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Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

HEIRS OF ANGEL YADAO,
NAMELY: RUFINA YADAO,
ETHERLYN YADAO-YASAÑA,
RYANTH YADAO, RUTH ANN
YADAO-MANGIBUNONG, DINA
JOYCE YADAO-INES, AND
ANGEL YADAO, JR.; HEIRS OF
JOSEFINA IDICA-YADAO,
NAMELY: LOURDES YADAO-
APOSTOL AND AURORA
YADAO; HEIRS OF OFELIA
YADAO-NACENO, NAMELY:
TEODULFO NACENO, JR.,
AILEEN NACENO, AND IRMA
NACENO-AGPAOA,

Petitioners,

G.R. No. 230784

Members:

GESMUNDO, C.J., *Chairperson,*
CAGUIOA,
LAZARO-JAVIER,
LOPEZ, M., and
LOPEZ, J., *JJ.*

Promulgated:

FEB 15 2022.

-versus-

HEIRS OF JUAN CALETINA,
NAMELY: HOSPICIO
CALETINA, JR., ANICETO
CALETINA, AND FLORIDA
CALETINA,

Respondents.

x

DECISION

LAZARO-JAVIER, J.:

The Case

This petition for review on *certiorari*¹ seeks to reverse and set aside the following issuances of the Court of Appeals in CA-G.R. CV No. 99109

¹ *Rollo*, pp. 15-39.

entitled *Heirs of Juan Caletina*,² namely: *Hospicio Caletina, Jr., Aniceto Caletina, and Florida Caletina v. Angel Yadao, Josephine Yadao, Ernesto Guzman, Arsenio De La Peña, Antonio De La Peña, Sr., Antonio De La Peña, Jr., Ronald Campos, Mario De La Peña, Alfonso Agcaoili, Raisy Evida, Ofelia Naceno, Jaime Coles, and Bella Calina*:

1. **Decision**³ dated February 29, 2016 affirming the trial court's decision declaring respondents as the owners of the parcel of lot covered by Original Certificate of Title No. P-479 (S) and thus entitled to its possession; and

2. **Resolution**⁴ dated December 20, 2016 denying petitioners' motion for reconsideration.

Antecedents

On **June 22, 1993**, respondents heirs of Juan Caletina (Juan), namely Hospicio Caletina, Jr. (Hospicio, Jr.), Aniceto Caletina, and Florida Caletina filed before the Regional Trial Court (RTC), Sanchez Mira, Cagayan, a complaint for ownership and recovery of possession against petitioners' predecessors-in-interest, namely: Angel Yadao (Angel), Josephine Yadao (Josephine), Ernesto Guzman, Arsenio De La Peña, Antonio De La Peña, Sr., Antonio De La Peña, Jr., Ronald Campos, Mario De La Peña, Alfonso Agcaoili, Raisy Evida, Ofelia Yadao-Naceno (Ofelia), Jaime Coles, and Bella Calina.

In their Complaint⁵ dated July 1, 1993, respondents averred that they are the grandchildren and surviving heirs of Juan, the registered owner of a parcel of land denominated as **Lot 1087** of Cadaster 317-D, located at Barangay Taggat Norte, Claveria, Cagayan with a total area of **1,797 square meters** and covered by **Original Certificate of Title (OCT) No. P-479 (S)**. Sometime in **1991**, petitioners occupied the subject land and refused to leave despite their opposition and vigorous prohibition. Thus, they brought the matter to the Barangay Captain of Taggat Norte. They failed to reach an agreement.

The complaint was docketed as Civil Case No. 1868-S and was raffled to RTC-Branch 12, Sanchez Mira, Cagayan, then presided by Judge Leo S. Reyes.

² Spelled as "Calitina" in other portions of the records.

³ Penned by now Supreme Court Associate Justice Ramon Paul L. Hernando and concurred in by retired Supreme Court Associate Justice Jose C. Reyes, Jr. and Associate Justice Stephen C. Cruz; *rollo*, pp. 51-58.

⁴ *Id.* at 48-49.

⁵ Record, pp. 1-4.

In their Answer⁶ dated July 29, 1993 and Amended Answer⁷ dated October 5, 1995, Angel, Josephine, and Ofelia countered that on **September 28, 1962**, their parents Josefina Yadao (Josefina) and Domingo Yadao (Domingo) **bought Lot 1087** for value and in good faith from **Juan's surviving heirs, i.e., his second wife Casiana Dalo (Casiana), and their sons Hospicio, Jose, and William**. The sale was covered by a *Contrata* written in Ilocano:

(CONTRATA)

Ammoen ti suamin a makaimatang;

Dacami Jose Calitina, Hospicio Calitina, William Calitina ken ti inami Marciana Calitina, **nataengan** kami amin ti tawen, naasawaan ken tubo iti daytoy nga ili, palawagenmi ti kinapudnona unay ti inkam nagtutulagan ti panangilacommi ti lote nga tawidmi iti amami a natay, isu nga masarakan ti masasao nga lote ditoy barrio Taggat, Claveria, Cagayan.

Ti lenderos daytoy a lote:

Ammianan ---- Taggat Creek & Seashore

Daya ---- Seashore

Laud ---- Taggat Creek

Bagatan ---- Rafael Guimayen

Lot No. 1087 Cad. 317-[D]

Nagtutulaganmi ngarud nga ilacommi ken ni Mrs. Josefina I. Yadao ket mayawat amin a carbengan kencuana nga isu ti agtaguicua ken ken aglac-am ti aniaman a patauden ti masasao nga lote.

Ket no addanto agriri, dacamto ti makaammo nga agsungbat a cas bileg daytoy a catulagan.

Awaten mi ita nga aldao ti dagup (P850.00) walo gasut ket limapulo a pesos a kas nagtutulaganmi a baler ken bayad daytoy a lote.

Tapno pamatian ti kinapudno daytoy nga kasuratan, agpirma kami amin ditoy babaenna, ita nga aldao Sept. 20, 1962, Claveria, Cagayan.

Dacami:

Jose Calitina (signed)

Hospicio Calitina (signed)

William Calitina (signed)

Marciana Calitina⁸

As translated to English, this *Contrata* stated:

(CONTRACT)

To All Men By These Present;

⁶ *Id.* at 36-40.

⁷ *Id.* at 63-67.

⁸ *Id.* at 371.

We, Jose Calitina, Hospicio Calitina, William Calitina and our mother Marciana Calitina, **all of legal age**, married and residents of this place, confirm the truth of our agreement concerning our sale of the lot that we inherited from our father who had died, which lot is located at Barrio Taggat, Claveria, Cagayan.

This is the lot bound by and referred to:

North ---- Taggat Creek & Seashore
 East ---- Seashore
 West ---- Taggat Creek
 South ---- Rafael Guimayen
 Lot No. 1087 Cad. 317-[D]

We agreed to the sale thereof to Mrs. Josefina I. Yadao and waive all our rights in this lot in her favor and in favor of all her heirs, assigns and privies.

In case of adverse claims, we will answer to and be responsible for all of them.

We acknowledge our receipt today of the amount of Eight-Hundred Fifty Pesos (₱850.00) as agreed value and payment for this lot.

In witness whereof, we sign this agreement below on this date Sept. 20, 1962, Claveria, Cagayan.

We:

Jose Calitina (signed)
Hospicio Calitina (signed)
William Calitina (signed)
Marciana Calitina⁹

Marciana Calitina is also known as *Casiana Dalo Calitina* and *Sianang*.

The *Contrata* was **not notarized**. But Josefina and Casiana executed another Deed of Absolute Sale on **October 15, 1962** on the **same Lot 1087** for the **same price** though this time had it notarized:

DEED OF ABSOLUTE SALE

KNOW ALL MEN BY THESE PRESENTS:

I, CASIANA DALO CALITINA, widow, of legal age, Filipino, and resident of Bo. Taggat, Claveria, Cagayan, hereinafter called the VENDOR, and JOSEFINA I. YADAO, of legal age, Filipino, married to Domingo Yadao, both are residents of Bo. Taggat, Claveria, Cagayan, hereinafter called the VENDEE;

⁹ *Id.*

WITNESSETH:

That for and in consideration of the (sum) of EIGHT HUNDRED PESOS (P850.00) (sic.) Philippine Currency, to me in hand paid by the VENDEE JOSEFINA I. YADAO DOES HEREBY SELL, TRANSFER, AND CONVEY unto said Josefina I. Yadao, his heirs and assigns that certain parcel of land situated in Bo. Taggat, Claveria, Cagayan which is more particularly described as follows to wit:

RESIDENTIAL LOT declared under the Cadastral Survey in Claveria as Lot No. 1087. Bounded on the North by Seashore and Taggat Creek, on the East by Seashore, on the South by Fausto Udac now Rafael Guimayen, with an area of (400 sq. meters) 1,797 sq. m. (Lot 1087), more or less, assessed at P80.00 as described under tax Declaration No. 41054-a.

Of which I am the [a]bsolute owner free from all liens and encumbrances. That the said described parcel of land has not been registered under Act No. 496 now under the Spanish Mortgage Law, the parties having agreed to register under the provision of Act No. 3344.

IN WITNESS WHEREOF, the parties have agreed to sign their hand, in the Municipality of Claveria, Province of Cagayan, Philippines this 13th day of October 1962.

(signed)

 CASIANA CALITINA
 VENDOR

(signed)

 JOSEFINA I. YADAO
 VENDEE

(signed)
 Signed in the presence of: Hospicio Calitina
 (witness)¹⁰

As alleged by petitioners, the **owner's duplicate copy of OCT No. P-479 (S) was delivered to them.** They also averred, without any dispute, that **from the time their parents bought Lot 1087, they had been in public and continuous possession** thereof. The other defendants in the case below were their tenants in Lot 1087. Petitioners maintained that even assuming that no sale was made on Lot 1087, the fact remained that they had been in possession of the lot since 1962 to the present. On the other hand, as petitioners stressed, **respondents brought the matter to court only on June 22, 1993 or more than thirty (30) years after they have taken possession thereof on September 28, 1962.** By petitioners' conclusion, acquisitive prescription has ripened their *de facto* possession of Lot 1087 into legal possession and ownership.

