Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

JOSE DIAZ, JR. (herein substituted by his legal heirs VERONICA BOLAGOT-DIAZ and RIO ANGELA BOLAGOT-DIAZ) and ADELINA D. McMULLEN, Petitioners, - *versus* - **SALVADOR VALENCIANO, JR., [deceased] substituted by MADELINE A. VALENCIANO, RANIL A. VALENCIANO, ROSEMARIE V. SERRANO, SHEILA VALENCIANO-MOLO and JOHN-LYN VALENCIANO-VARGAS,** Respondent.	**G.R. No. 209376** **Present:** CARPIO, *J.*, *Chairperson*, PERALTA, PERLAS-BERNABE, CAGUIOA, REYES, JR., *JJ.* **Promulgated:** 06 DEC 2017

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DECISION

PERALTA, *J.*:

This is a Petition for Review on *Certiorari* of the Court of Appeals Decision[1] dated April 30, 2013, which reversed and set aside the Decision[2] dated July 9, 2010 of the Regional Trial Court of Legazpi City, and reinstated the Decision[3] dated January 5, 2010 of the Municipal Trial Court in the Cities (*MTCC*), dismissing the complaint for unlawful detainer on the ground of *res judicata*.

The facts are undisputed.

On June 2, 1992, a complaint for unlawful detainer was filed by petitioners Jose Diaz, Jr. and his sister Adelina D. McMullen against Salvador

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1 Penned by Associate Justice Elihu A. Ybañez, with Associate Justices Japar B. Dimaampao and Victoria Isabel A. Paredes, concurring; *rollo*, pp. 21-33.

2 Penned by RTC of Legazpi City, Branch 5, Presiding Judge Pedro R. Soriao; *id.* at 34-37.

3 Penned by MTCC of Legazpi City Branch 3, Presiding Judge Jose Noel R. Rubio; *id.* at 38-42.

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Valenciano Sr., the father of respondent Salvador Valenciano Jr. In their complaint docketed as Civil Case No. 3931, petitioners alleged that they are the lawful and registered owners of a parcel of land (Lot No. 163-A) located at Rosario St., Old Albay, Legazpi City, and covered by Transfer Certificate of Title (*TCT*) No. 20126. On the other hand, Salvador Jr. countered that his father, Salvador Valenciano Sr., and the rest of his family have been in open, peaceful and actual possession of the same property since 1958 when petitioner Diaz mortgaged it to Salvador Sr.

On July 30, 1992, petitioners and Salvador Sr. entered into a Compromise Agreement where they agreed to amicably settle the civil case provided that: (a) Salvador Sr. will vacate and surrender the property to petitioner Diaz within a period of one-and-a-half (1½) years or on January 31, 1994; and (b) Diaz shall pay to Salvador Sr. the sum of ₱1,600.00 on or before January 31, 1993. On August 10, 1992, the MTCC issued a Resolution approving the Agreement.

For failure of Salvador Sr. and his family to vacate the subject property in accordance with the Compromise Agreement, Diaz filed on February 1, 1994 an *Ex-Parte* Motion for Execution. The MTCC granted the motion for execution on February 4, 1994. A writ of execution was then issued, commanding the sheriff to cause Salvador Sr., or anyone acting in his behalf, to vacate the property and surrender complete possession thereof to Diaz.

By sheer tolerance, petitioners allegedly chose not to implement the writ of execution, and allowed Salvador Sr. and his family to stay on the property, subject to the condition that they will vacate the same when petitioners need it. Meanwhile, Salvador Sr. passed away.

On February 9, 2009, or after more than fifteen (15) years from the issuance of the writ of execution, petitioners sent a demand letter to Salvador Jr., who refused to vacate the property despite notice.

On June 1, 2009, petitioners filed against Salvador Jr. a Complaint[4] for unlawful detainer which was docketed as Civil Case No. 5570. Petitioners claimed to be the lawful and registered owners of the property covered by TCT No. 20126, and subject of the previous case for unlawful detainer docketed as Civil Case No. 3931. Attached to their complaint was a certified copy of TCT No. 20126, Tax Declaration No. 01300117, and a Certification from the Office of the Treasurer of the City of Legaspi stating that realty taxes for the subject property are declared in the name of Jose and Adelina Diaz for 2008 and previous years.

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4 CA *rollo* pp. 38-42.

