

SECOND DIVISION

[G.R. No. 84905, February 01, 2000]

REGINO CLEOFAS AND LUCIA DELA CRUZ, PETITIONERS, VS. ST. PETER MEMORIAL PARK INC., BASILISA ROQUE, FRANCISCO BAUTISTA, ARACELI WIJANGCO-DEL ROSARIO, BANCO FILIPINO, AND REGISTER OF DEEDS OF RIZAL AND REGISTER OF DEEDS OF QUEZON CITY RESPONDENTS.

D E C I S I O N

BUENA, J.:

This case dates back to 1973. It has dragged on for 26 years and has reached this Court three times. We now write *finis* to this controversy.

The property subject of the present controversy is Lot No. 719 of the Piedad Estate situated in the Municipality of Caloocan, Rizal, containing an area of 215,264 square meters. It forms part of the land covered by Original Certificate of Title No. 614 of the Registry of Deeds of Rizal, in the name of the Government of the Philippines.

On March 20, 1909, the Director of Lands, as administrator of the Piedad Estate, executed a contract in favor of Antonio Cleofas, (predecessor-in-interest of herein petitioners) known as Sales Certificate No. 923. Antonio Cleofas took possession of the lot and occupied the same until his death sometime in 1945. Antonio's title was burned in a fire sometime in 1933. Subsequently, when petitioners tried to reconstitute the lost certificate, they discovered that the lot was already registered in the name of herein respondent Memorial Park. Hence, they filed on October 31, 1970 a suit against respondents for annulment of certificate of title and recovery of possession before then Court of First Instance of Rizal which was docketed as Civil Case No. Q-15001. In their complaint, petitioners prayed, among others, that they be declared the rightful owners of Lot No. 719, that the title of their predecessor, Antonio Cleofas, be reconstituted and that all certificates of title over said lot issued in the names of the respondents be declared null and void.^[1]

Respondent Memorial Park, filed its answer alleging *inter alia*: that while Lot No. 719 was originally sold to Antonio Cleofas by the government, Cleofas subsequently assigned his rights to a certain Aniceto Martin and Trino Narciso, in whose favor Transfer Certificate of Title No. 21893 was issued on June 17, 1932; that Martin and Narciso in turn conveyed the property to Nazario Roque on May 11, 1937 resulting in the issuance of TCT No. 32258; and that Nazario's transfer certificate of title was cancelled and the property was passed on to his heirs, Carmen and Basilisa Roque from whom respondent St. Peter Memorial Park purchased the lot.^[2]

After trial, the lower court, on May 2, 1973, rendered judgment in favor of herein petitioners and against respondents, the decretal portion of which reads:

"IN VIEW OF ALL THE FOREGOING, it is hereby declared that the plaintiffs are the rightful owners of Lot 719 of the Piedad Estate and are entitled to possession of the same; that Transfer Certificate of Title No. 21893 issued by the defendant Register of Deeds of Rizal is declared null and void, and the following Transfer Certificates of Title Nos. 32258 issued by defendant Register of Deeds of Rizal cancelling TCT No. 21893; 12360 issued by defendants Register of Deeds of Quezon City, cancelling TCT No. 32258; 74978 in the name of defendant Araceli Wijangco del Rosario issued by defendant Register of Deeds of Quezon City and a transfer from TCT No. 12360; 98115, 130328 and 131768 in the name of defendant Basilisa Roque-Bautista and in the name of defendant corporation which are all mortgaged to the defendant Bank, and all issued by defendant Register of Deeds of Quezon City; are hereby declared null and void and are deemed cancelled and of no effect. The plaintiffs' petition for reconstitution of their lost title having been consolidated with this case, the same is hereby granted, and the Register of Deeds of Quezon City is directed to reconstitute plaintiffs' title on Lot 719. Piedad Estate, based on all available records and other data appearing in said registry of property.

It is further ordered that as prayed for the defendant corporation St. Peter Memorial Park, Inc., and the defendants Francisco M. Bautista and Basilisa Roque pay jointly and severally to the plaintiffs the amount of P40,000.00 as damages and the amount of P10,000.00 as Attorney's fees; plus costs.

SO ORDERED."^[3]

On June 30, 1973, respondents Memorial Park and Banco Filipino filed a joint motion for new trial on the ground of newly discovered evidence consisting of documents to show that the title issued to Antonio Cleofas refers to lot 640 and not lot 719 of the Piedad Estate. The motion for new trial was denied by the trial court on February 5, 1974. Aggrieved, respondents filed with this Court a petition for certiorari and prohibition to set aside the trial court's order denying their motion. The petition was docketed as G.R. No. L-38280.^[4]

On March 21, 1975, this Court granted respondents' motion and remanded the case to the Court of First Instance for new trial. At the new trial, respondents introduced new evidence to show that Antonio Cleofas is the awardee of Lot 640 of the Piedad Estate as evidenced by Deed No. 18562 dated August 10, 1929, as well as TCT No. 15694 covering the same lot. It is their theory that Sheet 15 of Original Certificate of Title No. 614 which is the basis of petitioners' title over the subject lot, referred to Lot No. 640 and not to Lot 719.

On March 19, 1977, the Court of First Instance of Rizal, Branch IV, Quezon City, then presided by Judge Ricardo P. Tensuan, rendered a decision, the dispositive portion of which reads^[5]:

"IN VIEW OF ALL THE FOREGOING, the Decision dated May 2, 1973 is hereby revived and reinstated, and it is hereby declared that the (1) plaintiffs are the rightful owners of Lot 719 of the Piedad Estate and are entitled to possession of the same; that Transfer Certificate of Title No.

