



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court, Third Division, issued a Resolution dated March 23, 2022, which reads as follows:

G.R. No. 220687 (*Merlita Abraham, petitioner v. Floro C. Abadam and Abraham C. Abadam, as represented by Roy Cammayo and Feliza B. Santos, respondents.*)—Who between the parties has a better right of possession is the core issue in the Petition for Review on *Certiorari*¹ assailing the Decision² of the Court of Appeals (CA) dated July 11, 2014 in CA-G.R. CV No. 95908.

The facts follow.

On September 21, 1956, Santiago Abadam (Santiago) was issued Original Certificate of Title (OCT) No. P-307 covering a 19,097-square meter parcel of land identified as Lot No. 1348.³ Later, Santiago died and his children Floro C. Abadam and Abraham C. Abadam (Heirs of Santiago)⁴ acquired the land through succession.⁵ In August 2004, the Heirs of Santiago learned that Spouses Eduardo A. Abraham and Merlita Abraham⁶ (Spouses Abraham) occupied Lot 1348 without their consent. Aggrieved, the Heirs of Santiago filed on July 20, 2005 an action for quieting of title and recovery of possession against Spouses Abraham before the Regional Trial Court (RTC) of Iba, Zambales, Branch 71, docketed as Civil Case No. RTC-2282-I.⁷ In response, Spouses Abraham averred that Serapio M. Maypay (Serapio)⁸ owned the disputed lot on the basis of tax declarations issued from 1973 to 1982 over a 34,400-square meter parcel of land. In 1985, Serapio sold the property to Ernesto Abraham (Ernesto) including its improvements. In 1999, Ernesto transferred the land to Spouses Abraham through a Deed of Quitclaim.⁹ Lastly, Spouses Abraham claimed that they were purchasers in good faith.¹⁰

¹ *Rollo*, p. 7–18.

² *Id.* at 39–45. Penned by Associate Justice Leoncia Real–Dimagiba with the concurrence of Associate Justices Rebecca De Guia–Salvador and Ricardo R. Rosario (now a Member of the Court).

³ *Id.* at 44.

⁴ *Id.* at 24 and 45.

⁵ *Id.* at 24.

⁶ Also known as Merly Morales in the Deed of Quitclaim, *id.* at 22.

⁷ *Id.* at 24–26.

⁸ *Id.* at 42–44.

⁹ *Id.* at 8 and 22.

¹⁰ *Id.* at 32–34.

In a Decision¹¹ dated March 25, 2010, the RTC dismissed the complaint on the grounds of laches and failure of the Heirs of Santiago to establish the identity of the disputed lot. Undaunted, the Heirs of Santiago elevated the case to the CA docketed as CA-G.R. CV No. 95908. On July 11, 2014,¹² the CA reversed the RTC's findings. The CA held that the Heirs of Santiago were able to prove the identity of the property and that they were not guilty of laches, to wit:

In the instant case, appellants were able to identify their property covered by OCT P-307 (LOT 1348). Contrary to the findings of the [court *a quo*], this Court holds that the pieces of evidence on record clearly establish that the lot claimed by Spouses Abraham covers a portion of the property described as lot 1348 covered by OCT No. P-307, thus:

1. The report of the land management inspector Elvira R. Francia clearly states that the lot (referring to the lot occupied by Sps. Abraham) is covered by part of Lot 1348, Cad. 191 covered by OCT No. P-307 in the name of Santiago Abadam.

2. The declaration of Real Property No. 7625 under the name of Serapio M. Maypay describing the property as Cad. Lot. No. 1348, Iba Cad.

3. The Real Estate Mortgage presented by Spouses Abraham as Exhibit "10[.]" The mortgaged property is described as Cadastral Lot No. 1348, Iba cadastral situated at Dirita (Baracbao) Iba, Zambales.

As to the issue of laches, we do not agree to the conclusion reached by the [court *a quo*] that laches had already set in, in the instant case.

XXXX

We have perused the records of the case and there is no indication that appellants had knowledge of the sale between Ernesto Abraham and Serapio M. Maypay on 18 September 1985 over a parcel of land under Tax Declaration No. 7625. Spouses Abraham also presented tax declaration as proof of their predecessor-in-interest's ownership and possession of the disputed lot. The earliest of the tax declaration that was presented was for the years 1973-1982 which was paid on 5 March 1982 under Tax Declaration No. 7624. It is a settled rule however that a tax declaration does not constitute constructive notice to the whole world. In other words, the mere fact of paying the tax on the property claimed by Spouses Abraham will not constitute as notice of their claim of ownership or possession over the disputed lot and that appellants had all the opportunity within that period of time to take action to recover the property.