In his Answer with Affirmative Defense and Counterclaim,[5] Salvador Jr. contended that the complaint was barred by *res judicata* in view of the judicially-approved Compromise Agreement in the first unlawful detainer case between petitioners and his father, Salvador Sr. He also claimed that he and his predecessor-in-interest have been occupying the subject property in the concept of an owner for more than forty-five (45) years, and have declared the same in their names for taxation purposes, paying taxes therefor. Attached to the Answer was Tax Declaration No. 02917 and the Sworn Statement of the True Current and Fair Market Value of Real Estate Properties both issued under the name of Salvador Sr.

On January 5, 2010, the MTCC rendered a judgment in favor of Salvador Jr., dismissing the complaint on the ground of *res judicata.* The MTCC found that there is substantial identity of parties in the first and second unlawful detainer cases because Salvador Jr. is the successor-in-interest of his father, who is the defendant in the first case, and he is the new possessor of the same property subject of the second case. With respect to the identity of the subject matter and cause of action, the MTCC held that the first and second actions for unlawful detainer were both based on tolerance, and that the acts of dispossession or unlawful withholding of possession were the same wrong alleged and prayed for by petitioners in both Complaints. The MTCC ruled that the second action is barred by *res judicata* because the same evidence in the first action would support and establish the cause of action in the second action, namely, the TCT to prove ownership, and the written demand to vacate, as proof of breach.

Aggrieved, petitioners filed an appeal before the RTC.

On July 9, 2010, the RTC rendered a Decision, finding the appeal meritorious and holding that the August 10, 1992 MTCC Resolution approving the Compromise Agreement was not a judgment on the merits, hence, the principle of *res judicata* does not apply. Since both parties claim ownership over Lot 163-A, the RTC made a provisional determination that petitioners' TCT No. 20126 vested them better title than Salvador Jr. The dispositive portion of the Decision reads:

> WHEREFORE, Premises Considered, the lower court's (MTCC, Branch 3, Legazpi City) judgment dated 05 January 2010 in Civil Case No. 5570 is set aside, and thus this Court renders judgment, as follows, to wit:

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5 *Id.* at 62-65.

1. Ordering the appellee Salvador Valenciano, Jr., as well as his agents, representatives, privies, successors-in-interest, or any other person/s claiming any right to possess under him to leave and vacate Lot 163-A, and thereafter transfer possession of this lot to the appellants Jose Diaz, Jr. and Adelinda D. McMullen;
2. Ordering the appellee Salvador Valenciano, Jr. to pay rentals for the use of Lot 163-A in the amount of 500 pesos per month from the time that the complaint in this case was filed in court until such time that he will vacate this lot;
3. Ordering the appellee Salvador Valenciano, Jr. to pay the appellants Jose Diaz, Jr. and Adelinda D. McMullen the sums of 30,000 pesos and 20,000 pesos as attorney's fees and litigation expenses, respectively; and
4. Ordering the appellee Salvador Valenciano, Jr. to pay the costs of suit.

SO ORDERED.[6]

Dissatisfied with the RTC Decision, Salvador Jr. filed a petition for review before the Court of Appeals.

On April 30, 2013, the CA rendered a Decision, the dispositive portion of which states:

> **WHEREFORE**, premises considered, the instant petition is **GRANTED**. The RTC Decision dated 09 July 2010 in Civil Case No. 10897 is **REVERSED** and **SET ASIDE**. The MTCC Decision dated 05 January 2010 in Civil Case No. 5570 is thereby **REINSTATED**. Without costs.
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> SO ORDERED.[7]

The CA held that the RTC erred in ruling that there is no identity of parties in the two unlawful detainer cases, and that there is no judgment on the merits in the first case. Since petitioners and Salvador Sr. envisioned an end to the litigation of the first case, subject to compliance with the respective obligations under the Compromise Agreement, the CA ruled that the MTCC resolution approving the Agreement had the same effect of an ordinary court judgment, which is a judgment on the merits that immediately became final and executory. The CA noted that there is substantial identity of parties in both cases because Salvador Jr. is the son of the defendant in the first case, and they have shared interest and occupied the same property prior to the filing of such case. The CA also stated that after the issuance of the writ of execution in the first case and the lapse of the period for its implementation, petitioners slept on their rights for 15 years, which is

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6 *Rollo*, p. 37.

7 *Id.* at 33. (Emphasis in the original)

beyond the period to enforce a judgment under the Statute of Limitations; hence, *estoppel* by *laches* bars the filing of the second case.

Unconvinced by the CA Decision, petitioners filed a motion for reconsideration which was denied for lack of merit.