Trial ensued.

¹⁰ *Id.* at 372.

To prove the allegations in the complaint, **Hospicio, Jr.** and his mother Dolores Corpuz-Caletina (Dolores) took the witness stand. They were the **only witnesses** for respondents.

Hospicio, Jr. testified that his father, **Hospicio Caletina, Sr.** (Hospicio, Sr.), was the **only child of his grandfather Juan Caletina** (Juan) **with his wife** – Nicetas Galoran (Nicetas). Casiana was Juan's common law wife after the latter got separated from Nicetas. But Juan and Casiana were never married. He **did not know Jose and William**. He denied selling the Lot 1087 to the Yadaos. In fact, after his grandfather died, his father took over the collection of rent from their tenants. After his father himself died, he and his siblings continued to occupy the subject lot.¹¹

Dolores, on the other hand, testified that Juan was her father-in-law, being the father of **her husband Hospicio, Sr.**

She **admitted** that **Jose and William** were also heirs of **Juan** as his children. She knew **Jose to be Juan's child with another woman** before he (Juan) got married to Nicetas. **William was also Juan's son from another woman** during his marriage to Nicetas.¹² They were the **half-brothers of Hospicio, Sr.**

She also averred that Juan used to live in Hawaii but returned to the Philippines after he had been separated from Nicetas. She and Hospicio, Sr. lived with Juan and his non-marital partner "Sianang" at Lot 1087.

Interestingly, **Dolores admitted against respondents' interest that after Juan had died, they sold, at least going by her admission, a portion of Lot 1087 to petitioners' predecessors-in-interest Domingo and Josefina.** Thus:

x x x x

Q: Where did you construct your house?

A: We built our house in the lot where Juan Caletina's house is located sir.

Q: Are you referring to the land in suit?

A: Yes sir.

Q: Is that house still standing there?

A: No more sir.

Q: Why?

A: We sold it to Mrs. Yadao sir.¹³

x x x x

¹¹ *Rollo*, pp. 100-101.

¹² *Id.* at 102-103.

¹³ TSN, August 19, 1999, p. 10.

COURT:

Q: What was the amount of the sale?

A: P300.00 sir.

Q: Why did you sell that house?

A: They came to ask us to be used as a boarding house of Domingo Yadao sir.

ATTY. PASCUA:

Q: And so you sold the house to Domingo Yadao and Josefina?

A: Yes sir.¹⁴

x x x x

Notably, the **owner's duplicate of OCT No. P-479 (S) was delivered to petitioners' predecessors-in-interest**. Although it is not clear who gave the OCT to them, records bear that **petitioners were the ones who offered this document in evidence**.¹⁵ The **delivery and voluntary cession of the OCT** to their predecessors-in-interest and petitioners' eventual possession thereof were **not contested by respondents**. Respondents were able to offer in evidence **only a certified copy of OCT No. P-479 (S) from the Register of Deeds in Cagayan**.

Petitioners' **predecessors-in-interest occupied and possessed Lot 1087 after its sale on September 28, 1962 and thereafter until the present time**. Dolores did not deny and has never denied this fact. She has **known of their occupation and possession since September 28, 1962**.¹⁶

For their part, petitioner Ofelia reiterated that her parents **bought the subject lot on September 28, 1962 and they have possessed it since that time**. Lot 1087 came with a small house built thereon. The sale was covered by an **unnotarized *Contrata* dated September 28, 1962** and a **notarized Deed of Absolute Sale dated October 15, 1962**. They later **leased portions of Lot 1087 to their co-defendants**.

The remaining portions of Ofelia's testimony touched mainly upon the lessees' names and the details of their lease. Some of the other defendants took the stand regarding their lease agreements with the Yadaos.¹⁷

On July 10, 2009, petitioners filed a motion to dismiss¹⁸ the complaint on ground of lack of jurisdiction. They averred that the RTC had no jurisdiction over the subject matter because the assessed value of Lot 1087

¹⁴ *Id.* at 12.

¹⁵ Exhibit "8", *rollo*, pp. 159-160; record, p. 396.

¹⁶ TSN, August 19, 1999, pp. 15, and 17-18.

¹⁷ *Rollo*, pp. 103-105.

¹⁸ Record, pp. 299-302.

was only ₱5,390.00. Thus, the complaint should have been filed before the Municipal Trial Court (MTC), not with the RTC.

Through Resolution¹⁹ dated January 26, 2010, the trial court granted the motion and dismissed the complaint on ground of lack of jurisdiction.

However, in its Order²⁰ dated February 16, 2010, the trial court granted respondents' motion for reconsideration and reinstated the complaint. It held that the motion to dismiss was filed at the tail end of the hearing when only one witness of petitioner had not testified. Thus, it would be the height of injustice to dismiss the complaint on ground of lack of jurisdiction at that late time of the day.

Ruling of the Regional Trial Court

By Decision²¹ dated November 25, 2011, the trial court **granted respondents' complaint:**

IN VIEW OF THE FOREGOING, judgment is rendered:

1. DECLARING plaintiffs heirs of Juan Caletina – Hospicio Caletina Jr., Aniceto Caletina and Florida Caletina – absolute owners through succession of Lot No. 1087 Cad 317-D covered by Original Certificate of Title No. 479(S) with an area of one thousand seven hundred ninety seven (1,797) sq. meters and located at Taggat, Claveria, Cagayan; and
2. ORDERING defendants Josefina Yadao and Angel Yadao and all those who claim ownership and possession through spouses Domingo Yadao and Josefina Yadao, to restore possession of the above-described land to [the] heirs of Juan Caletina and all the above-named defendants to vacate the land.

IT IS SO DECIDED.²²

The RTC held that there was **no evidence to prove the alleged sale** of Lot 1087 to the Yadaos. The *Contrata* signed by **Hospicio, Sr.**, Jose, William, and Casiana was **not notarized**, hence, it was **only a private document** which was **unenforceable**. The notarized Deed of Absolute Sale, on the other hand, was signed by Casiana who had no authority to do so as she was not a legal heir of Juan Caletina, being his non-marital partner. The RTC also opined that Lot 1087 was acquired during the marriage of Juan to Nicetas.

More, despite the alleged sale, the RTC faulted petitioners for failing to transfer the title to Lot 1087 to their names, and not presenting retired

¹⁹ *Id.* at 314-315.

²⁰ *Id.* at 323.

²¹ Penned by Executive Judge Leo S. Reyes; *rollo*, pp. 99-109.

²² *Id.* at 109.

RTC Judge Eugenio Tangonan, Jr. who had allegedly notarized the Deed of Absolute Sale. The RTC finally ruled that petitioners **could not have acquired Lot 1087 through prescription** because it was covered by a Torrens title.²³

Ruling of the Court of Appeals

By its assailed Decision²⁴ dated February 29, 2016, the Court of Appeals affirmed.

The appellate court concurred with the trial court that **prescription and laches would not apply to registered lands. Thus, as lawful owners of Lot 1087 through succession, respondents have the right to reclaim its possession.**

The Court of Appeals further ruled that, as between an **unregistered deed of sale** and a **Torrens title**, the latter has more probative weight. Petitioners **cannot rely on the tax declarations** in the name of Casiana and Josefina since tax declarations do not conclusively prove ownership. In any event, the tax declarations reflect that the property was only 400 square meters, while the subject land consists of 1,797 square meters.

In its assailed Resolution²⁵ dated December 20, 2016, the Court of Appeals denied petitioners' motion for reconsideration.

The Present Petition

Petitioners pray that the assailed issuances of the Court of Appeals be reversed and the complaint, dismissed. They assert that:

a) The complaint should have been dismissed on the ground of lack of jurisdiction. The tax declarations submitted by respondents show that Lot 1087 had an assessed value of only ₱5,390.00, way below the jurisdictional amount for RTCs.²⁶

b) Respondents' right to question their (petitioners) title and possession of the subject lot by virtue of the *Contrata* and Deed of Absolute Sale had already prescribed as the challenge was raised way beyond the 10-year prescriptive period.²⁷

c) Respondents never specifically denied the genuineness and due execution of the *Contrata* and Deed of Absolute Sale.

²³ *Id.* at 106-108.

²⁴ *Supra*, note 3.

²⁵ *Supra*, note 4.

²⁶ *Rollo*, pp. 22-23.

²⁷ *Id.* at 25.

d) Although the *Contrata* was unnotarized, it is binding upon the heirs of the signatories including respondents herein. The presumption of regularity favors the notarized Deed of Sale and this is especially true as the sale was coupled with the delivery of OCT No. P-479 (S). As a result, it was they who offered in evidence this OCT. More, the Deed of Sale cannot be disregarded on the ground that Casiana was not the legal heir of Juan because there was no proof that Casiana was not legally married to Juan.²⁸

e) They have acquired Lot 1087 through prescription because they have occupied the subject land for more than thirty (30) years.²⁹

In their Comment³⁰ dated October 29, 2017, respondents riposte that:

1) Petitioners are already estopped in questioning the jurisdiction of the trial court over the subject matter of the case. They raised the issue only in 2009 when they were already about to present their last witness.³¹

2) Respondents cannot raise the defense of acquisitive prescription as this defense is unavailing not only against the registered owner but also the latter's heirs.³²

3) Petitioners are not the owners of Lot 1087. Hospicio, Jr. vehemently denied having signed the *Contrata* and he could not have given valid consent to the sale considering that he was only fourteen (14) years old at the time it was executed in 1962.

4) The Deed of Absolute Sale, on the other hand, is void as it was signed by Casiana who had no claim or right to Lot 1087. Although Juan was described as "married to Casiana Dalo" in OCT No. P-479 (S), the same is a mere description. Also, the truth is that, Casiana and Juan were never married. There was no evidence to prove this.³³

Issues

1. Did the trial court have jurisdiction over the subject matter of the complaint?

2. Did petitioners acquire ownership of the subject lot through acquisitive prescription?

3. Is respondents' action already barred by prescription?

²⁸ *Id.* at 26-30.

²⁹ *Id.* at 33-37.

³⁰ *Id.* at 213-227.

³¹ *Id.* at 214-215.

³² *Id.* at 218 and 224-226.

³³ *Id.* at 216 and 219-222.