21893 issued by the defendant Register of Deeds of Rizal is declared null and void, and the following Transfer Certificate of Title Nos. 32258 issued by defendant Register of Deeds of Rizal cancelling TCT Nos. 21893; 12360 issued by defendant Register of Deeds of Quezon City, cancelling TCT Nos. 32258; 74978 in the name of the defendant Araceli Wijangco del Rosario issued by defendant Register of Deeds of Quezon City and a transfer from T.C.T Nos. 12360, 98115, 130328 and 131768 in the name of defendant Basilisa Roque-Bautista and in the name of defendant corporation which are all mortgaged to the defendant Bank, and all issued by defendant Register of Deeds of Quezon City; are hereby declared null and void and are deemed cancelled and of no effect. The plaintiff's petition for reconstitution of their lost title having been consolidated with this case, the same is hereby granted and the Register of Deeds of Quezon City is directed to reconstitute plaintiffs' title on Lot 719, Piedad Estate, based on all available records and other data appearing in said registry of property.

(2) It is further ordered that as prayed for, the defendant corporation St. Peter Memorial Park, Inc., pay to the plaintiffs the amount of P40,000.00 as damages and the amount of P10,000.00 as attorney's fees; plus costs.

SO ORDERED."

The trial court found the Deed of Assignment in favor of Martin and Narciso, predecessors of herein respondent St. Peter Memorial Park, spurious. The trial court dwelled on the fact that the Assignment of Certificate of Sale No. 923^[6] executed by Antonio Cleofas in favor of Martin and Narciso, Deed No. 25874^[7] executed by the Director of Lands in favor of Martin and Narciso conveying lot 719 to the latter and the deed of sale executed by Martin and Narciso in favor of Nazario Roque were all in the possession of respondent St. Peters and not with the proper custodians or repositories thereof and that the alleged assignment bears only a thumbmark of Antonio Cleofas although there is proof of his competence to sign the same.^[8]

Again, respondents elevated the case to this Court and on July 30, 1979, we rendered a decision affirming the trial court's decision, portions of which is hereunder quoted:

"The deed of assignment in question of Lot No. 719, although more than thirty years old, was not produced from a custody in which it would naturally be found if genuine. It was found in the custody of the St. Peter Memorial Park, Inc., not in the folder of Bureau of Lands for Lot No. 719. If, as contended by the petitioners the said deed of assignment was the basis of the sale of Lot No. 719 by the Bureau of Lands in favor of Aniceto Martin and Trino Narciso, the deed of assignment should have been placed in the folder of the Bureau of Lands for Lot No. 719. No reason was given why the deed of assignment of Lot No. 719 in favor of Aniceto Martin and Trino Narciso was produced from the possession of St. Peter Memorial Park, Inc.

"Moreover, the deed of assignment was principally signed by one Ruperto Cleofas who was not a co-owner of Lot No. 719. Antonio Cleofas, who was the sole owner of said lot, was only a co-assignor. Although he could

write his name, Antonio Cleofas did not sign the deed of assignment. There appears only a thumb mark over the typewritten name of Antonio Cleofas. These suspicious circumstances were not explained by the petitioners. The deed of assignment cannot be presumed genuine and authentic under Sec. 22, Rule 132 of the Revised Rules of Court. It was not produced from a custody in which it would naturally be found if genuine and it is blemished by circumstances of suspicion.

"The fact that petitioner, St. Peter Memorial Park, Inc., was in possession of the deed of assignment of Lot No. 719 which the trial court found to be spurious is a badge of bad faith."^[9]

Again, respondents St. Peter Memorial Park and Banco Filipino moved to reconsider the aforesaid decision. During the pendency of the motion, respondent filed a Supplemental Motion for Reconsideration praying alternatively, (1) that the motion be considered in the light of the additional documentary evidence which they ask the Court to take judicial notice of; or (2) if this Court is not inclined to do so on procedural or technical grounds, that the case be remanded to the trial court for new trial in order to afford them the opportunity to present newly discovered evidence. In their prayer for another new trial, respondents have manifested that in view of the adverse finding as to the genuineness of the deed of assignment, they continued their search for evidence to bolster their contention that the deed of assignment of Sale Certificate No. 923 was a genuine document properly filed in a government office and confirmed by entries in the records of the same.^[10]

On March 28, 1983, this Court set aside its decision of July 30, 1979 and remanded the case to the trial court of Quezon City for new trial. In granting the second motion for new trial, this Court ratiocinated:^[11]

"It is neither a valid objection that the petitioners had previously been afforded the opportunity to present evidence which they failed to do during the trial. A second new trial is expressly authorized by the Rules if 'based on a ground not existing nor avoidable when the first motion was made' (Sec. 4, Rule 37, Rules of Court). As pointed out above, the circumstances surrounding the discovery of the evidence which the petitioners desire to present are adequate justification for the failure to make them available during the original trial, or in the new trial previously allowed.

x x x x x x x x x

"The evidentiary worth of the evidence proffered by the petitioners may not be brushed aside by a simplistic and sweeping appraisal that 'they do not promise to change the results.' Undeniably, if it is true that copies of Exhibits '1' and '2' had actually been filed in the proper government office, but were only misplaced or misfiled therein, there would be little doubt as to the authenticity of the copies in the possession of the petitioners which had been presented in court as Exhibits '1' and '2'. Such a finding would meet squarely the pronouncement that Exhibits '1' and '2' are spurious. It would also serve to dissipate the doubts as to their genuineness arising from the fact that Exhibit '1' was executed not by Antonio Cleofas alone, and that it was thumbmarked and not signed