The only evidence on record that would constitute as an act of adverse claim over the lot is the allegation and testimony of Spouses Abraham that they erected a house on the property around 1998. Petitioners filed the suit for ejectment in 2004 and in 2005, the instant suit for quieting of title and recovery

¹¹ Id. at 29–37. Penned by Presiding Judge Consuelo Amog-Bocar.
¹² Id. at 39–45.

of possession. The lapse of six or seven years is not sufficient to conclude that petitioners incurred delay in asserting their rights.

x xx. From the evidence adduced, there was no lack of notice on the part of Spouses Abraham that appellants would assert the right on which they base the suit. Tax Declaration No. 7625 under the name of Serapio M. Maypay xxx clearly describe[s] the property as Cadastral Lot No. 1348 of Iba cadastral indicating that the said lot had already been surveyed and registered in accordance with the law of the registry of property under the Torrens system. Had Spouses Abraham investigated the lot number indicated in the documents turned over to them by their predecessors-in-interest they would have discovered that the disputed lot has been actually covered by OCT No. P-307 since as early as 21 September 1956.

x xxx

WHEREFORE, the petition is **GRANTED**. The Decision dated 25 March 2010 of the Regional Trial Court, Third Judicial Region, Branch 71 of Iba, Zambales is **REVERSED** and **SET ASIDE**. Plaintiffs, FLORO C. ABADAM and ABRAHAM C. ABADAM are declared as the true and legal owners of the lot covered by OCT No. P-307. SPOUSES EDUARDO ABRAHAM and MERLITA ABRAHAM and all persons/entities claiming title under them, are ordered to convey and to return the property or the lot covered by OCT No. P-307 to FLORO C. ABADAM and ABRAHAM C. ABADAM.

SO ORDERED.¹³(Emphases in the original and citations omitted)

Spouses Abraham sought reconsideration but was denied in a Resolution¹⁴ dated September 1, 2015. Hence, this recourse.¹⁵ Spouses Abraham insist that laches has set in and that the Heirs of Santiago failed to establish the identity of the lot.

The petition is unmeritorious.

In the case of *Mananquil v. Moico*,¹⁶ the Court explained the nature of an action for quieting of title, thus:

An action for quieting of title is essentially a common law remedy grounded on equity. The competent court is tasked to determine the respective rights of the complainant and other claimants, not only to place things in their proper place, to make the one who has no rights to said immovable respect and not disturb the other[.]”¹⁷

Moreover, “he who has the right would see every cloud of doubt over the property dissipated, and he could afterwards without fear introduce the

¹³ Id. at 41–45.

¹⁴ Id. at 47–48.

¹⁵ Id. at 7–18.

¹⁶ 699 Phil. 120 (2012).

¹⁷ Id. at 126–127.

improvements he may desire, to use, and even to abuse the property as he deems best.”¹⁸

As the Court held in *Phil-Ville Dev’t and Housing Corp. v. Bonifacio*:¹⁹

In order that an action for quieting of title may prosper, two requisites must concur: (1) the plaintiff or complainant has a legal or equitable title or interest in the real property subject of the action; and (2) the deed, claim, encumbrance, or proceeding claimed to be casting cloud on his title must be shown to be in fact invalid or inoperative despite its *prima facie* appearance of validity or legal efficacy.²⁰ (Citation omitted)

Anent the action for recovery of possession, “*it is indispensable that [the complainant] fully [prove] not only his ownership but also xxx show that the land possessed by the other party is the very land that belongs to him.*”²¹ The action requires the plaintiff: (1) to prove “the identity of the real property claimed;” and (2) to “rely on the strength of his title and not on the weakness of defendant's claim.”²²

Here, the Heirs of Santiago presented preponderant evidence to prove their causes of action for quieting of title and recovery of possession. The Heirs of Santiago established the identity of the contested land absent any discrepancy in its location and boundaries. The Heirs of Santiago are claiming the 19,097-square meter portion which is within the 34,400-square meter area of land occupied by Spouses Abraham. More telling is the admission of Spouses Abraham at the pre-trial that they are in actual possession of the land registered under OCT No. P-307.²³ As the CA aptly observed, “[t]he report of the land management inspector xxx clearly states that the lot (referring to the lot occupied by Sps. Abraham) is covered by part of Lot 1348, Cad. 191 covered by OCT No. P-307 in the name of Santiago Abadam.”²⁴

More importantly, a Torrens Certificate is “evidence of an indefeasible” title of land in favor of the registered owner and he or she is “entitled to the possession” of the property until his or her title is nullified.²⁵ “A Torrens title, once registered, serves as a notice to the whole world. All persons must take notice, and no one can plead ignorance of the registration.”²⁶ In this case, the Heirs of Santiago traced their legal title from OCT No. P-307 that was issued on September 21, 1956 in favor of their father Santiago. The juridical act pertaining to the issuance of OCT No. P-307 clearly vests possession of Lot No. 1348 to

¹⁸ *Spouses Basa v. Loy*, 832 Phil. 82, 92 (2018).