4. Is there a valid and binding contract selling Lot 1087 to the Yadaos?

Ruling

Subject Matter Jurisdiction

Petitioners are already **estopped** from questioning the **jurisdiction** of the RTC **over the subject matter** of the present case.

The **general rule** is that the issue on jurisdiction over the subject matter may be raised at any time in the proceedings, even on appeal.

By way of an **exception**, however, *Tijam v. Sibonghanoy*³⁴ has ruled that **estoppel by laches** may bar a party from invoking lack of jurisdiction when the issue is **raised later in the proceedings of the case and only after the party raising the argument has actively participated during trial and lost**.

The delay in raising the argument and the moving party's participation in the proceedings has led the court and the opposing party of the waiver of this issue, and as a result, the belated claim if considered and more so if granted would be inefficient and iniquitous as it is opportunistic.³⁵ Notably, by the time the jurisdictional challenge is raised long into the proceedings: (i) scarce judicial resources have been spent determining the merits of the claims; (ii) the truth-seeking function of the subsequent proceedings would be severely compromised due to the long passage of time and the resultant loss of evidence and/or interest in re-litigating the same claims already passed upon; and (iii) the moving party is wagering on the basis of the latter's success or failure in the originating proceedings.

Here, the complaint was initiated on July 1, 1993. Petitioners filed their Answer³⁶ on July 30, 1993 and their Amended Answer³⁷ in October 1995. Petitioners filed a Second Amended Answer³⁸ on October 24, 2008. Pre-trial and trial commenced as early as January 1994. Yet, petitioners raised the issue of jurisdiction only on July 17, 2009³⁹ or sixteen (16) years after the complaint was filed. The trial was on going for years. In fact, petitioners, as defendants, was about to present their *last* witness.

Petitioners' ground for this argument was well-known to them from the start. They based their claim on the assessed value of the subject lot as stated in the tax declaration submitted by respondents. Petitioners could not

³⁴ 131 Phil. 556 (1968).

³⁵ *Amoguis v. Ballado*, G.R. No. 189626, August 20, 2018, 878 SCRA 1, 33.

³⁶ *Supra*, note 6.

³⁷ *Supra*, note 7.

³⁸ Record, pp. 270-273.

³⁹ See Motion to Dismiss dated July 10, 2009; record, pp. 299-302.

have been **but be aware** of this amount since they also assert that they have been paying real estate taxes on Lot 1087 since 1962. Thus, they could have raised the issue on jurisdiction in their original answer back in 1993. Yet they did not. Petitioners slept on their right to claim this defense.

Acquisitive prescription

Section 47 of Presidential Decree No. 1529 (PD 1529) declares that “no title to registered land in derogation of the title of the registered owner shall be acquired by prescription or adverse possession.” *Heir of Cardenas v. The Christian and Missionary Alliance Churches of the Philippines, Inc.*⁴⁰ ruled that the ownership and possession of registered land **cannot be obtained or acquired by prescription** no matter the length of time of one’s physical occupation and exercise of juridical rights of possession over the land.

Hence, since ownership cannot be gained through this means, it follows that the registered owner is not automatically dispossessed of the registered land and foreclosed from getting it back through the passage of time as the registered owner may resort to *appropriate* remedies to recover the property. ***Appropriateness, however, requires that the rule on extinctive prescription as explained below has not set in.***

Acquisitive prescription has a wide scope of impact as to the persons or individuals protected. Thus, as consistently re-stated, this rule is unavailing not only against the registered owner but also against their hereditary successors because the latter merely step into the shoes of the decedent by operation of law and are merely a continuation of the personality of their predecessor-in-interest.

Extinctive Prescription

Extinctive prescription refers to the **rule that bars even the registered owner from availing of remedies to vindicate their right** over the subject lot. It is a **shield rather than a sword** – the *mere fact* that the party seeking recovery can no longer sue the party in possession does not mean *automatically* that the latter *already has* the right to possess or own. The present case demonstrates the legal principle that **the law aids the vigilant, not those who slumber on their rights. *Vigilantibus, sed non dormientibus jura subvernunt.***⁴¹

Pangasinan v. Disonglo-Almazora⁴² is explicative:

⁴⁰ G.R. No. 222614, March 20, 2019, 898 SCRA 1, 20; also see *Philippine Development Alternatives Foundation, Inc. v. Fortune Tobacco Corp.*, G.R. No. 209090 (Notice), September 23, 2020.

⁴¹ See *Pangasinan v. Disonglo-Almazora*, 762 Phil. 492 (2015).

⁴² *Id.*

1

The action has prescribed.

On the basis of prescription of actions, the pending petition must also be denied. **Petitioners argue that prescription shall not lie against their action because a registered land under Section 47 of P.D. No. 1529 cannot be acquired through prescription. The argument is patently erroneous.**


There are **two kinds of prescription** provided in the Civil Code. One is **acquisitive**, that is, the acquisition of a right by the lapse of time as expounded in paragraph 1, Article 1106. Acquisitive prescription is also known as **adverse possession** and *usucapcion*. The other kind is **extinctive prescription** whereby rights and actions are lost by the lapse of time as defined in paragraph 2, Article 1106 and Article 1139. Another name for extinctive prescription is **litigation of action**. These two kinds of prescription should **not be interchanged**.

In a plethora of cases, the Court has held that **Section 47 of P.D. No. 1529 covers acquisitive prescription**. A registered land therein can never be acquired by adverse possession. In the case at bench, **however**, it was **extinctive prescription**, and **not acquisitive prescription**, which **barred the action** of petitioners. As the CA correctly held, the *action must fail, not because respondents adversely occupied the property, but because petitioners failed to institute their suit within the prescriptive period* under Article 1144 of the Civil Code.

To determine the **applicable period of extinctive prescription**, the nature and circumstances of the case should be considered. According to petitioners, the owner's duplicate certificate of title was given to Conrado for safekeeping in 1945. Allegedly, Conrado employed **fraud and bad faith** when he drafted the Adjudication and Absolute Sale of a Parcel of Registered Land on January 9, 1949, and transferred the title of the land to his name with the issuance of TCT No. 35282 on June 17, 1965; and because of the purported fraud committed by Conrado against petitioners, an implied constructive trust was created by operation of law, with Conrado as trustee and Aurora as *cestui que trust*.

Constructive trusts are created by the construction of equity in order to satisfy the demands of justice and prevent unjust enrichment. Article 1456 of the Civil Code provides that a person acquiring property through fraud becomes, by operation of law, a trustee of an implied trust for the benefit of the real owner of the property. It is now well-settled that the prescriptive period to recover property obtained by fraud or mistake, giving rise to an implied trust under Article 1456 of the Civil Code, is 10 years pursuant to Article 1144. The prescriptive period to enforce the constructive trust shall be counted from the alleged fraudulent registration or date of issuance of the certificate of title over the property. **The ten-year prescriptive period applies only if there is an actual need to reconvey the property as when the plaintiff is not in possession of the property.**

In this case, **the ten-year prescriptive period is squarely applicable because Conrado and his family, not petitioners, were in possession of the property**. The subject property was registered in the name of Conrado on June 17, 1965, and this should be the starting point of the ten-year period. Petitioners, thus, had until June 17, 1975 to enforce the implied trust and assert their claim over the land. As properly held by



the CA, petitioners belatedly instituted their judicial claim over the land on May 9, 1996. **Indeed, with the lapse of the prescriptive period to file an action, petitioners could no longer seek relief from the courts.** (*Emphasis supplied*)⁴³

Hence, the result of the successful invocation of this rule is that while the registered owner keeps their substantive right over the lot, since acquisitive prescription is not a mode of acquiring ownership of a registered land, they are **nonetheless prevented by law from invoking the legal remedies otherwise available** to them. When extinctive prescription sets in, the damage done to the registered owner is not recognized as a legal injury – a legal case of *damnum absque injuria* – and they do not stand to enjoy any legal relief so far as their property (in both senses of *title* or *right* and the tangible lot) is concerned.

Of course, the party invoking extinctive prescription may end up being declared the lawful possessor or owner of the disputed lot. This declaration, however, is not *per se* the relief arising from extinctive, much less acquisitive, prescription. Rather, **this relief is the result of the evidence on the counterclaim** if any of the **party's lawful right** as possessor or owner. The reason for this is that, to stress, **extinctive prescription is a shield rather than a sword.**

The rule is that **extinctive prescription does not lie against the heirs of the registered owner** seeking recovery of the disputed lot in **two instances: first**, if the **heirs are in actual possession** of the lot; and **second**, if the **conveyance** to the party in possession of the lot is **unlawful, void, or non-existent**. In either of these instances, the **action to recover the lot is imprescriptible.**

Here, it is **not disputed** that **petitioners** are the ones **in possession** of the lot. Thus, the *first* instance does **not** apply.

As regards the *second* instance, *Department of Education, Culture and Sports v. Heirs of Banguilan*⁴⁴ has explained this rule, as follows:

In *Casibang*, the Court ruled in favor of a registered owner and upheld the indefeasibility and incontrovertibility of a registered title as against the school's possession by mere tolerance. In said case, the registered owner therein allowed the construction and operation of a school on a portion of his property because he had no use of it at the time. **However, when his successors-in-interest sought to recover possession of the lot, the DepEd refused alleging that its possession was in the concept of an owner because it had purchased it from the original registered owner. The Court ruled against the DepEd because it failed to produce any competent proof of transfer of ownership.** Hence, their

⁴³ *Id.* at 505-507.

⁴⁴ 833 Phil. 943 (2018).

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possession of the subject property was only by mere tolerance and not in the concept of an owner. The Court held:

It is undisputed that **the subject property is covered by OCT No. O-627, registered in the name of the Juan Cepeda. A fundamental principle in land registration under the Torrens system is that a certificate of title serves as evidence of an indefeasible and incontrovertible title to the property in favor of the person whose name appears therein.** Thus, the certificate of title becomes the best proof of ownership of a parcel of land.

As registered owners of the lots in question, the 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 petitioner's 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.

Case law teaches that those who occupy the land of another at the latter's tolerance or permission, without any contract between them, are necessarily bound by an implied promise that the occupants will vacate the property upon demand.⁴⁵ (Emphasis supplied.)

