



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court, Third Division, issued a Resolution dated November 24, 2021, which reads as follows:

G.R. No. 255562 (Sps. Andres Padua and Priscilla Padua v. Ernesto A. Perez and Rebecca A. Perez-Bataclan). –The Court GRANTS petitioners’ motion for an extension of thirty (30) days within which to file a petition for review on *certiorari*, counted from the expiration of the reglementary period.

This resolves a Petition for Review on *Certiorari*,¹ assailing the Decision² dated December 12, 2019 and the Resolution³ dated January 22, 2021 of the Court of Appeals (CA) in CA-G.R. CV No. 109910. The CA affirmed the Decision⁴ dated September 2, 2016 of the Regional Trial Court (RTC) of Quezon City, Branch 215, ordering petitioners to vacate the property covered by Transfer Certificate of Title (TCT) No. RT-42149 and to pay respondents reasonable rental fee.

Facts of the Case

The case originated from respondents’ complaint⁵ for recovery of possession against petitioners and several others⁶ before the RTC, docketed as Civil Case No. Q-07-59746. Respondent Ernesto Perez testified that he and his sibling, Rebecca, are the registered owners of a parcel of land in Brgy. Holy Spirit, Quezon City covered by TCT No. RT-42149 (361015) consisting of 10,833 square meters. They inherited the property from their parents. The TCT was derived from Original Certificate of Title (OCT) No. 216. Respondents discovered that petitioners, among others, were occupying the property without their consent. They offered to sell the property to petitioners, who declined and refuted their title. They submitted the tax declaration of the

¹ *Rollo*, pp. 22-49.

² Penned by Associate Justice Geraldine C. Fiel-Macaraig, with the concurrence of Associate Justices Fernanda Lampas Peralta and Edwin D. Sorongon; *id.* at 55-64.

³ *Id.* at 9-10.

⁴ Penned by Judge Rafael G. Hipolito; *id.* at 82-102.

⁵ *Id.* at 67-71.

⁶ *Id.* at 82. Sps. Joseph & Emma Manahan, Sps. Lorenzo & Marilyn Navarro, Sps. Rolando & Rowena Esteban, and all persons claiming rights under them.

property and a certification from the City Treasurer's Office to corroborate their claim of ownership. Engr. Jose V. Querijero (Engr. Querijero), a geodetic engineer, also corroborated respondents' claim. He testified that he surveyed the property and made its structural survey plan using the technical descriptions in TCT No. RT-42149. He also interviewed residents in Brgy. Holy Spirit to identify the individuals occupying respondents' property.⁷

For their part, petitioners countered that the World War II Veterans Legionnaires of the Philippines (Veterans Legionnaires) was the owner of the property. Petitioner Priscilla cited the Order dated September 17, 1977 of the Court of First Instance (CFI) of Baliuag, Bulacan, Branch 4, awarding the property to the members of the Veterans Legionnaires. However, she admitted that the Veterans Legionnaires has no title over the property. She claimed that they were occupying the property⁸ since 1980 because her parents were members of the Veterans Legionnaires. She assailed the authenticity of OCT No. 216 and TCT No. RT-42149. The President of Veterans Legionnaires corroborated Priscilla's testimony.⁹

Ruling of the Regional Trial Court

In its Decision¹⁰ dated September 2, 2016, the RTC ruled in favor of respondents. The dispositive portion of the Decision reads:

WHEREFORE, judgment is hereby rendered in favor of the plaintiffs Ernesto A. Perez and Rebecca A. Perez-Bataclan and against the defendants. Accordingly, the court order as follows:

(a) For defendants Sps. Joseph & Emma Manahan, Sps. Lorenzo & Marlyn Navarro, Sps. Rolando & Rowena Esteban, **Sps. Andres & Priscila Padua** and all persons claiming rights under them to vacate the property covered by TCT No. RT-42149 (361015) of the Registry of Deeds of Quezon City;

(b) For defendants Sps. Joseph & Emma Manahan, Sps. Lorenzo & Marlyn Navarro, Sps. Rolando & Rowena Esteban, **Sps. Andres & Priscila Padua** to pay a reasonable rental fee in the amount of Php 3,000.00 per month computed from January 2004 up to the time possession thereof is actually turned over to the plaintiffs; and

(c) For defendants Sps. Joseph & Emma Manahan, Sps. Lorenzo & Marlyn Navarro, Sps. Rolando & Rowena Esteban, **Sps. Andres & Priscila Padua** to jointly and

⁷ Id. at 55-56, 67-68.

