



Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court, First Division, issued a Resolution dated **March 22, 2023** which reads as follows:

“G.R. No. 233076 (*Prociso¹ Dagangon, Casimino Dagangon, Sr., Manain Dagangon, Romulo Flores, Teodorico Selmite, Romeo Carmelita, Felipe Monteron, Reynaldo Rivera, William Quintero, Romeo Casibua, Antonio Aberde, Roberto Leopardas, Aurelio Valencia, Pedro Banganan, Leopoldo Quimno, Elpedio Prado, Vicente Pardo, Charlito Abligar, Cezar Ragmac, Church of Cabanglasan, Pacifico Magbanua, Alfonso Rivera, Catalina Magbanua, William Tiu, Noel Dano, Elizabeth Valmoria, Virgilio Bolongon² and Cresencio Labrador, petitioners vs. Leoncia Lapara Vda. De Tanquion, respondent*). - This Appeal³ by *certiorari* challenges the August 26, 2016 Decision⁴ and the June 23, 2017 Resolution⁵ of the Court of Appeals, Cagayan de Oro City (CA) in CA-G.R. CV No. 03535-MIN, which reversed and set aside the March 1, 2011 Decision⁶ of the Regional Trial Court of Malaybalay City, Bukidnon, Branch 9 (RTC). The RTC dismissed the Complaint for Recovery of Possession docketed as Civil Case No. 3016-00 filed by Leoncia Lapara Vda. De Tanquion (*respondent*).

Antecedents

At the center of the controversy is a realty owned by Esteban Tanquion (*Esteban*), respondent’s husband, measuring 99,934 square meters covered by Transfer Certificate of Title (TCT) No. T-21708⁷ and located in Malaybalay,

¹ Also referred to as “Porciso Dagangon” and “Porsing Dagangon” in some parts of the *rollo* and records (see *rollo*, p. 35 and RTC records, p. 38, respectively).

² Also referred to as “Virgilio Bolongon” and “Vergelio Bolongon” in some parts of the *rollo* (see *rollo*, pp. 25 and 29).

³ *Rollo*, pp. 11-31.

⁴ *Id.* at 35-42; penned by Associate Justice Edgardo A. Camello and concurred in by Associate Justices Perpetua T. Atal-Paño and Ruben Reynaldo G. Roxas.

⁵ *Id.* at 44-46.

⁶ *Id.* at 33-A; penned by Presiding Judge Benjamin P. Estrada.

⁷ Exhibit “B,” folder of exhibits, p. 7.

Bukidnon. Upon his death, respondent and her children inherited the said property.⁸

On August 26, 1985, prior to Esteban's death, respondent and Esteban donated the lot in favor of Barangay Poblacion, Cabanglasan, Bukidnon (*Barangay Poblacion*). Pertinent portions of the Deed of Donation⁹ (*Deed*) state:

That for and in consideration of the high esteem in which the DONORS hold the DONEE, said DONORS do hereby transfer and convey, by way of donation, unto said DONEE the property above-described together with all the buildings and improvements existing thereon, free from all liens, charges, and encumbrances of any kind and nature whatsoever, saving and excepting those created by operation of law and the reservations hereinafter set forth.

That the DONORS do hereby reserve for himself/herself, as long as he/she lives, the right to all the fruits and rents that may be derived from the property donated for his/her exclusive use, benefit, and disposition, and meanwhile the **DONEE cannot sell, alienate, exchange, mortgage or in any manner encumber the property without the prior knowledge and written consent of the DONORS.**

That the DONEE does hereby state that he accepts this donation and gift, subject to the terms and conditions set forth hereinabove, and at the same time express his profound thanks for this demonstration of affection and act of liberality on the part of the DONORS, who by these presents also takes notice of this acceptance.¹⁰ (Emphasis supplied)