The **rule of imprescriptibility** protects not only the **registered owner** but also the **latter's heirs** because they step into the shoes of the decedent by operation of law and are the continuation of the personality of their predecessor-in-interest.

The rule applied in *Department of Education, Culture and Sports* was affirmed in *Heirs of Cardenas v. The Christian and Missionary Alliance Churches of the Philippines, Inc.*,⁴⁶ *Aledro-Ruña v. Lead Export and Agro-Development Corporation*,⁴⁷ and *Bangis v. Heirs of Adolfo*,⁴⁸ among others, where the possession of the other party was adjudged to be void, unlawful or non-existent.

For clarity, the **rule** in these precedents is that where there was **no lawful conveyance** of the lot to the party in possession, or the conveyance is **void** or **non-existent** and the lot **continues to be under the name of the original registered owner**, the action to recover by the latter's heirs who did not convey the lot is **imprescriptible**.

For purposes of extinctive prescription, *Uy v. Court of Appeals*⁴⁹ carefully **distinguishes** between *conveyance* that is totally **void**, **unauthorized**, or **non-existent** and *conveyance* that is **vitiated by fraud** or **mistake**:

⁴⁵ *Id.* at 955-956.

⁴⁶ G.R. No. 222614, March 20, 2019; 898 SCRA 1.

⁴⁷ 836 Phil. 946 (2018).

⁴⁸ 687 Phil. 437 (2012).

⁴⁹ 769 Phil. 705 (2015).

The foregoing cases on the **prescriptibility of actions for reconveyance apply when the action is based on fraud, or when the contract used as basis for the action is voidable.** Under Article 1390 of the Civil Code, a contract is voidable when the consent of one of the contracting parties is vitiated by mistake, violence, intimidation, undue influence or fraud. **When the consent is totally absent and not merely vitiated, the contract is void.** An action for reconveyance may also be based on a void contract. **When the action for reconveyance is based on a void contract, as when there was no consent on the part of the alleged vendor, the action is imprescriptible.** The property may be reconveyed to the true owner, notwithstanding the TCTs already issued in another's name. The issuance of a certificate of title in the latter's favor could not vest upon him or her ownership of the property; neither could it validate the purchase thereof which is null and void. Registration does not vest title; it is merely the evidence of such title. Our land registration laws do not give the holder any better title than what he actually has. Being null and void, the sale produces no legal effects whatsoever.

Whether an action for reconveyance **prescribes or not** is therefore **determined by the nature of the action**, that is, whether it is **founded on a claim of the existence of an implied or constructive trust**, or one **based on the existence of a void or inexistent contract.** This is evident in several of our past decisions. x x x⁵⁰

Our erudite colleague, Justice Alfredo Benjamin Caguioa, painstakingly parsed the evidence to prove that petitioners' predecessors-in-interest **must have purchased only a portion** of Lot 1087 while the rest of this lot is **unlawfully occupied by petitioners.** He thus dissented stating in summary:

This sole dissent is premised on decisive factual indications that appear to belie the ponencia's findings, as they find support in the records of the case, and ultimately buttress the legal conclusion that what was lawfully conveyed to Josefina Yadao, if any, was at best a portion of the subject property, and not the whole of it, as the petitioners so claim. Consequently, with respect to the unsold/unconveyed portions of the subject property, the same cannot be deemed to have been lawfully conveyed to petitioners' predecessors-in-interest, and therefore are not covered by the applicability of the extinctive prescription.

Justice Caguioa also referred to Dolores' testimony that she and her husband (the person who sold Lot 1087) Hospicio, Sr. merely transferred residence within Lot 1087 after the sale of their house to petitioners' predecessors-in-interest.

While very much respectfully considered, the dissent, we rule, has no solid legal anchor.

For one, **Dolores' testimony is not dispositive that Lot 1087 was not sold entirely to petitioners' predecessors.** The hard fact remains that the buyers of Lot 1087, or petitioners' predecessors were able to possess the **entirety of Lot 1087** after the execution of several documents and the

⁵⁰ *Id.* at 720-721.

parties' own recollections regarding the sale of Lot 1087 and the fact that petitioners and their predecessors-in-interest were even able to lease portions thereof while occupying the remainder – **without any objections from respondents for 31 long years**. We cannot now favor respondents' claim on the basis of faulty recollections since, as stated, petitioners and their predecessors have long exercised the rights of ownership over the **entirety of Lot 1087**.

Contrary to Justice Caguioa's well-considered opinion, the burden is upon respondents to prove to all and sundry that more likely than not the sale was not of the whole of Lot 1087, which means that they ought to explain why they said nothing for 31 years **notwithstanding that petitioners and their predecessors have long been exercising ownership rights over every part and portion of Lot 1087 for these number of years and even more**.

Further, respondents' predecessor-in-interest, **Hospicio, Sr.**, was himself **one of the sellers of Lot 1087** as clearly mentioned in the *Contrata*.

True, the lot is a registered lot and registered until today in the name of Juan Caletina, the **ultimate** predecessor-in-interest referred to by **both petitioners and respondents**. True, as well, the *Contrata* was **unnotarized**.

These truths, however, do **not** affect the **validity** and **enforceability** of the **presumably unregistered** and **factually unnotarized** sale. An **unregistered** and **unnotarized** sale is **valid** and **enforceable** against the **parties** to the sale. **Hospicio, Sr.**, respondents' predecessor-in-interest, is **bound** by the sale.

We held in *Heirs of Biona v. Court of Appeals*:⁵¹

We agree with the private respondent that **all the requisites for a valid contract of sale are present** in the instant case. For a **valuable consideration** of ₱4,500.00, Soledad Biona **agreed to sell and actually conveyed the subject property** to private respondent. The fact that the **deed of sale was not notarized** does **not render the agreement null and void** and **without any effect**. The provision of Article 1358 of the Civil Code on the **necessity of a public document is only for convenience**, and **not for validity or enforceability**. The observance of which is only necessary **to insure its efficacy**, so that after the **existence of said contract** had been admitted, the party bound may be compelled to execute the proper document. Undeniably, a contract has been entered into by Soledad Biona and the private respondent. **Regardless of its form**, it was **valid, binding and enforceable between the parties**. We quote with favor the respondent court's ratiocination on the matter:

xxx The trial court cannot dictate the manner in which the parties may execute their agreement, unless the law otherwise provides for a prescribed form, which is not so in this case. The deed of sale so executed, although a private

⁵¹ 414 Phil. 297 (2001).

document, is effective as between the parties themselves and also as the third persons having no better title, and **should be admitted in evidence for the purpose of showing the rights and relations of the contracting parties** (Carbonell v. Court of Appeals, 69 SCRA 99; Elumbaring v. Elumbaring, 12 Phil. 384). Under Art. 1356 of the Civil Code, **contracts shall be obligatory in whatever form they may have been entered into provided all the essential requisites for their necessary elements for a valid contract of sale were met** when Soledad Biona agreed to sell and actually conveyed Lot 177 to defendant-appellant who paid the amount of ₱4,500.00 therefore. The deed of sale (Exh. 2) is **not made ineffective merely because it is not notarized or does not appear in a public document**. The contract is binding upon the contracting parties, defendant-appellant and Soledad Biona, including her successors-in-interest. Pursuant to Art. 1357, plaintiffs-appellees may be compelled by defendant-appellant to execute a public document to embody their valid and enforceable contract and for the purpose of registering the property in the latter's name (Clarín v. Rulona, 127 SCRA 512; Heirs of Amparo v. Santos, 108 SCRA 43; Araneta v. Montelibano, 14 Phil. 117).⁵²

Since Hospicio, Sr. as respondent's **predecessor-in-interest** already **sold his property** in Lot 1087, together with his half-brothers, **respondents no longer have any valid and enforceable claim** to this lot.

Much has been said too about **Juan's spouse, Nicetas**, as one of Juan's heirs. But there is **no evidence of her having laid any claim herself** to Lot 1087. In fact, when Dolores and Hospicio, Sr. lived with Juan at Lot 1087, it was already Juan's non-marital partner Sianang who lived with them. Neither may respondents lay any rights-based claim to the lot on behalf of Nicetas **except for Hospicio, Sr.'s status as her heir** who as such, nonetheless, already **sold his property over Lot 1087** on September 28, 1962.

As a result, we **cannot** accept Justice Caguioa's claim that there was *no valid or even enforceable sale* of Lot 1087 to petitioners and their predecessors-in-interest, *or* that the sale was *only for a portion* thereof. As stated, the unnotarized *Contrata* signed by **Hospicio, Sr.** and his half-brothers sold to petitioners' predecessors-in-interest the **whole** of Lot 1087 for ₱850, and not only for 400 square meters as subsequently intercalated in the notarized Deed of Sale that Hospicio, Sr. witnessed. But whether for the whole of Lot 1087 or 400 square meters thereof, Hospicio, Sr. **more likely than not agreed** to these series of sales since the **certificate of title for the whole of Lot 1087 was delivered** to petitioners' predecessors-in-interest *as* they too at once **occupied the entire lot, and collected rentals** from the

⁵² *Id.* at 307-308.

lessees of the portions they did not occupy – **without objection** from Hospicio, Sr. and Dolores.

Given these factual circumstances, petitioners' present occupation and possession of Lot 1087 is **not unlawful, void, or based on non-existent claim**. They **have long planted themselves on Lot 1087** under the **series of sales** by the **heirs of the registered owner – without any objection from any of them** until 1993 when the relevant parties are long dead, truthful memory has faded and compromised, and crucial evidence may no longer be availed of. For this reason, respondent's action to recover the lot is definitely **not** imprescriptible. It will be both **inefficient** and **unfair** to the **truth-seeking** and **grievance-redressing** functions of the courts to **insist** that *prescription has not set in*.

To stress, respondents are **now barred from assailing** the sale of **Lot 1087** and **petitioners' possession of this lot** by reason of **extinctive prescription**.

The **reckoning point** for extinctive prescription to set in was when the **right** of respondents' predecessors-in-interest, *i.e.*, Hospicio, Sr. as Dolores' spouse and respondents' father, who was the heir of Juan, **accrued** and was **violated**. This was when Juan **died** and Hospicio, Sr. **acquired property** (in the sense of rights) by **succession** to Lot 1087 **and** when this lot was **sold to** and **possessed** and **openly occupied** by petitioners' predecessors-in-interest, **whichever came later**.