⁸ Id. at 105. 180 square meters more or less.

⁹ Id. at 57.

¹⁰ Supra note 4.

solidarily pay Plaintiffs the sum of Php 50,000.00 plus Php 2,000.00 per hearing as attorney's fees and costs of litigation.

SO ORDERED.¹¹ (Emphasis supplied)

The RTC found that respondents were entitled to the possession of the property. It directed petitioners and several others to vacate the property and pay reasonable rental fee to respondents in the amount of ₱3,000.00 per month computed from January 2004, when respondents demanded them to vacate the property, up to the time that possession is turned over to respondents. They were also held solidarily liable to pay respondents ₱50,000.00 plus ₱2,000.00 per hearing as attorney's fees and cost of litigation since the latter were compelled to engage the services of a lawyer to institute the complaint.¹²

The RTC noted that the case is an *accion publiciana*, where the better right of possession of realty is determined independent of title. However, when there is a need to decide upon ownership in order to resolve the issue of possession, the court may pass upon the validity of the title of the subject property provisionally. The RTC ruled that respondents are the registered owners of the land. As such, they are entitled to the possession of the property as an incident of their ownership. Petitioners' claim that respondents' title is a nullity is a collateral attack on the latter's Torrens certificate of title. Section 48 of Presidential Decree (PD) No. 1529 or the Property Registration Decree bars the collateral attack on a certificate of title. The attack is indirect or collateral when, in an action to obtain a different relief, an attack on the judgment pursuant to which the title was decreed, is made as an incident thereof.¹³

The RTC further held that while petitioners' witness, the president of Veterans Legionnaires, testified that the World War II veterans were recognized as the rightful owners of Lots 1, 2, and 3 of the Piedad Estate by virtue of the Order of the RTC of Malolos, Bulacan, Branch 15 in Special Proceedings No. 312-B, he mentioned that the property awarded to the Veterans Legionnaires is not covered by a title under PD No. 1529 and is not declared in the City Assessor's Office for taxation purposes. Thus, petitioners acquired no more than the rights of the World War II veterans.¹⁴

Meanwhile, the RTC rejected petitioners' claim that respondents failed to prove that the land described in TCT No. RT-42149 is the same land occupied by them. Respondents presented a structural survey plan authenticated by Engr. Querijero. As shown in the Plan, the lot where petitioners reside is covered by respondents' title.¹⁵

¹¹ *Rollo*, pp. 101-102.

¹² *Id.* at 100-102.

¹³ *Id.* at 96-98.

¹⁴ *Id.* at 99.

¹⁵ *Id.*

Petitioners sought reconsideration, which the RTC denied.¹⁶

Ruling of the Court of Appeals

On appeal, the CA, in its Decision¹⁷ dated December 12, 2019, affirmed the RTC with modification in that the total amount due to respondents shall earn 6% interest *per annum*, computed from the finality of the Decision until full satisfaction.¹⁸ It ruled that respondents' title over the property prevails over petitioners' claim that they possessed the property in open, adverse, and continuous manner. As registered owners, respondents have the right to exclusively enjoy their ownership of the property, which includes the preferential right to possess it. The CA agreed with the RTC that respondents' title is immune to collateral attack. Petitioners' arguments were tantamount to collateral attack because they involve the alteration, correction, or modification of TCT No. RT-42149.¹⁹

More, the CA noted that respondents successfully established the identity of the property covered by their title in the structural survey plan. Engr. Querijero also confirmed that the title covers the property occupied by petitioners.²⁰

Petitioners sought reconsideration, which was denied in the CA Resolution²¹ dated January 22, 2021.

Hence, they filed the present petition.

Petitioners' arguments

Petitioners insist that other than their title to the property, respondents did not introduce evidence to establish that the land described in their TCT is the same property possessed and occupied by petitioners.²² They maintain that they were already occupying the property even before it was registered in the name of respondents. They insist that in the Order²³ dated September 17, 1977 of the CFI of Baliuag, Bulacan, Branch IV, in SP PRO 312-B, Veterans Legionnaires, by virtue of acquisitive prescription, was declared to be the owner of Lots 1, 2, and 3 of the Piedad Estate.²⁴ Said lots comprised the property subject of the case. With respect to the Piedad Estate, petitioners argue that it is a friar land and may be acquired only through the provisions of Land Act 1120. Respondents and their predecessors-in-interest had no evidence that they acquired the property through Land Act 1120. Petitioners

¹⁶ Id. at 58-59.