Respondent alleged that Prociso Dagangon, Casimino Dagangon, Sr., Manain Dagangon, Romulo Flores, Teodorico Selmite, Romeo Carmelita, Felipe Monteron, Reynaldo Rivera, William Quintero, Romeo Casibua, Antonio Aberde, Roberto Leopardas, Aurelio Valencia, Pedro Banganan, Leopoldo Quimno, Elpedio Prado, Vicente Pardillo, Charlito Abligar, Cezar Ragmac, the Church of Cabanglasan, Pacifico Magbanua, Alfonso Rivera, Catalina Magbanua, William Tiu, Noel Dano, Elizabeth Valmoria, Virgilio Bolongon, and Cresencio Labrador (collectively, *petitioners*) occupied and cultivated portions of the property on various dates¹¹ without her consent. She likewise claimed that Barangay Poblacion sold the donated property,¹² despite the expressed prohibition in the Deed.

⁸ *Rollo*, p. 36.

⁹ Exhibit "E," folder of exhibits, pp. 8-9.

¹⁰ *Id.* at 8.

¹¹ Records, p. 2.

¹² TSN, April 11, 2002, p. 30.

Thus, on August 30, 1997, respondent and her children, executed a Revocation of Deed of Donation¹³ and consequently demanded petitioners to vacate the subject property. When her demands were left unheeded, she filed a complaint with the *barangay*, but the same proved futile.¹⁴ Hence, on October 23, 2000, respondent filed a Complaint¹⁵ for recovery of possession against petitioners before the RTC.

Petitioners denied respondent's claim and alleged that they had been occupying the property even before 1960 and were only forced to evacuate due to the volatile peace and order situation in the locality. They returned to the subject property sometime in the 1960s and have since been in peaceful possession thereof.¹⁶

Petitioners further narrated that sometime in 1981, Esteban mortgaged the property to the Development Bank of the Philippines (*DBP*). Upon Esteban's failure to pay, *DBP* foreclosed the property.¹⁷ Subsequently, TCT No. T-21065 was issued in favor of *DBP*.¹⁸

To protect their possession, petitioners sought the help of Father Ferruccio Leoni (*Fr. Leoni*), parish priest of Cabanglasan. *Fr. Leoni* allegedly agreed to redeem the land and in exchange, respondent and Esteban would donate a portion thereof in favor of Barangay Poblacion in order not to disturb petitioners' possession.¹⁹ The Deed was then executed and petitioners have since occupied portions of the property. To prove their possession, petitioners presented tax declarations of the improvements on the property under their names.²⁰

Ruling of the RTC

On March 1, 2011, the RTC dismissed the complaint on the ground of prescription. The RTC opined that based on Article 1144 of the Civil Code, respondent had 10 years from execution of the Deed to file for recovery of possession. Since the Deed was entered into on August 26, 1985, the complaint had already prescribed since it was filed only in the year 2000. It likewise noted that respondent knew of petitioners' occupation of the property

¹³ Exhibit "F," folder of exhibits, pp. 10-11.

¹⁴ Records, p. 2.

¹⁵ *Id.* at 1-4.

¹⁶ *Rollo*, p. 36.

¹⁷ *Id.* at 37.

¹⁸ Records, p. 168.

¹⁹ *Rollo*, p. 37.

²⁰ Exhibits "1" to "3," "5," to "17," folder of exhibits, pp. 31-33, 36-48.

before it was donated to Barangay Poblacion.²¹ The dispositive portion of the RTC Decision reads:

IN VIEW OF ALL THE FOREGOING, finding more than preponderance of [evidence] presented by the parties, the Court is constrained to DISMISS the instant case for reason that the right of action of the plaintiff has already prescribed.