Here, this means that the starting date for extinctive prescription was **September 28, 1962** and has since been **interrupted only on June 22, 1993** when the complaint was filed with the RTC. Hospicio, Sr. **could not have but known** of his **right to Lot 1087** and the **violation of his right** because –

- (i) **he himself sold** this lot to petitioners' predecessor-in-interests on **September 28, 1962**, and
- (ii) they **at once openly possessed Lot 1087** by **physical occupation** for their own use and by **leasing** portions thereof to other individuals.

By **June 22, 1993**, when the complaint for recovery of Lot 1087 was filed with the RTC, the **ultimate** and **all-encompassing** prescriptive period of **31 years** had **already lapsed**. It **no longer matters** whatever respondents' cause of action was – contract or constructive trust arising from a mistake or even fraud. The **super** prescriptive period has **set in**. With the lapse of the prescriptive period to file an action, respondents **could no longer seek relief** from the courts.

We invoke the **singular outcome** of our rulings in *Pangasinan v. Disonglo-Almazora* and *Heirs of Biona v. Court of Appeals* to refute further Justice Caguioa's well-considered opinions. If respondents do have any cause of action at all, they **surely have lost it when Hospicio, Sr. sold**

the entirety of Lot 1087 and **witnessed without objection for more than 30 years** the supposed sale of 400 square meters thereof, the **physical occupation** by petitioners' predecessors-in-interest of portions of Lot 1087 for their own use, and their **collection of rentals** from and **other forms of juridical possession** of those portions of this lot not physically occupied by them.

Indeed, the law aids only the vigilant, not those who slumber on their rights.⁵³ *Vigilantibus, sed non dormientibus jura subverniant.*

Valid and binding contract

While it is a well-established rule that the Court is not a trier of facts and will not delve into evidentiary matters, this Court can exercise its discretion in undergoing a close examination of the testimonial and documentary evidence on record where the findings of fact of the lower courts are not supported by the record or are so glaringly erroneous as to constitute a serious abuse of discretion.⁵⁴

Here, both the trial court and the Court of Appeals arrived at a similar finding of fact and legal conclusion that respondents are the true owners of Lot 1087. They both held that petitioners have no claim of ownership over Lot 1087 based on the *Contrata* dated September 28, 1962 because it was unenforceable being a mere private instrument for lack of notarization, and the Deed of Sale dated October 15, 1962 did not confer ownership as it was void since the party identified as the seller – Casiana Dalo – was not the owner of Lot 1087.

We agree with the lower courts' unified pronouncements that respondents cannot claim ownership over the subject lot from the Deed of Sale dated October 13, 1962 between Marciana or Casiana Dalo Calitina (or Caletina) and Josefina, because Casiana was never its owner. It is an established principle that no one can give what one does not have, *nemo dat quod non habet*. A buyer can acquire no more than what the seller can legally transfer.⁵⁵

It bears emphasis that aside from the phrase "*Juan Caletina, Filipino, of legal age, married to Casiana Dalo*" in OCT No. P-479 (S), no other evidence was submitted to prove that Casiana Dalo was indeed married to or in any manner an heir of Juan Caletina. On the contrary, respondents presented the marriage certificate⁵⁶ between Juan Caletina and Nicetas Galoran. There was dearth of proof that Juan and Nicetas' marriage was ever

⁵³ Supra, note 41.

⁵⁴ See *Heirs of Cardenas v. The Christian and Missionary Alliance Churches of the Philippines, Inc.*, G.R. No. 222614, March 20, 2019; 898 SCRA 1, 9.

⁵⁵ See *Tamayao v. Lacambra*, G.R. No. 244232, November 03, 2020.

⁵⁶ Record, p. 142.

annulled or declared a nullity or she was dead when Juan and Casiano were allegedly married.

On this score, *Banguis-Tambuyat v. Balcom-Tambuyat*⁵⁷ is binding.

In *Tambuyat*, Adriano M. Tambuyat was married to Wenifreda Balcolm-Tambuyat. They separated in fact. Later, Adriano and one Rosario were allegedly married. Adriano acquired some properties including a 700-square meter parcel of land located at *Barangay* Muzon, San Jose del Monte, Bulacan. For this sale, TCT No. T-145321(M) was registered in the name of “Adriano M. Tambuyat *married to* Rosario E. Banguis.” Adriano died intestate. Wenifreda, as Adriano’s spouse, sought the cancellation of TCT No. T-145321(M) on the ground that it was erroneously registered to “Adriano M. Tambuyat *married to* Rosario E. Banguis”. In granting the petition for cancellation, both the trial court and the Court of Appeals held that the inclusion of Rosario’s name in TCT No. T-145321(M) was an error or mistake. In affirming this, the Court held:

As correctly ruled by the appellate court, the preponderance of evidence points to the fact that Wenifreda is the legitimate spouse of Adriano. Documentary evidence – among others, the parties’ respective marriage contracts, which, together with marriage certificates, are considered the primary evidence of a marital union – indicates that Adriano was married to Wenifreda, while Banguis was married to Nolasco – and both marriages were subsisting at the time of the acquisition of the subject property and issuance of the certificate of title thereto. Thus, it cannot be said that Adriano and Banguis were husband and wife to each other; it cannot even be said that they have a common-law relationship at all. Consequently, Banguis cannot be included or named in TCT T-145321 as Adriano’s spouse; the right and privilege belonged to Wenifreda alone.

Thus, the phrase “married to Casiana Dalo” in OCT No. P-479 (S), on its own, is not evidence and does not constitute proof, whether presumptive or conclusive, that Juan and Casiana were married. Absent any other evidence that Casiana and Juan were married or that she is the latter’s heir or that she has in any other way a juridical tie to or right over the lot, Casiana could *not* have validly sold or transferred any right in it to petitioners’ predecessor-in-interest Josefina Yadao.

We, however, **disagree** with the trial and appellate courts that petitioners cannot claim ownership over Lot 1087 through the *Contrata* dated September 28, 1962 *because it was not notarized*.

Article 1358 of the *Civil Code*⁵⁸ states that a contract that transmits or extinguishes real rights or in any manner deals with immovable property is

⁵⁷ 756 Phil. 586 (2015).

⁵⁸ Art. 1358. The following must appear in a public document:

to be embodied in a public document. Nonetheless, *as already mentioned above*, it is a settled rule that **the failure to observe the proper form prescribed by Article 1358 does not render the acts or contracts invalid**. This is because the **purpose of Article 1358** is merely to suggest a **convenient form** in which to deal with real rights, convenience being measured in terms of the ease by which to prove the underlying transaction over the immovable.

Thus, although a conveyance of land is not made in a public document, **this form does not affect the validity of such conveyance**. As referenced above, the form mentioned under Article 1358 is *not essential to the validity or even the enforceability* of the embodied agreement or transaction, but is intended for convenience. So long as the **elements of consent, cause, and consideration** are present, the binding effect of a contract in any other form extends to the parties and their heirs and assigns.⁵⁹ As a result, even an oral contract involving real rights produces legal effects **between the parties, their heirs, and assigns**.

Thus, *as already adverted to above*, it was **grave error** on the part of the trial court and the Court of Appeals **to have completely ignored the *Contrata*** simply because it was not notarized.

We must not also forget that respondents' own witness, Dolores, respondents' mother, categorically affirmed the presence of all the elements of a valid sale when she testified that after Juan had died, they sold Lot 1087 to petitioners' predecessors-in-interest – Domingo and Josefina.⁶⁰ As respondents themselves admitted this sale, and the fact that the owner's duplicate copy of OCT No. P-479 (S) was delivered contemporaneously to petitioners' predecessors, petitioners can justify their occupation and possession of the lot on the basis of this other sale, regardless of the form, *oral or written, notarized or unnotarized*, in which this sale was embodied.

On this, *as we reiterate the case law referenced above*, the Court's pronouncement in *Diamnoc v. Buenaventura*⁶¹ is similarly instructive:

It must be remembered, however, that **“the absence of notarization of the deed of sale would not invalidate the transaction evidenced therein”**; it merely **“reduces the evidentiary value of a document to that of a private document, which requires proof of its due execution and authenticity to be admissible as evidence.”** x x x

x x x Article 1358 of the Civil Code requires that the form of a contract that transmits or extinguishes real rights over immovable property should be in a public document, yet the failure to observe the proper form does not render the

(1) Acts and contracts which have for their object the creation, transmission, modification or extinguishment of real rights over immovable property; sales of real property or of an interest therein governed by Articles 1403, No. 2, and 1405; x x x x

⁵⁹ See *Sps. Pontigon v. Heirs of Sanchez*, 801 Phil. 1042, 1064-1605 (2016).

⁶⁰ TSN, August 19, 1999, pp. 10-12.

⁶¹ 828 Phil. 479 (2018).

transaction invalid. The necessity of a public document for said contracts is only for convenience; it is not essential for validity or enforceability. Even a sale of real property, though not contained in a public instrument or formal writing, is nevertheless valid and binding, for even a verbal contract of sale or real estate produces legal effects between the parties. Consequently, when there is a defect in the notarization of a document, the clear and convincing evidentiary standard originally attached to a duly-notarized document is dispensed with, and the measure to test the validity of such document is preponderance of evidence.

x x x x

Thus, following the above pronouncements, the remaining judicial task, therefore, is to determine if the deed of sale executed by and between the parties should be upheld. The RTC and the CA are unanimous in declaring that **the deed should be sustained on account of petitioner's failure to discredit it with her evidence.** The CA further found that petitioner and her husband **received in full the consideration** of P200,000.00 for the sale. As far as the lower courts are concerned, **the three requirements of cause, object, and consideration concurred.** x x x

x x x x

It is also a well-settled principle that "the law will not relieve parties from the effects of an unwise, foolish or disastrous agreement they entered into with all the required formalities and with full awareness of what they were doing. Courts have no power to relieve them from obligations they voluntarily assumed, simply because their contracts turn out to be disastrous deals or unwise investments. Neither the law nor the courts will extricate them from an unwise or undesirable contract which they entered into with all the required formalities and with full knowledge of its consequences."⁶² (Emphasis supplied)

In sum, the fact that the *Contrata* was not notarized **does not mean** that there was *no sale* of Lot 1087 between the Caletina's (or Calitina) and the Yadaos. As discussed, even an oral sale of a real property is **valid and binding between the parties, their heirs, and assigns.**

More important, the Court **cannot turn a blind eye** to the **other pieces of evidence** proving that: (i) respondents' privies themselves **in fact sold supposedly** a portion of Lot 1087 to petitioners' predecessors-in-interest; (ii) the **owner's** duplicate copy of the **OCT** for the **whole of Lot 1087 was delivered contemporaneously** to petitioners' predecessors-in-interest; and (iii) on September 28, 1962, contemporaneously with the execution of the *Contrata*, petitioners **started their occupation and possession** of the **entirety** of Lot 1087 **with respondents' privies' knowledge and without complaints from them and their successors-in-interest** until well into **June 22, 1993.**

⁶² *Id.* at 489-491.