¹⁷ Supra note 2.

¹⁸ *Rollo*, p. 63.

¹⁹ Id. at 61-62.

²⁰ Id. at 62-63.

²¹ Supra note 3.

²² *Rollo*, pp. 24-25.

²³ Penned by Judge Benigno M. Puno; id. at 111-114.

²⁴ Id. at 114.

allege that the Order dated September 17, 1977 was affirmed by the CA and the Supreme Court.²⁵ It was also executed per the Sheriff's final return dated March 13, 1994, which stated that Lots 1, 2, and 3 were already turned over to the Veterans Legionnaires.²⁶ The right of possession was passed to petitioners in 1980 when the Veterans Legionnaires allocated to them the land they presently occupy.²⁷

Petitioners argue that although the source of respondents' TCT No. RT-42149 is OCT 614, respondents did not present any trace back of the said TCT to its source.²⁸ They averred that contrary to the findings of the CA, they did not make a collateral attack on respondents' title. The main thrust of their defense is that respondents cannot use the TCT registered in their name to defeat the preferential right of petitioners to the possession of the subject property by virtue of the latter's prior actual and uninterrupted possession of the property in the concept of an owner.²⁹

Lastly, petitioners alleged that a related case was filed by respondents against the other occupants of the property under the same facts and circumstances. The RTC of Quezon City, Branch 224 dismissed that case for lack of merit. On appeal, the CA affirmed the RTC.³⁰

Issue

The issue before Us is whether the CA erred in affirming the RTC that respondents have a better right to possess the property.

Ruling of the Court

The petition is bereft of merit.

Accion publiciana is a "plenary action to recover the better right of possession" "when the dispossession has lasted for more than one year." The "better right of possession" of a real property is independent of title. It may or may not proceed from a Torrens title. "However, where the parties raise the issue of ownership, the courts may pass upon the issue to determine, [provisionally,] who between the parties has the right to possess the property." Such adjudication, being provisional, is not conclusive on the issue of ownership and does not bar an action between the same parties involving title to the property.³¹

There are two recognized approaches in dealing with the claim of ownership raised in a defendant's answer in an *accion publiciana*, which are:

²⁵ Id. at 36-37.

²⁶ Id. at 30-37.

²⁷ Id. at 40.

²⁸ Id.

²⁹ Id. at 47.

³⁰ Id. at 48.

³¹ *Heirs of Cullado v. Gutierrez*, G.R. No. 212938, July 30, 2019.

“(1) to allow the provisional resolution of the issue of ownership to determine the ‘better right of possession;’ or (2) not to allow its resolution because the *accion publiciana* court is bereft of jurisdiction to rule with finality on the issue of ownership and the attack on a certificate of title is deemed a collateral one that is therefore proscribed.”³²

Here, respondents anchored their cause of action on their ownership of the property. Likewise, petitioners’ counterclaim was based on their ownership of the property allegedly derived from Veterans Legionnaires and on their uninterrupted and open possession of the property since 1980. The RTC and the CA applied the first approach. They provisionally determined the ownership of the property. They correctly found that respondents are the owners of the property. It is undisputed that respondents are the registered owners of the property covered by TCT No. RT-42149 issued on May 26, 1987. Petitioners’ Answer with Compulsory Counterclaim, which challenged the validity of respondents’ title, was filed on May 15, 2007. At that time, respondents’ title had already become incontrovertible upon the lapse of one-year period to question it by reason of actual fraud as stated in Section 32³³ of PD No. 1529. Since respondents’ title had already become indefeasible, it remains valid until cancelled in an appropriate proceeding.

In addition, pursuant to Section 47³⁴ of PD No. 1529, prescription does not run against a registered land. Thus, petitioners’ alleged open and continuous possession of the property since 1980 would not ripen into a title. Petitioners also cannot derive ownership from the Veterans Legionnaires. Petitioners admitted before the RTC that Veterans Legionnaires has no registered title over the property. Neither did Veterans Legionnaires declare the property in its name for taxation purposes. Accordingly, respondents have the better right of possession against petitioners because their rights were based on ownership recognized by a TCT in their names.³⁵

We reject petitioners’ claim that respondents failed to establish the identity of the lot covered by their title as the same lot that petitioners

³² Id.