¹⁹ 666 Phil. 325(2011).

²⁰ *Id.* at 340.

²¹ *Dr. Seriña v. Caballero*, 480 Phil. 277, 288 (2004).

²² *Spouses Yu v. Tapacio, Jr.*, G.R. 216024, September 18, 2019, <<https://elibrary.judiciary.gov.ph/thebookshelf/docmonth/Sep/2019/1>>.

²³ *Rollop.* 180.

²⁴ *Id.* at 42. (Italization supplied and citation omitted)

²⁵ *Heirs of Jose Maligaso, Sr. v. Spouses Encinas*, 688 Phil. 516, 522–523 (2012); see *Spouses Yu v. Tapacio, Jr.*, G.R. No. 216024, September 18, 2019, <<https://elibrary.judiciary.gov.ph/thebookshelf/docmonth/Sep/2019/1>>; and *Spouses Pascual v. Spouses Coronel*, 554 Phil. 351, 367 (2007).

²⁶ *Spouses Abrigo v. De Vera*, 476 Phil. 641, 653 (2004).

the Heirs of Santiago as early as 1956. In the eyes of the law, possession does not mean that a person has to have his or her feet on every square meter of ground. This is because juridical acts such as the “execution and registration of public instruments, inscription of possessory information titles and the like”²⁷ validly confer possession. The Heirs of Santiago also acquired successional rights to the land upon their father’s death which fortified their rights of ownership and possession.²⁸

In contrast, the tax declarations that Spouses Abraham submitted “are not conclusive evidence of ownership or of the right to possess land[.]”²⁹ The oldest tax declaration in the name of Spouses Abraham’s predecessor-in-interest was for the year 1973 which pales in comparison to OCT No. P-307 that was issued to Santiago in 1956.³⁰ Spouses Abraham likewise failed to substantiate the title of Serapio from whom they acquired the lot. Admittedly, Serapio was a mere caretaker of the land. At the trial, Serapio’s son Pedro Maypay testified that his father used to till Santiago’s lot along with another farmer, Wilfredo Corea.³¹ In any event, it is settled that “[n]o title to registered land in derogation of the title of the registered owner shall be acquired by prescription or adverse possession.”³²

Corollarily, Spouses Abraham can hardly qualify as purchasers in good faith as they merely step into the shoes of their predecessors-in-interest whose right of ownership are anchored on ineffective instruments. Lastly, there is no reason for laches to apply since the Heirs of Santiago never slept on their rights as lawful owners of the land. The Heirs of Santiago have no knowledge of the adverse claim of Spouses Abraham until they constructed a house on the disputed lot sometime in 1998. As the CA explained, “[t]he only evidence on record that would constitute as an act of adverse claim over the lot is the allegation and testimony of Spouses Abraham that they erected a house on the property around 1998.”³³ The Heirs of Santiago filed the action for quieting of title and recovery of possession on July 20, 2005, or only seven years after they learned of Spouses Abraham’s adverse occupation. The lapse of this period is not unreasonable since it is well within the prescriptive period of 30 years for action of quieting of title³⁴ and 10 years for recovery of possession.³⁵ Thus, it cannot be said that the Heirs of Santiago abandoned their rights. “The question of laches is addressed to the sound discretion of the court, and since laches is an equitable doctrine, its application is controlled by equitable considerations. It cannot work to defeat justice or to perpetrate fraud[.]”³⁶

²⁷ *Mangaser v. Ugay*, 749 Phil. 372, 382 (2014).

²⁸ NEW CIVIL CODE, Article 777, provides that “[t]he rights to the succession are transmitted from the moment of the death of the decedent.”

²⁹ *Republic v. Manimtim*, 661 Phil. 158, 174 (2011).

³⁰ *Rollo*, p. 14.

³¹ *Id.* at 32.

³² Section 47, Presidential Decree No. 1529 or the “Property Registration Decree.”

³³ *Rollo*, p. 44.

³⁴ NEW CIVIL CODE, Article 1141, states that: “[r]eal actions over immovables prescribe after thirty years.”

³⁵ NEW CIVIL CODE, Article 555 (4), states that: “x xxx. the real right of possession is not lost till after the lapse of ten years.”

³⁶ *De Vera-Cruz v. Miguel*, 505 Phil. 591, 604 (2005).

FOR THESE REASONS, the petition is **DENIED**. The Court of Appeals' Decision dated July 11, 2014 in CA-G.R. CV No. 95908 is **AFFIRMED**. The Heirs of Santiago are declared as the true and legal owners of the lot covered by OCT No. P-307.

SO ORDERED.”

By authority of the Court:

Misael Domingo C. Battung III
MISAELO DOMINGO C. BATTUNG III
Division Clerk of Court

11/11/22

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The Presiding Judge
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(Civil Case No. RTC-2282-1)

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