All in all, what is clear from the evidence is that the heirs of Juan sold Lot 1087 to petitioners' predecessors-in-interest and petitioners and their successors occupied and possessed the **entire** lot. There were admissions to this effect from respondents themselves and respondents did not complain for **thirty-one (31) years** until June 22, 1993. By then, respondents have compromised the **truth-seeking** and **grievance-redressing** functions of the RTC as a result of the fact that relevant parties are long dead, truthful memory has faded and compromised, and crucial evidence may no longer be availed of. It is thus **now too late for respondents to assail and for the courts to upend** the validity and enforceability of the *Contrata*. As we have concluded above, since there is **nothing** in and about the *Contrata* that makes it invalid and unenforceable, and in view of the **presence of all the elements of a valid and enforceable sale**, the *Contrata* must be **upheld in toto** to affirm the validity of petitioners' ownership including of course possession of the whole of Lot 1087.

To reiterate, as regards Juan's spouse, **Nicetas**, she being the mother of **Hospicio, Sr.** and the grandmother of respondents in the marital or legitimate line, her share when Juan died, as respondents themselves suggest, was **already inherited by Hospicio, Sr.** and included in their complaint for recovery that started this case. Thus, **any disposition in the instant case will also apply to Nicetas' share.**

So, when we say that, (i) as we have earlier explained above, respondents are *now precluded* from *recovering* the subject lot due to *extinctive prescription*, and (ii) as we discussed immediately above, there was a *valid and enforceable sale* by *Hospicio, Sr.* and his half-brothers of Lot 1087, this ruling covers the **entirety of Lot 1087 including Nicetas' share** as Juan's spouse and heir through Hospicio, Sr.'s status also as her heir.

All told, the Court of Appeals **gravely erred** when it *affirmed in full* the trial court's ruling that respondents may still recover from petitioners Lot 1087 of Cadaster 317-D, located at Barangay Taggat Norte, Claveria, Cagayan with a total area of 1,797 square meters and covered by OCT No. P-479 (S). Their claim has **prescribed** and the **series of sales** thereof to petitioners' predecessors as discussed in this *Decision* are declared **valid**.

Respondents **can no longer recover** Lot 1087 from petitioners. They are **already barred** from assailing petitioners' possession of the lot on their claims that **do not amount** to the sale of Lot 1087 as being *unlawful, void, or non-existent*. Their right of action to establish these claims **has become stale** due to **extinctive prescription**. Falling short of being *unlawful, void, or non-existent*, their claims **can no longer be established** as facts with legal consequences.

Thus, with this bar against respondents, coupled with the validity of the series of sales of Lot 1087 to petitioners' predecessors-in-interest, there are no more vices vitiating petitioners' acquisition of the lot. As a result,

their ownership of the lot will be declared, as they are declared, to be valid. Petitioners are entitled to secure from respondents, as respondents are ordered to provide, all the documents of title to complete the registration of petitioners' acquisition and ownership, or their title, to Lot 1087 in accordance with the Court's ruling in *Heirs of Arao v. Heirs of Eclipse*.⁶³

The intent to transfer the ownership over the subject land has been established and effected by the execution of the 1940 Deed of Sale by the heirs of the registered owner, as well as the delivery thereof to petitioners. What is needed is merely the issuance of the corresponding Certificate of Title on the basis of the said 1940 Deed of Sale. To make this possible, certain documents (pertaining to estate settlements, as well as registrable Deeds of Conveyance) are needed to facilitate the transfer of the title of the lot from the heirs of the original owners to herein petitioners, not to mention payment of corresponding taxes. Hence, this Court directs the parties herein to execute all necessary documents as required by law to effect the smooth issuance of the new Certificate of Title based on the 1940 Deed of Sale. This is not the first time this Court made such directive even if not prayed for by the winning parties in their pleadings. The case of *Spouses Aguinaldo v. Torres, Jr.* is instructive:

To be sure, the directive to execute a registrable deed of conveyance in respondent's favor - albeit not specifically prayed for in respondent's Answer with Counterclaim - is but a necessary consequence of the judgment upholding the validity of the sale to him, and an essential measure to put in proper place the title to and ownership of the subject properties and to preclude further contentions thereon. As aptly explained by the CA, "to leave the 1991 deed of sale as a private one would not necessarily serve the intent of the country's land registration laws, and resorting to another action merely to compel the petitioners to execute a registrable deed of sale would unnecessarily prolong the resolution of this case, especially when the end goal would be the same." In this relation, case law states that a judgment should be complete by itself; hence, the courts are to dispose finally of the litigation so as to preclude further litigation between the parties on the same subject matter, thereby avoiding a multiplicity of suits between the parties and their privies and successors-in-interests.⁶⁴ (Emphasis supplied, citations omitted.)

ACCORDINGLY, the petition is **GRANTED** and the Decision dated February 29, 2016 and Resolution dated December 20, 2016 of the Court of Appeals in CA-G.R. CV No. 99109, **REVERSED and SET ASIDE**. The complaint in Civil Case No. 1868-S of the Regional Trial Court, Branch 12, Sanchez Mira, Cagayan is ordered **DISMISSED**.

⁶³ G.R. No. 211425, November 19, 2018, 886 SCRA 30.

⁶⁴ *Id.* at p. 45-46.


Petitioners Heirs of Angel Yadao, namely: Rufina Yadao, Etherlyn Yadao-Yasaña, Ryanth Yadao, Ruth Ann Yadao-Mangibunong, Dina Joyce Yadao-Ines, and Angel Yadao, Jr.; Heirs of Josefina Idica-Yadao, namely: Lourdes Yadao-Apostol and Aurora Yadao; and the Heirs of Ofelia Yadao-Naceno, namely: Teodulfo Naceno, Jr., Aileen Naceno and Irma Naceno-Agpaoa are **declared** co-owners of Lot 1087 of Cadaster 317-D, located at Barangay Taggat Norte, Claveria, Cagayan with a total area of 1,797 square meters and covered by Original Certificate of Title No. P-479 (S).

Respondents heirs of Juan Caletina, namely: Hospicio Caletina, Jr., Aniceto Caletina, and Florida Caletina, are **DIRECTED** to **EXECUTE AT THEIR OWN EXPENSE** a registrable deed of conveyance in petitioners' favor for the issuance of a new Transfer Certificate of Title in their names as co-owners of Lot 1087. In case respondents refuse or neglect to execute such registrable deed, the Clerk of Court or the Officer-in-Charge of Regional Trial Court, Branch 12, Sanchez Mira, Cagayan is **authorized and ordered to execute** such document on their behalf and **to collect** the lawful expenses for such purpose as part and parcel of this Decision.

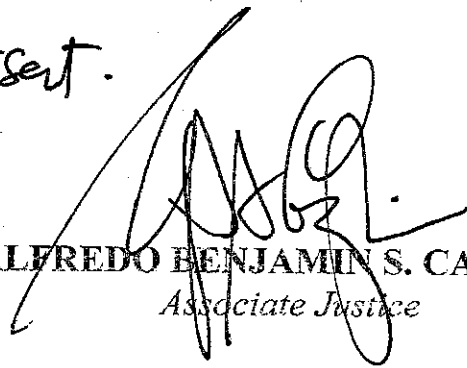
SO ORDERED.

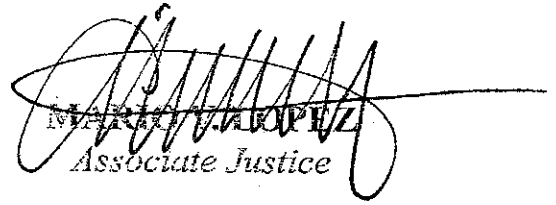

AMY C. LAZARO-JAVIER
Associate Justice

WE CONCUR:


ALEXANDER G. GESMUNDO
Chief Justice

See Dissent.

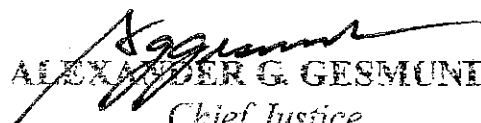

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice


MARIO LOPEZ
Associate Justice


J. JOSE N. LOPEZ
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, 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

FIRST DIVISION

G.R. No. 230784 — HEIRS OF ANGEL YADAO, NAMELY: RUFINA YADAO, ETHERLYN YADAO-YASAÑA, RYANTH YADAO, RUTH ANN YADAO-MANGIBUNONG, DINA JOYCE YADAO-INES, AND ANGEL YADAO, JR.; HEIRS OF JOSEFINA IDICA-YADAO, NAMELY: LOURDES YADAO-APOSTOL AND AURORA YADAO; HEIRS OF OFELIA YADAO-NACENO, NAMELY: TEODULFO NACENO, JR., AILEEN NACENO AND IRMA NACENO-AGPAOA, *petitioners, versus* HEIRS OF JUAN CALITINA,¹ NAMELY: HOSPICIO CALITINA,² JR., ANICETO CALITINA,³ AND FLORIDA CALITINA,⁴ *respondents*.