³³ Section 32. *Review of decree of registration; Innocent purchaser for value.* The decree of registration shall not be reopened or revised by reason of absence, minority, or other disability of any person adversely affected thereby, nor by any proceeding in any court for reversing judgments, subject, however, to the right of any person, including the government and the branches thereof, deprived of land or of any estate or interest therein by such adjudication or confirmation of title obtained by actual fraud, to file in the proper Court of First Instance a petition for reopening and review of the decree of registration not later than one year from and after the date of the entry of such decree of registration, but in no case shall such petition be entertained by the court where an innocent purchaser for value has acquired the land or an interest therein, whose rights may be prejudiced. Whenever the phrase "innocent purchaser for value" or an equivalent phrase occurs in this Decree, it shall be deemed to include an innocent lessee, mortgagee, or other encumbrancer for value.

Upon the expiration of said period of one year, the decree of registration and the certificate of title issued shall become incontrovertible. Any person aggrieved by such decree of registration in any case may pursue his remedy by action for damages against the applicant or any other persons responsible for the fraud.

³⁴ Section 47. *Registered land not subject to prescriptions.* No title to registered land in derogation of the title of the registered owner shall be acquired by prescription or adverse possession.

³⁵ *Heirs of Cullado v. Gutierrez*, supra note 31.

occupied. Suffice it to state that both the RTC and the CA held that the structural survey plan executed by Engr. Querijero shows that petitioners are indeed occupying the property owned by respondents. Factual findings of the RTC, when affirmed by the CA, are binding and conclusive upon the Supreme Court.³⁶

Meanwhile, We stress that Our ruling in this case is limited to the issue of who between the parties has a better right to possess the property. Our disposition is not final and conclusive on the issue of ownership. As such, it will not bar the parties or even third persons from filing an action specifically for the determination of ownership of the subject property. In that action, petitioners may properly raise their argument that respondents' title is a nullity in view of the alleged Order of the CFI of Baliuag finding Veterans Legionnaires as the owner of the property by way of acquisitive prescription. This is consistent with Article 48³⁷ of PD No. 1529, which prohibits the collateral attack on a certificate of title. There is a direct attack when "the object of an action is to annul or set aside the title, or enjoin its enforcement;" while "the attack is indirect or collateral when, in an action to obtain a different relief, an attack on the judgment or proceeding is nevertheless made as an incident thereof."³⁸

WHEREFORE, the petition is **DENIED**. The Decision dated December 12, 2019 and the Resolution dated January 22, 2021 of the Court of Appeals in CA-G.R. CV No. 109910 are hereby **AFFIRMED**.

SO ORDERED."

By authority of the Court:

Misael Domingo C. Battung III
MISAEL DOMINGO C. BATTUNG III
Division Clerk of Court
r/bt/s

Atty. Julito M. Briola
Counsel for Petitioners
No. 36 Blk. 5 Pook Palaris, UP Campus
1101 Diliman, Quezon City

COURT OF APPEALS
CA G.R. CV No. 109910
1000 Manila

Atty. Rogelio D. Directo
Counsel for Respondent
Lot 19 & 20, Block 2, 074 Belen St.
Gulud, Novaliches, 1123 Quezon City

³⁶ *Mercado v. People*, 441 Phil. 216, 225 (2002).

³⁷ Section 48. *Certificate not subject to collateral attack*. A certificate of title shall not be subject to collateral attack. It cannot be altered, modified, or canceled except in a direct proceeding in accordance with law.

³⁸ *Hortizuela v. Tagufa*, 754 Phil. 499, 506 (2015).

Special & Appealed Cases Service
PUBLIC ATTORNEY'S OFFICE
DOJ Agencies Building
East Avenue cor. NIA Road
Diliman, 1104 Quezon City

The Presiding Judge
REGIONAL TRIAL COURT
Branch 215, 1101 Quezon City
[Civil Case No. Q-07-59746]

PHILIPPINE JUDICIAL ACADEMY
Research Publications and Linkages Office
Supreme Court, Manila
[research_philja@yahoo.com]

PUBLIC INFORMATION OFFICE
Supreme Court, Manila
[For uploading pursuant to A.M. 12-7-1-SC]

LIBRARY SERVICES
Supreme Court, Manila

Judgment Division
JUDICIAL RECORDS OFFICE
Supreme Court, Manila

G.R. No. 255562

109


**(154)
URES**