In this Petition for Review on *Certiorari*, petitioners argue that the CA decided a question of substance not in accord with laws and jurisprudence when it reversed the RTC Decision, and held that all the elements of *res judicata* are present.[8]

The core issue to be resolved is whether petitioners' subsequent unlawful detainer case against Salvador Jr. involving the same property is barred by *res judicata* and *estoppel* by *laches* due to a previous unlawful detainer case they had filed against his father, which was subject of a judicially-approved Compromise Agreement that was never executed by mere tolerance of petitioners.

Petitioners argue that the CA erred in ruling that *res judicata* bars the second complaint for unlawful detainer because of the absence of three (3) elements, namely: final judgment on the merits, identity of parties, and of cause of action.

First, petitioners assert that the Compromise Agreement was a mere consensual contract that cannot be considered as a judgment on the merits, because there was no actual adjudication of the respective rights, contention and issues raised by the opposing parties.

Second, petitioners insist that there is no identity of parties in the first and second cases for unlawful detainer because he cannot be considered as successor-in-interest of his father Salvador Sr. Petitioners stress that prior to the death of Salvador Sr., he had already entered into a Compromise Agreement with them whereby he acknowledged and affirmed their legal right of possession of the subject property. As such, it cannot be said that Salvador Jr.'s occupation of the property was by mere transference of rights or by stepping into the shoes of his father, because there was nothing to transmit or step into, as the Compromise Agreement had effectively barred the same.

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8 *Id.* at 14.

Third, petitioners assert that there is a variance in the cause of action in the two unlawful detainer cases, which negates the existence of *res judicata.* They claim that the occupation of Salvador Jr. is based on his own right and distinct from that of his father. They also submit that Salvador Jr.'s occupation is akin to that made through stealth and strategy, which is forcible entry.

In his Comment, Salvador Jr. argues that all the elements of *res judicata* are present. With respect to the element of final judgment on the merits, he cites the well-settled rule that a Compromise Agreement, once approved by order of the court, is immediately final and executory with the force of *res judicata*, and becomes more than a mere private contract binding upon the parties, as the court's sanction imbues it with the same effect as any other judgment. Anent the element of identity of parties, Salvador Jr. points out that he and petitioners are substantially the same parties as those who were involved in the first unlawful detainer case, because he is the son and successor-in-interest of the defendant in the said case.

The petition is meritorious.

Res judicata applies in the concept of "bar by prior judgment" if the following requisites concur: (1) the former judgment or order must be final; (2) the judgment or order must be on the merits; (3) the decision must have been rendered by a court having jurisdiction over the subject matter and the parties; and (4) there must be, between the first and the second action, identity of parties, of subject matter, and of causes of action.[9]

Apart from petitioners' insistence as to the absence of the three requisites — judgment on the merits, identity of parties, and identity of causes of action — the presence of all the other elements of *res judicata* are beyond dispute. As can be gleaned from the records and allegations in the Complaints docketed as Civil Case Nos. 3931 and 5570, the Compromise Agreement in the first unlawful detainer case involving the same property in Legazpi City subject of the second unlawful detainer case, is already final and executory, as it was duly approved by the MTCC of Legazpi City, which has jurisdiction over the ejectment case and the parties.

Anent the first disputed requisite of *res judicata*, a judgment is said to be "on the merits" when it amounts to a legal declaration of the respective rights and duties of the parties based upon disclosed facts.[10] It is that which rendered by the court after the parties have introduced their respective

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9 *Agustin v. Spouses Delos Santos*, 596 Phil. 630, 642-643 (2009).

10 *Luzon Development Bank v. Conquilla*, 507 Phil. 509, 527 (2005).

evidence, with the primary objective in view of concluding controversies or determining the rights of the parties.[11] "*Merits*" has been defined as a matter of substance in law, as distinguished from a matter of form; it refers to the real or substantial grounds of action or defense, as contrasted with some technical or collateral matter raised in the course of the suit.