IT IS SO ORDERED.²²

Ruling of the CA

On August 26, 2016, the CA reversed the ruling of the RTC. According to the CA, the fact that the subject property was covered by the Torrens system rendered the title of respondent imprescriptible and said property could not be acquired through prescription by petitioners' adverse possession.²³

The appellate court likewise resolved that petitioners had no right to possess the land on the basis of the Deed because said donation was only between respondent and Esteban and the Barangay Poblacion. It rejected petitioners' contention that the donation was for their benefit because there was no stipulation in the Deed to that effect. Additionally, petitioners never questioned the revocation.²⁴

Anent the claim for damages, the CA denied respondent's claim for actual, moral, and exemplary damages for failure to substantiate the same.²⁵

The *fallo* of the CA Decision reads:

FOR THESE REASONS, the assailed Decision dated March 1, 2011 is REVERSED and a new judgment is rendered ORDERING the defendants-appellees, their privies, agents and assigns or persons acting in their behalf, to vacate the subject land and to surrender the possession of the property to Leoncia Tanquion. Leoncia Tanquion's prayer for actual, compensatory, moral and exemplary damages and attorney's fees is dismissed.

²¹ *Rollo*, pp. 33-33-A.

²² *Id.* at 33-A.

²³ *Id.* at 39-40.

²⁴ *Id.* at 40.

²⁵ *Id.* at 41.

SO ORDERED.²⁶

Petitioners filed their motion for reconsideration, but the same was denied.²⁷

Hence, this appeal.

Issues

Petitioners attribute error on the part of the CA in declaring that: (a) respondent can legally recover possession of the subject land, and (b) petitioners cannot invoke their right of possession based on the Deed.²⁸

By donating the land to Barangay Poblacion, petitioners contend that respondent has ceased ownership thereof, and therefore can no longer seek protection under the Torrens system. Besides, respondent had prior knowledge of their possession of the disputed property before it was donated.²⁹ They insist that Esteban's intention behind the donation was to save the property and secure petitioners' possession.³⁰

Petitioners put forth that respondent is also guilty of laches. They maintain that it took respondent several years to assert her right despite the fact that they live in the same *barangay* and the former having knowledge of their occupation prior to the execution of the Deed.³¹

Finally, they posit that the Deed requires reformation because it failed to reflect the true intention of Esteban, respondent, and the officials of Barangay Poblacion. According to petitioners, the donation was not pure but with consideration in lieu of the payment of Fr. Leoni of the redemption money.³²

²⁶ Id.

²⁷ Id. at 45.

²⁸ Id. at 17.

²⁹ Id. at 17-19.

³⁰ Id. at 18.

³¹ Id. at 19.

³² Id. at 20.

On the one hand, respondent counters that the instant appeal contains the same facts and arguments that the CA had already ruled upon. As owners, respondent and her children enjoy the right to possess the property, to the exclusion of other persons.³³ She likewise argues that the donation of the property is already immaterial considering that the same had been revoked in 1997.³⁴ Even assuming that petitioners had prior possession in good faith, such had ceased when they received judicial summons in connection with the action to recover the possession.³⁵

As regards the matter of prescription, respondent contends that the RTC erred in reckoning the prescription period from the execution of the Deed, instead of the year the donation was revoked – 1997. At any rate, since the issue in the instant petition only pertains to the right of possession, the evidence they submitted consisting of TCT No. T-21708 and the tax declarations, as well as her actual possession of majority of the portion of the property, sufficiently established her right to recover possession.³⁶

Based on the above contentions, the Court will resolve: (1) whether the respondent's action for reconveyance of the subject property has already prescribed; and (2) who has the right to possess the disputed property.

Our Ruling

The petition has no merit.

Prescription is a mode of acquiring ownership through the lapse of time and under certain conditions.³⁷ Under Art. 1106 of the Civil Code,³⁸ in relation to Art. 712,³⁹ acquisitive prescription may either be ordinary or extraordinary. "Ordinary acquisitive prescription requires possession of things in good faith and with just title for a period of ten years, while extraordinary acquisitive prescription requires uninterrupted adverse possession of thirty years, without need of title or of good faith."⁴⁰

³³ Id. at 72-73.