Promulgated:

FEB 15 2022



X-----X

DISSENTING OPINION

CAGUIOA, J.:

The main controversy in the case at bar is set against the backdrop of an alleged 31-year-old sale of Lot 1087 of Cadastre 317-D, located at Barangay Taggat Norte, Claveria, Cagayan with a total area of 1,797 square meters and covered by Original Certificate of Title No. P-479(S) (subject property) in favor of the predecessors-in-interest of petitioners Heirs of Angel Yadao, namely: Rufina Yadao, Etherlyn Yadao-Yasaña, Ryanth Yadao, Ruth Ann Yadao-Mangibunong, Dina Joyce Yadao-Ines, and Angel Yadao, Jr.; Heirs of Josefina Idica-Yadao, namely: Lourdes Yadao-Apostol and Aurora Yadao; and Heirs of Ofelia Yadao-Naceno, namely: Teodulfo Naceno, Jr., Aileen Naceno and Irma Naceno-Agpaoa (petitioners), and the legal ramifications of said alleged sale as against the claims for reconveyance of the heirs of the registered owner of the subject property, Juan Calitina, or herein respondents Heirs of Juan Calitina, namely: Hospicio Calitina, Jr., Aniceto Calitina, and Florida Calitina (respondents).

On the one hand, respondents submit that the subject property rightfully belongs to them by virtue of succession, and that petitioners merely unlawfully possess the same on the basis of an unproven contract of sale. On the other hand, petitioners counter that they are the rightful owners of the subject property either (i) by virtue of the *Contrata* and the subsequent Deed of Absolute Sale (DoAS) entered into between Juan Calitina's common-law-wife Casiana Dalo, the former's illegitimate or non-marital children Jose Calitina (Jose) and William Calitina (William), and Josefina and Domingo

¹ "Caletina" in some parts of the record.

² Id.

³ Id.

⁴ Id.



Yadao, or otherwise (ii) by acquisitive prescription, for having been in possession of the subject property for over 30 years.

Branch 12, Regional Trial Court of Sanchez Mira, Cagayan (RTC) ruled for respondents and found them the absolute owners of the subject property through succession, and ordered petitioners to restore possession of the subject property to the former. It found that there was no evidence to prove the alleged sale in favor of Angel Yadao, considering that the *Contrata* was not notarized, and the DoAS was entered into by Casiana Dalo (Casiana) who was unauthorized to do so given that she was only the common-law wife of Juan Calitina. It also ruled out acquisitive prescription since the subject property was covered by the Torrens title in the name of respondents' predecessor-in-interest.⁵

On appeal, the Court of Appeals (CA) affirmed the RTC's findings of fact and law,⁶ and held that since acquisitive prescription cannot apply to registered lands, respondents were the lawful owners of the subject property and therefore had the right to recover the same.⁷

The *ponencia* grants the petition, reverses the RTC and the CA, dismisses the complaint of respondents, and declares petitioners as the owners of the subject property. With respect to respondents' assertion of lack of jurisdiction, the *ponencia* finds that petitioners are already estopped from questioning the jurisdiction of the RTC over the subject matter of the case since estoppel bars a party from challenging jurisdiction in an unjustly belated manner and after having actively participated during trial. With respect to the application of acquisitive prescription, it reminds that this rule is unavailing against the registered owner and his/her hereditary successors.

The *ponencia* further holds that by virtue of extinctive prescription, respondents may no longer recover the subject lands from petitioners since their claim has also prescribed and the series of sales between them and petitioners' predecessors (as evidenced by the *Contrata* and subsequent DoAS) are declared valid. It finds that respondents are barred by extinctive prescription from assailing petitioners' possession on the ground of fraud or mistake, since petitioners have possessed the subject land since 1962 and respondents only sued them for recovery of said possession in 1993 or 31 years after.

In sum, the *ponencia*'s central findings are that (1) subject property was sold by all of Juan Calitina's heirs in its entirety; and (2) the second exception to the application of extinctive prescription does not apply, since all of Juan's known heirs signed off on the *Contrata*.

First, with respect to the issue of subject matter jurisdiction, I fully agree that pursuant to this Court's nuanced discussion in *Tijam v.*

⁵ *Ponencia*, p. 8.

⁶ *Id.* at 9.

⁷ *Id.*



Sibonghanoy,⁸ while a court's jurisdiction over the subject matter may be raised at any time during the course of the proceedings, the principle of estoppel by laches nevertheless operates to prevent a challenge on the court's jurisdiction in a belated manner that betrays unjustness or malice.⁹ In the instant case, the *ponencia* correctly notes that petitioners here already fully participated in the proceedings knowingly, and only raised the matter of lack of jurisdiction after all, except one witness, had testified in the trial court. Given this participation, petitioners cannot later question the jurisdiction they demonstrably submitted to without reservations earlier in the proceedings.

I similarly concur with the *ponencia*'s discussion that acquisitive prescription may not apply to the subject property since it is covered by a Torrens title, as provided for under Section 47 of Presidential Decree No. 1529.¹⁰ It rightly recalls that ownership and possession of registered land may not be obtained by prescription regardless of the length of time of one's physical occupation and exercise of juridical rights over the same.¹¹

I am, however, unable to subscribe to the *ponencia*'s ruling that extinctive prescription applied against respondents' claim. I must disagree with the *ponencia*'s ruling that the same operated as a bar on the part of respondents' claim of rightful ownership, and consequently concludes with a declaration that petitioners are the lawful owners of the entire 1,797-square-meter subject property. This main reservation rises from crucial but unascertained factual considerations, so that while it appears that the *Contrata* may have very well conveyed a property from the known heirs of the deceased registered owner Juan Calitina, *i.e.*, Hospicio Calitina, Sr. (Hospicio, Sr.), Jose, and William, in favor of Josefina Yadao, the records of the case remain either silent or equivocal on whether the subject property was indeed sold in its entirety.

Contrary to the *ponencia*'s determination, what finds support in the records of the case is the legal conclusion that what was lawfully conveyed to Josefina Yadao, if any, was at best a portion of the subject property, and not the whole of it, as petitioners so claim. Consequently, with respect to the unsold/unconveyed portions of the subject property, the same cannot be deemed to have been lawfully conveyed to petitioners' predecessors-in-interest, and therefore are not covered by the applicability of the extinctive prescription.

To my mind, what is decisive is the lack of any factual support for the legal conclusion that the subject property was sold in its entirety by all the heirs of Juan Calitina. In this regard, I maintain my submission that the silence

⁸ 131 Phil. 556 (1968).

⁹ *Ponencia*, p. 12.

¹⁰ AMENDING AND CODIFYING THE LAWS RELATIVE TO REGISTRATION OF PROPERTY AND FOR OTHER PURPOSES, issued June 11, 1978. Section 47 provides:

SECTION 47. *Registered Land Not Subject to Prescription.* — No title to registered land in derogation of the title of the registered owner shall be acquired by prescription or adverse possession

¹¹ *Ponencia*, p. 12.

or uncertainty of details in the records, as well as the failure on the part of petitioners to discharge their burden of proving the identity of the property so claimed as provided for in Article 434 of the Civil Code,¹² leads to no other supportable deduction than that which holds that only a 400-square-meter portion of the subject property was certainly sold.

First and preliminarily, with respect to the appreciation of documentary evidence submitted by petitioners, I fully agree with the **consistent factual finding of both the RTC and the CA** that respondents here, as holders of a Torrens title over the subject property, submitted a superior documentary evidence as compared to the *Contrata* and the notarized but unregistered DoAS.¹³ It appears that the *ponencia's* reliance on the *Contrata* and the DoAS may be unsupported by the fact that the subject property, for all 31 years when petitioners were in possession of the same, nevertheless remained covered by a Torrens title in the name of the registered owner, and that the Torrens title is superior in probative weight to an unnotarized *Contrata* and an unregistered DoAS.

In addition, as observed by the CA, the tax declarations offered by petitioners to prove their ownership and lawful possession of the subject property not only fail to advance their claim but, to my mind, further weaken it. As the CA notes, the inconsistencies in terms of area and boundaries between the tax declarations offered by petitioners and the Torrens title covering the subject property and referred to in the *Contrata* and the DoAS were the same, to wit:

There are also certain disparities between the Tax Declarations [petitioners] presented and the Torrens title of the disputed land. A careful scrutiny of the Tax Declarations showed that it lacks the description of the property particularly the Certificate of Title No. of the property to be taxed. **It is also interesting to note that the area of the property in the tax declarations is only 400 square meters whereas the area covered by the OCT No. 479(S) is 1,797 square meters. Also, the boundaries stated in the tax declarations are different from the boundaries stated in the Torrens title. Verily, the glaring dissimilarities in the Tax Declarations and the OCT No. 479(S) cast doubt on the evidentiary value of [petitioners'] evidence to prove that they indeed own the land in dispute.**¹⁴

What the foregoing observations appear to support is that the tax declarations which petitioners offered to prove their ownership over the subject property refer to either an entirely different piece of land, or merely a portion of the subject property.

Second, regarding the value of the *Contrata* and the DoAS with respect to proving petitioners' claim, crucial is the additional observation that the

¹² Republic Act No. 386., Art. 434 provides:

ARTICLE 434. In an action to recover, the property must be identified, and the plaintiff must rely on the strength of his title and not on the weakness of the defendant's claim.

¹³ *Rollo*, p. 57.

¹⁴ *Id.* at 57-58. Emphasis supplied.

Contrata and the DoAS either fail to evidence petitioners' claim, or otherwise explicitly contradict it. With respect to the exact contents of the *Contrata* which was written in the Ilokano language, the same have nevertheless been appreciated by both lower courts as insufficient to prove that the entire subject property, including Hospicio, Sr.'s share in the same, had been conveyed to Josefina Yadao by virtue of said document.

It is also worth observing that the *Contrata* did not indicate the land area of the property being sold therein, but only the Lot number and four boundaries. It must be said that the indication of boundaries is not clear as to whether said boundaries are those of the entire cadastral lot, or boundaries found within the cadastral lot with respect to a portion thereof that is being sold.