The Court held in one case[12] that a ruling based on a motion to dismiss, without any trial on the merits or formal presentation of evidence, can still be a judgment on the merits. Even a dismissal on the ground of failure to state a cause of action may operate as *res judicata* on a subsequent case involving the same parties, subject matter, and causes of action, provided that the order of dismissal actually ruled on the issues raised.[13] What appears to be essential to a judgment on the merits is that it be a reasoned decision, which clearly states the facts and the law on which it is based.[14]

Contrary to petitioners' view and the RTC ruling that the Compromise Agreement approved by the MTCC does not constitute as a judgment on the merits, jurisprudence holds that a judgment based on Compromise Agreement is a judgment on the merits,[15] wherein the parties have validly entered into stipulations and the evidence was duly considered by the trial court that approved the Agreement.[16]

A judgment by Compromise is a judgment embodying a Compromise Agreement entered into by the parties in which they make reciprocal concessions in order to terminate a litigation already instituted.[17] A Compromise approved by final order of the court has the force of *res judicata* between the parties, and cannot and should not be disturbed except for vices of consent or forgery, it being the obvious purpose of such Compromise to settle once and for all the issues involved and bar all future disputes and controversies.[18] Clearly, the Resolution dated August 10, 1992 of the MTCC approving the Compromise Agreement has the same effect as an ordinary judgment, which immediately became final and executory with the force of *res judicata.* As correctly noted by the CA:

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11 The Revised Rules of Court in the Philippines, Civil Procedure, Volume II, by Vicente J. Francisco, p. 466 (1966).
12 *Escarte v. Office of the President*, 270 Phil. 99, 106 (1990).
13 *Luzon Development Bank v. Conquilla*, *supra* note 10, at 531.
14 *Id.*
15 *Uy v. Chua*, 616 Phil. 768, 779 (2009).
16 *Sps. Romero v. Tan*, 468 Phil. 224, 240 (2004).
17 The Revised Rules of Court in the Philippines, Civil Procedure, Volume II, by Vicente J. Francisco, p. 470 (1966)
18 *Id.* at 32-33.

> [O]nce stamped with judicial *imprimatur*, a Compromise Agreement becomes more than a mere contract binding upon the parties. Having the sanction of the court and entered as its determination of the controversy, it has the force and effect of any other judgment. Thus, the Resolution approving the Compromise Agreement had the same effect of an ordinary court judgment, which immediately became final and executory as to those who are bound thereby. Verily, [petitioners] and Salvador [Sr.] envisioned an end to the litigation of the First Case except only as regards to the compliance with [the] respective obligations thereunder in the conclusion of the said Agreement. Indeed, the Resolution was a judgment on the merits, thus satisfying the third element of *res judicata.*[19]

In *Palarca v. De Anzon*,[20] the Court rejected appellants' argument questioning the validity of the judgment upon the contention that the lower court, in merely transcribing the Compromise Agreement, has failed to make findings of fact and conclusions of law in the decision, as the law requires. The Court held that in contemplation of law, the lower court is deemed to have adopted the same statement of facts and conclusions of law made and resolved by the parties themselves in their Compromise Agreement; and their consent has rendered it both unnecessary and improper for the court to still make preliminary adjudication of the matters thereunder covered.

Equally devoid of merit is petitioners' stance that there is no substantial identity of parties between the first unlawful detainer case where Salvador Sr. was the defendant, and the second case where Salvador Jr. is the defendant. There is identity of parties where the parties in both actions are the same, or there is privity between them, or they are successors-in-interest by title subsequent to the commencement of the action, litigating for the same thing and under the same title and in the same capacity.[21] Privity exists between a decedent and his heir, next of kin, devisee, or legatee, and a judgment for or against a decedent prior to his death will conclude such persons as to all matters in issue in the case and determined by the judgment.[22] In this case, substantial identity of parties in both unlawful detainer cases is aptly underscored by the CA:

> In the instant case, it is undisputed that petitioner Valenciano [Salvador Jr.] is the son of the deceased Salvador [Sr.], against whom the First Case was instituted. In his Position Paper, petitioner Valenciano [Salvador Jr.] stated that he, his father Salvador, and the rest of their family have been in "open, peaceful, and actual possession" of Lot No. 163-A until the institution of the First Case. Moreover, petitioner Valenciano [Salvador Jr.] likewise alleged that after the death of his father, he continued the possession of the said lot up to the present.

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19 *Rollo*, p. 30. (Citations omitted.)
20 110 Phil. 194, 196 (1960).
21 *Taganas v. Emuslan*, 457 Phil. 305, 312 (2003).
22 50 C.J.S. § 814, Judgments.

> Considerably, **petitioner Valenciano [Salvador Jr.] and Salvador [Sr.] during the latter's lifetime, have shared the same interest over the said property and have occupied the same Lot prior to the institution of the First Case.** Such identity of interest is sufficient to make them privy-in-law, thereby satisfying the requisite of substantial identity of parties.[23]

Considering further that family, relatives, and other privies of the defendant are as much bound by the judgment in an ejectment case as the party from whom they derive their possession,[24] petitioners cannot claim that there is no identity of parties in the first and second unlawful detainer cases.