³⁴ Id. at 73.

³⁵ Id. at 74.

³⁶ Id.

³⁷ *Virtucio v. Alegarbes*, 693 Phil. 567, 574-575 (2012).

³⁸ Art. 1106. By prescription, one acquires ownership and other real rights through the lapse of time in the manner and under the conditions laid down by law.

In the same way, rights and conditions are lost by prescription.

³⁹ Art. 712. Ownership is acquired by occupation and by intellectual creation.

Ownership and other real rights over property are acquired and transmitted by law, by donation, by testate and intestate succession, and in consequence of certain contracts, by tradition.

They may also be acquired by means of prescription.

⁴⁰ *Virtucio v. Alegarbes*, supra at 575.

Extinctive prescription, on the other hand, involves the loss of rights and actions by the lapse of time.⁴¹

In the case at bar, neither acquisitive prescription nor extinctive prescription would benefit petitioners.

First, the title of respondent over the property in dispute is under the protective mantle of the Torrens system. As a registered property, the subject land is imprescriptible and cannot be subject of acquisitive prescription.⁴² The title issued in respondent's name is absolute and indefeasible evidence of ownership.

Assuming that petitioners had indeed been in possession of the subject property since the 1960s, they could not have validly acquired the same since it is already registered in the name of respondent. The land in dispute, having been registered under the Torrens system, could not have been acquired by prescription despite petitioners' alleged adverse possession.

Petitioners also cannot rely on their alleged long possession of the subject property and tax declarations. Although tax declarations have probative value, these are not conclusive evidence of ownership of real property, but mere *indicia* of claim of ownership.⁴³

Second, assuming further that petitioners have indeed been occupying the property since the 1960s, they still cannot acquire ownership of the same simply because their possession is not in the concept of an owner, public, peaceful, uninterrupted, and adverse.⁴⁴

Here, petitioners' possession was never in the concept of an owner and in no way adverse to the ownership of respondent.⁴⁵ In petitioner Vicente Pardillo's testimony, he admitted that he was allowed to occupy the property in 1962 by the incumbent *barangay* captain, to wit:

Q: And how did you happen to occupy the land of which you have been residing for 42 years?

⁴¹ CIVIL CODE, Art. 1106 and Art. 1139.

⁴² *Heirs of Vencilao, Sr. v. Court of Appeals*, 351 Phil. 815, 823 (1998).

⁴³ *Republic v. Gielczyk*, 720 Phil. 385, 396-397 (2013).

⁴⁴ *Id.* at 401.

⁴⁵ *Id.*



A: When I arrived in that place in 1962 I asked the barangay captain at the time barangay captain Gregorio Malinda.

Q: What did you ask from him?

A: A residential lot for us to construct a house and reside there.

Q: **What happened to your request?**

A: **I asked from the barangay captain a piece of land so that I could work on the said land and to reside on the said place[.]**

Q: **Did barangay captain Malinda grant your request[?]**

A: **Yes.**

x x x x

Q: And is that the same land that you are referring now that you had been in occupation for 42 years?

A: Yes, sir.

x x x x

Q: You are referring to 1962?

A: Yes, sir.⁴⁶ (Emphases supplied)

On the other hand, petitioner Catalina Magbanua, knew at the time she occupied the property, that its owner was Barangay Poblacion. In her cross-examination, she confirmed the owner of the disputed land to be Barangay Poblacion, to wit:

Q: **Then how can we say that this is the land which is not the subject of litigation when there is no cadastral lot number?**

A: **The owner of that land is the barangay.**

Q: **In other words what you tell the Honorable Court is that this land is owned by the barangay and it was subdivided by the people in that barangay?**

A: **Yes, sir.**⁴⁷ (Emphases supplied)

In clarifying how petitioners acquired the property and who owned the same, Alfonso Rivera testified that he did not own the land and that it was owned by Barangay Poblacion, thus:

Q: You made mention that you were able to enter and occupy the property allegedly [i]n the year 1964 [through] the barangay captain, what is the name of that barangay captain?