A study of the contents of the DoAS, the document purported to confirm the conveyance earlier embodied in the *Contrata*, shows that only one party signed thereon as the vendor, *i.e.*, Casiana, the common-law-wife of Juan Calitina. Even presuming the DoAS is valid and duly executed, Hospicio, Sr., the only marital child of the registered owner, affixed his signature thereon not as a vendor but as a mere witness to the sale between Casiana as the vendor, and Josefina Yadao as the vendee. Even the very contents of the DoAS itself provide that only Casiana, purporting to be the absolute owner of the property subject of the said Deed, was selling. It cannot be concluded, therefore, that Hospicio, Sr. also sold his share of the subject property through the DoAS, since he did not sign the same as a vendor but only as a witness thereto, to wit:

DEED OF ABSOLUTE SALE

KNOW ALL MEN BY THESE PRESENTS:

I, CASIANA DALO CALITINA, widow, of legal age, Filipino and resident of Bo. Taggat, Claveria, Cagayan, hereinafter called the VENDOR, and JOSEFINA I. YADAO, of legal age, Filipino, married to Domingo Yadao, both are residents of Bo. Taggat, Claveria, Cagayan, hereinafter called the VENDEE;

WITNESSETH:

That for and in consideration of the sum of EIGHT HUNDRED PESOS (P850.00) Philippine Currency, to me in hand paid by the VENDEE JOSEFINA I. YADAO DOES HEREBY SELL, TRANSFER, AND CONVEY unto said Josefina I. Yadao, his heirs and assigns that certain parcel of land situated in Bo. Taggat, Claveria, Cagayan which is more particularly described as follows to wit:

RESIDENTIAL LOT declared under the Cadastral Survey in Claveria as Lot No. 1087. Bounded on the North by Seashore and Taggat Creek, on the East by Seashore, on the South by Fausto Udac now Rafael Guimayen, with an area of ~~1,797 sq.m.~~ 400 sq.m., more or les, assessed at P80.00 as described under Tax Declaration No. 41054-a.



Of which I am the absolute owner free from all liens and encumbrances. That the said described parcel of land has not been registered under Act No. 496 now under the Spanish Mortgage Law, the parties having agreed to register under the provision of Act No. 3344.

IN WITNESS WHEREOF, the parties have agreed to sign their hand in the Municipality of Claveria, Province of Cagayan, Philippines this 13th day of October, 1962.

(Signed)
CASIANA DALO CALITINA
VENDOR

(Signed)
JOSEFINA I. YADAO
VENDEE

Signed in the presence of:

Hospicio Calitina
Jose Calitina
Honorio M. Salvatore¹⁵

Still more and contrary to petitioners' submissions, the type-written contents of the DoAS indicate that the size of "1,797 sq.m." was clearly crossed over, after which the land size of "400 sq.m." was type-written and indicated. This categorically shows that the execution of the said DoAS evidently contemplated only a 400-square-meter property for conveyance, and not one which covered 1,797 square meters, which is the entire area of the subject property.

Based on the foregoing, it reasonably appears that even if the Court were to grant the validity of the *Contrata* and the DoAS, said documents do not prove a valid conveyance of the entire 1,797-square-meter subject property, but only a 400-square-meter portion thereof.

The fact that what was sold to petitioners' predecessor-in-interest was only a portion of the subject property and not the whole of it is further evidenced by the previously noted fact that, as observed by the CA, the tax declarations submitted by petitioners as proof of their lawful ownership only cover 400 square meters of the 1,797-square-meter subject property. Consequently, if the *Contrata* and the DoAS did convey the subject property, it reasonably supports the assumption that what Casiana, Jose and William conveyed was only the 400-square-meter portion of the same.

The fundamental point of inquiry therefore becomes this: Did petitioners prove that Josefina Yadao, their predecessor-in-interest, purchase all 1,797 square meters of the subject property?

This question must be answered in the negative.

Specifically, what is supported by the evidence on record as well as the testimonies of respondents is that said documents only prove the conveyance to petitioners' predecessors-in-interest of *only a portion of the subject*

¹⁵ Records, p. 372

property. It is important to note here that it is undisputed that Juan and Casiana were never married, and at the time of the execution of the *Contrata* and the DoAS, the registered owner was also survived by Hospicio Calitina, Sr., as the only son of spouses Juan Calitina and Nicetas Calitina.

It is crucial as well to note that petitioners' presentation of the *Contrata*, the DoAS and the tax declarations, which appear to cast doubt as to the exact identity of the property involved in their claim, must be individually and altogether taken as admissions against their very interest, as provided for in Section 4, Rule 129 in relation to Section 26, Rule 130 of the Rules of Evidence, *viz.*:

Rule 129

Section 4. *Judicial admissions*. — An admission, verbal or written, made by the party in the course of the proceedings in the same case, does not require proof. The admission may be contradicted only by showing that it was made through palpable mistake or that no such admission was made.

Rule 130

Section 26. *Admission of a party*. — The act, declaration or omission of a party as to a relevant fact may be given in evidence against him.

More particularly, admissions against interest have been jurisprudentially described as those that “[afford] the greatest certainty” of disputed facts especially when they are not disputed or qualified by the offeror/s, as held in *BP Oil and Chemicals International Philippines, Inc. v. Total Distribution & Logistics Systems, Inc.*,¹⁶ to wit:

x x x The fact is, TDLSI indeed admitted the existence of Exhibit “J.” Thus, Exhibit “J” can be considered as an admission against interest. Admissions against interest are those made by a party to a litigation or by one in privity with or identified in legal interest with such party, and are admissible whether or not the declarant is available as a witness. **An admission against interest is the best evidence that affords the greatest certainty of the facts in dispute, based on the presumption that no man would declare anything against himself unless such declaration is true. It is fair to presume that the declaration corresponds with the truth, and it is his fault if it does not.** No doubt, admissions against interest may be refuted by the declarant. In this case, however, respondent failed to refute the contents of Exhibit “J.”¹⁷

To be sure, the *Contrata*, the DoAS and the tax declarations were all offered by petitioners — and all of them show that, at best, only a total of 400 square meters had been sold. This is contrary to, and belies, their claim that Josefina Yadao bought the entire 1,797 square meters of subject property.

On account of this, I submit that petitioners here failed to discharge their primary burden of proving the identity of the property they are claiming,

¹⁶ 805 Phil. 244 (2017).

¹⁷ *Id.* at 260-261. Emphasis supplied.

i.e., failure on their part to show that what was conveyed to Josefina Yadao was the entire 1,797-square-meter subject property, and not only a 400-square-meter portion thereof.

Contrary to the *ponencia*'s holding, therefore, I respectfully submit that while it may have taken respondents 31 years to file a judicial action on their claim to the subject property, the same cannot be considered barred by extinctive prescription since it falls within one of the two exceptions to the application of said rule.

Specifically, the *ponencia* mentions that the given facts of the case may only give rise to an exception from the application of extinctive prescription if either of the two scenarios is obtained: (i) if the respondents, as heirs of the registered owner, are in actual possession of the subject property; or (ii) if the conveyance of the subject property to petitioners in this case was unlawful, void or otherwise non-existent.

On this score, I submit that although the first exception is not obtained, since petitioners have been in actual possession of the subject property since 1962, the second exception, *i.e.*, the unlawful, void or non-existent conveyance applies, as has been shown by the important factual observations above. Particularly, as the *ponencia* itself notes,¹⁸ where there was no lawful conveyance of the lot to the party in possession or the conveyance was void or non-existent and the lot continues to be under the name of the original registered owner, the action to recover the same of the heirs of the registered owner does not prescribe.

Third, with respect to the remaining estimated 1,397 square meters of the subject land, or the portion of the subject property that remains after the conveyance of the 400-square-meter portion, the *ponencia* finds that although the conveyance thereof was not evidenced by the documentary proof offered by petitioners, the same nevertheless also already belonged to petitioners either (i) by virtue of either a prior sale of spouses Dolores Calitina¹⁹ (Dolores) and Hospicio, Sr. in favor of Domingo Yadao, or (ii) by constructive trust.

The *ponencia* relies on the testimony of Dolores where she admitted that she and her husband, Hospicio, Sr., sold their house to Domingo Yadao.²⁰ **It is worth noting, however, that nowhere in the testimony of Dolores did she provide that said sale conveyed the whole of the remaining 1,397 square meters of the subject property. In fact, the succeeding statements of Dolores in the same testimony belie such a presumption, since she also testified that after they sold their original house to Domingo Yadao, they subsequently built a new house in the same subject property, and only had it transferred later on, viz.:**

Q: Why did you sell that house?

¹⁸ *Ponencia*, p. 15.

¹⁹ *Supra* note 1.

²⁰ *Rollo*, p. 102.



- A: They [Domingo Yadao] came to ask us to be used [sic] as a boarding house of Domingo Yadao, Sir.
- Q: **Since you sold the house, naturally you x x x left the same?**
- A: **Yes, sir.**
- Q: **And where did you go?**
- A: **That same lot, we built another house, sir.**
- Q: That house x x x, is it still standing on the land in suit?
- A: The house is no longer there because Mr. Lim had a log pond on the other side of the road and our house was an obstruction, so Mr. Lim had our house transferred.²¹

What the testimony of Dolores indicates is that although they sold the house and presumably the lot where it stood to Domingo Yadao, they did not sell the entire subject property, otherwise she and her husband Hospicio, Sr. would not have been able to construct a new house thereon.

In similar logic, with respect to the remaining 1,397-square-meter portion, it also cannot be said that acquisitive prescription applied in favor of petitioners' ownership of the same. As the *ponencia* categorically ruled,²² adverse ownership of a registered property cannot be gained through this means, and the registered owner, albeit not in physical possession of the subject property, is nonetheless not ruled out and foreclosed from getting it back through the passage of time as the registered owner may resort to remedies to recover the property.

All told, I am inclined to disagree that petitioners have duly proven their right of ownership over the property and that respondents may no longer prove their claim to the same right. Instead, it appears that petitioners have failed to prove that the subject property in its entirety has been validly conveyed to their predecessors-in-interest, and that respondents' right to assert their claim survives.

There is therefore, to my mind, no impermeable legal basis for the Court to grant this petition and deem respondents barred from vindicating their claim to the subject property.

Based on these premises, I vote to **DENY** the petition.


ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

²¹ Id. at 102-103. Emphasis supplied.

²² *Ponencia*, p. 12.