Be that as it may, petitioners are partly correct that there is no identity of cause of action between the first and second unlawful detainer cases, but not for the reason that Salvador Jr.'s occupation is akin to forcible entry made through stealth and strategy — an allegation that is nowhere to be found in the Complaints.

The Rules of Court defines cause of action as an act or omission by which a party violates a right of another.[25] One of the tests to determine the identity of causes of action so as to warrant application of *res* judicata is the "same evidence rule." In ascertaining the identity of causes of action, the test is to look into whether or not the same evidence fully supports and establishes both the present and the former causes of action.[26] If the answer is in the affirmative, the former judgment would be a bar; otherwise, that prior judgment would not serve as such a bar to the subsequent action.[27] In an unlawful detainer case, the evidence needed to establish the cause of action would be the lease contract and the violation of that lease.[28] However, in this case where a person occupies the land of another at the latter's tolerance or permission, without any contract between them, what must be proven is that such possession is by mere tolerance, and that there was a breach of implied promise to vacate the land upon demand.

Applying the "same evidence rule," the Court cannot fully agree with the MTCC that the evidence necessary to obtain affirmative in the second unlawful detainer case based on tolerance is the same as in the first one which is also based on tolerance. While petitioners correctly rely on the same transfer certificate of title (TCT No. 20126) as proof of ownership and right to possession of the property subject of both cases, the Court finds that separate and distinct demand letters are required to prove the different breaches of implied promise to vacate the property, namely, the demand

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23 *Rollo*, pp. 30-31. (Emphasis added).
24 *Ariem v. Hon. De los Angeles, etc., et al.*, 151 Phil. 440, 445 (1973).
25 Rule 2, Section 2.
26 *Bachrach Corporation v. CA*, 357 Phil. 483, 492 (1998).
27 *Id.*
28 *Id.*

letter[29] addressed to Salvador Sr., and the demand letter dated February 9, 2009 addressed to Salvador Jr. It bears stressing the refusal to comply with the first demand to vacate constitutes a cause of action for unlawful detainer in Civil Case No. 3931, while the refusal to comply with the second demand to vacate creates a different cause of action for unlawful detainer in Civil Case No. 5570. The first case deals with Salvador Sr.'s possession by mere tolerance of petitioners, while the second case refers to Salvador Jr.'s possession by mere tolerance, which arose when they neglected to execute the judgment in the first case.

The CA thus committed reversible error when it overlooked that fact that the cause of action in the first unlawful detainer case is Salvador Sr.'s breach of the implied promise to vacate the property being occupied by his family by mere tolerance of petitioners, whereas the cause of action in the second case is another breach of implied promise to vacate the same property by Salvador Jr., the son and successor-in-interest of Salvador Sr., despite the judicially-approved Compromise Agreement which petitioners neglected to enforce even after the issuance of a writ of execution.

The CA likewise erred in ruling that petitioners' inaction for a period of about 15 years after the issuance of the writ of execution calls for the application of the equitable doctrine of *estoppel* by *laches* under Article 1144 (3)[30] of the New Civil Code. Suffice it to state that said provision pertains to the prescriptive period to enforce or revive a final judgment. Granted that respondents can no longer enforce the judgment in the first unlawful detainer case due to the lapse of the reglementary period to execute the same, they can still file a similar action involving the same property based on the different cause of action.

Under Article 1144 (3), in relation to Article 1152[31] of the New Civil Code and Section 6, Rule 39[32] of the Rules of Court, once a judgment becomes final and executory, the prevailing party may have it executed as a matter of right by mere motion within five (5) years from the date of entry of judgment. If such party fails to have the decision enforced by a motion after the lapse of 5 years, the same judgment is reduced to a right of action which

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[29] Not found on record, but supposedly attached as Annex "A" of Civil Case No. 3931 for Unlawful Detainer.

[30] Article 1144. The following actions must be brought within ten years from the time the right of action accrues:

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(3) Upon a judgment

[31] Art. 1152. The period for prescription of actions to demand the fulfillment of obligation declared by a judgment commences from the time the judgment became final.