⁴⁶ TSN, August 6, 2004, pp. 48-49.

⁴⁷ TSN, August 13, 2004, pp. 61-62.

- A: Johnny Aquino.
- Q: Was he the owner of the property?
A: He was the barangay captain.
- Q: My question is, was he the owner of the land that you claimed that was given to you?
A: He was the one who gave me that land.
- Q: **But you do not know if Johnny Aquino was the owner of the land?**
A: **I do not know because it is owned by the barangay.**
- Q: **Was there any document signed or given to you by then barangay captain Aquino when he gave you that land where you are occupying now?**
A: **None.**⁴⁸ (Emphases supplied)

Again, the testimonies of petitioners are consistent: Barangay Poblacion allowed them to occupy a portion of respondent's land. Similarly, petitioner Erlinda Pardillo, during cross-examination, traced her title together with other petitioners, to Barangay Poblacion, to wit:

- Q: And you also learned that the same land which was mortgaged by Tanquion was foreclosed by DBP?
A: Yes.
- Q: And also during that confrontation there was an arrangement that Father [Leoni] would help pay the mortgage in the amount needed?
A: Yes.
- Q: Provided that portion of 2 hectares perhaps would be donated to the barangay?
A: Yes, sir. I know that.
- Q: **And in fact a donation was really made to the barangay?**
A: **Yes, there was.**
- Q: **And this is where your co-defendants acquired their right to occupy the respective land because of the barangay arrangements?**
A: **Yes.**⁴⁹ (Emphases supplied)

As can be gleaned from the foregoing, petitioners knew the owner of the subject land to be Barangay Poblacion pursuant to the Deed. By petitioners' own admission, their possession is not adverse and not in the

⁴⁸ TSN, April 21, 2009, pp. 112-113.

⁴⁹ TSN, June 16, 2008, pp. 105-106.

concept of an owner. They merely traced their right to possess and occupy the property to Barangay Poblacion.

Petitioners however claim that the property had been donated in favor of Barangay Poblacion to secure their possession. However, as correctly ruled by the CA, there was no stipulation in the Deed that the donation was entered into for their benefit.⁵⁰

Third, the action has not prescribed.

Lest it be misunderstood, the Court's disquisition in this case does not traverse upon the validity of the revocation of the donation. As previously stated, the issues to be resolved herein merely involve prescription and the litigant's right to possession.

In *Heirs of Cullado v. Gutierrez*,⁵¹ the Court had the occasion to reaffirm the basic principle that the right of an owner to evict any person illegally occupying the property is imprescriptible and can never be barred by laches:

In the consolidated cases of *Catindig v. Vda. de Meneses (Catindig)* and *Roxas, Sr. v. Court of Appeals*, the Court reiterated that:

x x x [I]t is a fundamental principle in land registration that the certificate of title serves as evidence of an indefeasible and incontrovertible title to the property in favor of the person whose name appears therein. It is conclusive evidence with respect to the ownership of the land described therein. Moreover, the age-old rule is that the person who has a Torrens title over a land is entitled to possession thereof.

In addition, as the registered owner, **[the] right to evict any person illegally occupying [the] property is imprescriptible.** In the recent case of *Gaudencio Labrador, represented by Lulu Labrador Uson, as Attorney-in-Fact v. Sps. Ildelfonso Perlas and Pacencia Perlas and Sps. Rogelio Pobre and Melinda Fogata Pobre*, the Court held that:

As a registered owner, petitioner has a right to eject any person illegally occupying his property. This right is imprescriptible and can never be barred by laches. In *Bishop v. Court of Appeals*, we held, thus:

⁵⁰ *Rollo*, p. 40.

⁵¹ G.R. No. 212938, July 30, 2019, 911 SCRA 557.

