other encumbrance of a decedent's property under Rule 89 of the Rules of Court would render any such sale, mortgage, or encumbrance as void.[42] However, nothing on the face of the proceedings before the trial and appellate courts in this case will indicate any patent lack of jurisdiction or any indication of nullity. Petitioners have not attached to the record any copy of the Contract to Sell itself, nor of any proof that Conrado was acting without proper authority of any probate/intestate court or of any administrator of the estates/conjugal property of the Spouses Manzano.

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39 97 Phil. 655 (1955).

40 AN ACT TO AMEND SECTION SIX HUNDRED AND EIGHTY-FIVE OF ACT NUMBERED ONE HUNDRED AND NINETY, KNOWN AS THE CODE OF CIVIL PROCEDURE, ESTABLISHING A NEW PROCEDURE FOR THE LIQUIDATION OF THE COMMUNITY PROPERTY WHEN THE MARRIAGE IS DISSOLVED BY THE DEATH OF THE HUSBAND OR WIFE, AND FOR OTHER PURPOSES; approved November 24, 1924.

41 Supra note 39, at 657-658.

42 *Pahamotang v. Philippine National Bank*, 494 Phil. 645, 659-660 (2005); see also *Liu v. Loy, Jr.*, 453 Phil. 232, 252-253 (2003).

What the Court sees here, as correctly pointed out by the CA Fifth Division and respondent, is a belated attempt to introduce new issues that were never raised before the trial court. And if petitioners were indeed adamant that their Answer did present genuine issues of fact that needed to be tried in full, they failed to attach a copy of the same as well to the record. The Court has held in the past, particularly in *Co v. Court of Appeals*,[43] that a collateral attack on a supposedly void judgment "is proper only when the judgment, on its face, is null and void, as where it is patent that the court which rendered said judgment has no jurisdiction."[44]

But to reiterate, the Court finds no sufficient facts on record to conclude that the summary judgment granted to respondent was given in excess of the CA's jurisdiction. Had petitioners shown proof of the allegedly patent nullity of the Contract to Sell, things would have been different. But simply asserting the nullity of the said agreement over the subject parcel that allegedly forms part of the decedents' estates/conjugal property will not suffice for present purposes. This is because the Court cannot speculate as to the existence of probate/intestate proceedings *vis-à-vis* the estates/conjugal property of the Spouses Manzano, nor even as to the presumptive heirship of Conrado, which is not a proven fact or issue. Again, had petitioners duly proven their theories at the proper time, the Court's mind would have been different regarding the controversy at bar.

But even if petitioners were able to prove the nullity of the Contract to Sell, considerations of equity should bar their cause. The Court finds that their participation in the consummation and implementation of the said Contract to Sell—to the point where respondent had parted with a substantial amount of money for the subject parcel—truly does fall within the definition of estoppel. As correctly pointed out by respondent, the Court did rule in the *Imani* case the following:

> It is well settled that issues raised for the first time on appeal and not raised in the proceedings in the lower court are barred by estoppel. Points of law, theories, issues, and arguments not brought to the attention of the trial court ought not to be considered by a reviewing court, as these cannot be raised for the first time on appeal. To consider the alleged facts and arguments raised belatedly would amount to trampling on the basic principles of fair play, justice, and due process.[45]

By submitting to the jurisdiction of the trial court *vis-à-vis* their filing of an Answer that did not raise the nullity of the Contract to Sell itself, and by actually profiting from the transaction that they now question, petitioners

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43 274 Phil. 108 (1991).
44 Id. at 115-116.
45 Supra note 28, at 661-662.

cannot now perform an about-face and attempt to evade liability. In *University of the Philippines v. Catungal, Jr.*,[46] the Court held that the doctrine of clean hands "signifies that a litigant may be denied relief by a court of equity on the ground that his conduct has been inequitable, unfair and dishonest, or fraudulent, or deceitful as to the controversy in issue."[47] In *Asian Transmission Corp. v. Commissioner of Internal Revenue*,[48] the Court reiterated that "[p]arties must come to court with clean hands. Parties who do not come to court with clean hands cannot be allowed to benefit from their own wrongdoing."[49]

Thus, petitioners cannot evade any action for specific performance and/or sum of money in relation to the Contract to Sell entered into with respondent that covers the parcel that may form part of the estates/conjugal property of the Spouses Manzano. Petitioners, especially Conrado as a likely presumptive heir, should have known about the requisites and formalities preceding any sale of such property—even in the absence of a duly constituted probate/intestate court that must grant authority for such disposition. They cannot now hide behind the provisions of the Family Code for their own selfish purposes and deny respondent any contractual relief from their own possible misrepresentation or omission regarding the ownership status of the subject parcel. This is more so in light of the fact that the Court's earlier Resolution over petitioners' first attempt to question the summary judgment granted by the CA Fourth Division had already become final and executory since 2003. All in all, petitioners' estoppel and unclean hands have barred their right to relief from this Court—the highest tribunal of equity in this jurisdiction—even after decades of litigation *vis-à-vis* the present controversy at bar.

WHEREFORE, the instant Petition is **DENIED**, and both the Decision dated November 13, 2013 and Resolution dated August 29, 2014 of the Court of Appeals Fifth Division in CA-G.R. CV No. 93799 are hereby **AFFIRMED**.

SO ORDERED.

SAMUEL H. GAERLAN
Associate Justice

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46 338 Phil. 728 (1997).
47 Id. at 744.
48 840 Phil. 385 (2018).
49 Id. at 391-392.

WE CONCUR:

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

HENRI JEAN PAUL B. INTING
Associate Justice

JAPAR B. DIMAAMPAO
Associate Justice

MARIA FILOMENA D. SINGH
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.

ALFREDO BENJAMIN S. CAGUIOA
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.

ALEXANDER G. GESMUNDO
Chief Justice