[32] Sec. 6. *Execution by motion or by judgment.* – A final and executory judgment or order may be executed on motion within five (5) years from the date of its entry. After the lapse of such time, and before it is barred by the statute of limitations, a judgment may be enforced by action. The revived judgment may also be enforced by motion within five (5) years from the date of its entry and thereafter by action before it is barred by the statute of limitations.

must be enforced by the institution of a petition in a regular court within ten (10) years from the time the judgment becomes final; otherwise, the judgment can no longer be executed, for being barred by *laches*. Verily, the said provisions on enforcement and revival of judgment do not apply to the filing of a subsequent action which is based on a different cause of action.

In *Limpan Investment Corporation v. Sy*,[33] the Court held that although the first action of the owner for the ejectment of the tenant was dismissed by the court under a judgment that became final and executory, such dismissal does not preclude the owner from making a new demand upon the tenant to vacate should the latter again fail to pay the rents due. This is because the second demand for the payment of the rents and for the surrender of the possession of the leased premises and the refusal of the tenant to vacate constitutes a new cause of action. Thus, the action on the first case could not serve as a bar to the second action for ejectment.

Significantly, as the registered owners, petitioners' right to eject any person illegally occupying their property cannot be barred by *laches*.[34] In *Labrador v. Pobre*,[35] the Court held that:

> . . . As a registered owner, petitioner has a right to eject any person illegally occupying his property. This right is imprescriptible and can never be barred by laches. In Bishop v. Court of Appeals, we held, thus:
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> > As registered owners of the lots in question, the private respondents have a right to eject any person illegally occupying their property. This right is imprescriptible. Even if it be supposed that they were aware of the petitioners' occupation of the property, and regardless of the length of that possession, the lawful owners have a right to demand the return of their property at any time as long as the possession was unauthorized or merely tolerated, if at all. This right is never barred by laches.

It bears emphasis that Salvador Jr.'s claim of right of ownership and possession of the subject property is merely anchored on a tax declaration[36] dated October 13, 1978 and a sworn statement of the current and fair market value thereof dated June 23, 1983, both under the name of his father, Salvador Sr. In contrast, petitioners' claim over the subject property is based on TCT No. 20126,[37] a tax declaration[38] and a certification[39] of payment of realty taxes issued under the name of petitioner Diaz Jr. Considering the principles that tax declarations and realty tax payments are not conclusive

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33 243 Phil. 15, 22 (1988).
34 *Spouses Esmaquel and Sordevilla v. Coprada*, 653 Phil. 96, 108 (2010).
35 641 Phil. 388, 396 (2010).
36 CA *rollo*, pp. 26-27.
37 *Id.* at 46-47.
38 *Id.* at 48-49.
39 *Id.* at 50.

proof of ownership or possession, and that a certificate of title under the Torrens system serves as evidence of an indefeasible title to the property in favor of the person whose name appears thereon, the Court holds that petitioners have proven by preponderant evidence better right to ownership and possession of the subject property, and that Salvador Jr.'s occupation is by mere tolerance of petitioners.

The oft-repeated rule is that a person who occupies the land of another at the latter's tolerance or permission, without any contract between them, is bound by an implied promise that he will vacate the same upon demand, failing which a summary action for ejectment is the proper remedy against him.[40] Since Salvador Jr.'s occupation is by mere tolerance of petitioners, he is bound by an implied promise that he will vacate the property upon demand. His status is analogous to that of a lessee or tenant whose term of lease has expired but whose occupancy continued by tolerance of the owner.[41]

On a final note, the adjudication of ownership in an ejectment case may be necessary to decide the question of material possession, but such determination is merely provisional, as it will not bar or prejudice an action between the same parties involving title to the property, if and when such action is brought seasonably before the proper forum.[42]

WHEREFORE, premises considered, the Petition for Review on *Certiorari* is **GRANTED**. The Decision dated April 30, 2013 of the Court of Appeals in CA-G.R. SP No. 115316 is **REVERSED** and **SET ASIDE**, while the Decision dated July 9, 2010 of the Regional Trial Court of Legazpi City, Branch 5, in Civil Case No. 10897 is **REINSTATED**.

SO ORDERED.

DIOSDADO M. PERALTA
Associate Justice

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40 *Catedrilla v. Spouses Lauron*, 709 Phil. 335, 349 (2013).
41 *Id.*
42 *Deanon v. Mag-abo*, 636 Phil. 184, 198 (2010).

WE CONCUR:

ANTONIO T. CARPIO
Associate Justice
Chairperson

ESTELA M. PERLAS-BERNABE
Associate Justice

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

ANDRES B. REYES, JR.
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, Second Division

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