As registered owners of the lots in question, the private respondents have a right to eject any person illegally occupying their property. This right is imprescriptible. Even if it be supposed that they were aware of the petitioners' occupation of the property, and regardless of the length of that possession, the lawful owners have a right to demand the return of their property at any time as long as the possession was unauthorized or merely tolerated, if at all. This right is never barred by laches.

In turn, the imprescriptible right to evict ostensibly proceeds from paragraph 2 of Article 1126 of the Civil Code in relation to Section 47 of PD 1529, which provides:

SEC. 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.⁵² (Emphases supplied; citations omitted)

Clearly, settled is the rule that when an action for recovery of possession is anchored on a title of ownership, the action is imprescriptible.⁵³ In the case at bar, not only did petitioners lack any valid claim of title over the subject property, but also, they have not entered into any contract involving the same. To reiterate, to the point of being redundant, petitioners are not party to the Deed. No contract had been entered between petitioners and respondent regarding the occupation or possession of the contested realty. Needless to say, no written or even implied consent had been given by respondent in favor of petitioners to occupy the disputed land.

Unfortunately, petitioners are mere intruders or trespassers who do not have a right to possess the subject lots. Accordingly, petitioners' reliance on the prescription of respondent's action, or worse, that respondent's right to file an action is already barred by laches, is misplaced. As can be clearly concluded from the foregoing, the right of respondent as owner thereof to recover possession of the disputed property is imprescriptible.

Anent petitioners' contention that the Deed requires reformation because it failed to express the true intent of the parties,⁵⁴ the Court finds no merit in the same.

Art. 1359 of the Civil Code provides that when a contract fails to reflect the true intent of the parties, the right to plea for reformation of the

⁵² Id. at 573-574.

⁵³ Id.

⁵⁴ *Veluz v. Veluz*, 133 Phil. 459, 465-466 (1968).

instrument is granted to one of the parties therein. Art. 1359 of the Civil Code reads:

When, there having been a meeting of the minds of the parties to a contract, their true intention is not expressed in the instrument purporting to embody the agreement, by reason of mistake, fraud, inequitable conduct or accident, **one of the parties may ask for the reformation of the instrument** to the end that such true intention may be expressed.

If mistake, fraud, inequitable conduct, or accident has prevented a meeting of the minds of the parties, the proper remedy is not reformation of the instrument but annulment of the contract. (Emphasis supplied)

Apparently, petitioners are not privy to the Deed. They have no legal standing to question the Deed. Even assuming that they do have legal standing, and that they have knowledge of the events leading to the execution of the Deed, the action to have it reformed had already prescribed. Pursuant to Art. 1144 of the Civil Code, the parties only had 10 years upon the execution of the Deed to bring action to seek for its reformation.⁵⁵

All told, the Court finds no reversible error in the decision of the CA. It bears emphasis that the person who holds a Torrens title over a land is also entitled to ownership thereof. The right to possess and occupy the land is an attribute and a logical consequence of ownership. Corollary to this rule is the right of the holder of the Torrens title to evict any person illegally occupying their property.⁵⁶

WHEREFORE, the petition is **DENIED**. The August 26, 2016 Decision and the June 23, 2017 Resolution of the Court of Appeals in CA-G.R. CV No. 03535-MIN ordering petitioners to vacate the subject property are hereby **AFFIRMED**.


⁵⁵ Art. 1144. The following actions must be brought within ten years from the time the right of action accrues:

- (1) Upon a written contract;
- (2) Upon an obligation created by law; [and]
- (3) Upon a judgment.

⁵⁶ *Supapo v. Spouses de Jesus*, 758 Phil. 444, 461-462 (2015).

SO ORDERED.” *Marquez, J., on official business.*

By authority of the Court:


LIBRADA C. BUENA
Division Clerk of Court
K/lt 4/11

by:

MARIA TERESA B. SIBULO
Deputy Division Clerk of Court

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