

## FIRST DIVISION

[ G.R. No. 233055, August 19, 2020 ]

**HEIRS OF PEDRO BERNARDO AND PACITA RONQUILLO,  
REPRESENTED BY BELEN B. ORTIZ, HEIRS OF CARLITO  
BERNARDO, REPRESENTED BY MA. LOURDES PAGTALUNAN,  
HEIRS OF JAIME R. BERNARDO, TERESITA R. BERNARDO AND  
DIOSA B. ABES, PETITIONERS, VS. SPOUSES GUADALUPE M.  
GAMBOA AND TRINIDAD CABALLERO, RESPONDENTS.**

### DECISION

**REYES, J. JR., J.:**

This Petition for Review on *Certiorari*<sup>[1]</sup> under Rule 45 of the Rules of Court seeks to reverse and set aside the Decision<sup>[2]</sup> dated January 31, 2017 and the Resolution<sup>[3]</sup> dated July 18, 2017 of the Court of Appeals (CA) in CA-G.R. CV No. 104636, which affirmed the Decision<sup>[4]</sup> dated February 9, 2015 of the Regional Trial Court (RTC) of Gapan City, Nueva Ecija, Branch 34, in Civil Case No. 2738 for Cancellation of Title and/or Reconveyance of Title and Damages.

#### **Factual Antecedents**

The subject properties in the present case involve two adjacent parcels of land, denominated as Lot 1323 (later known as Lot 1323-B) and Lot 1324, located at Sitio Bical-Bical, Diwalaan, General Tinio, Nueva Ecija.<sup>[5]</sup>

The petitioners are the heirs of the late spouses Bernardo and Pacita Ronquillo, namely: 1) Belen B. Ortiz; 2) the Heirs of Carlito Bernardo, represented by Ma. Lourdes Pagtalunan; 3) Heirs of Jaime R. Bernardo, [this may be omitted but the name of said representative is mentioned and alleged in the petition, page 15] represented by Lilia Bernardo; 4) Teresita R. Bernardo; and, 5) Diosa B. Abes (referred to individually by their first names, or collectively as petitioners). Records reveal that petitioners occupy Lot 1323, having derived ownership over the same as heirs of their predecessors-in-interest, spouses Pedro Bernardo and Pacita Ronquillo. According to petitioners, Lot 1323 had an area of 67,873 square meters, per Original Certificate of Title (OCT) No. P-2980 in the names of Pedro Bernardo, married to Pacita Ronquillo.<sup>[6]</sup> However, a CA Decision dated February 3, 1978 had found that Lot 1323 encroached on the adjacent land owned by spouses Clemente and Gregoria Paredes. As such, the CA then ordered spouses Pedro Bernardo and Pacita Ronquillo to reconvey to spouses Clemente and Gregoria Paredes an area of 8,161.705 square meters. Consequently, Lot 1323 became known as Lot 1323-B with a reduced area of 59,711 square meters, per Transfer Certificate of Title (TCT) No. NT-109773.<sup>[7]</sup> When petitioners inherited Lot 1323-B, title was transferred to them, and TCT No. NT-308292 was issued in their names.<sup>[8]</sup>

On the other hand, Lot 1324 has an area of 42,643 square meters and is occupied by respondents spouses Guadalupe M. Gamboa and Trinidad Caballero (respondents), who acquired ownership thereof by virtue of a notarized *Kasulatan ng Bilihang Tuluyan* dated May 15, 1978, wherein spouses Corseno Padolina and Maria Abesamis sold said Lot 1324 to respondents for P28,500.00.<sup>[9]</sup> According to respondents, their predecessors-in-interest had occupied Lot 1324 since 1925. After acquiring Lot 1324 in 1978, respondents immediately took possession thereof and performed acts of ownership thereon, such as planting mango trees, and building a poultry house and water fountain within the premises.<sup>[10]</sup>

In November 2003, petitioner Belen sent respondents a sketch plan of Lot 1323-B and informed them that petitioners had caused a relocation survey of Lot 1323-B and found that an area consisting of 14,749 square meters was being occupied by respondents. Upon verification, respondents learned that said 14,749-square meter portion in their physical possession and being cultivated by them since 1978, was included in petitioners' TCT No. NT-109773.<sup>[11]</sup>

On December 23, 2003, the respondents filed a Complaint<sup>[12]</sup> against petitioners for Cancellation of Title and/or Reconveyance of Title with Damages. In the Complaint, respondents alleged, among others, that: 1) Lot 1323 was acquired by spouses Pedro Bernardo and Pacita Ronquillo from the latter's mother, Sotera Maducdoc; 2) between August 25 and November 7, 1958, spouses Pedro Bernardo and Pacita Ronquillo had Lot 1323 surveyed, revealing an area of 19,656 square meters, per subdivision plan Psu-173404 of Geodetic Engineer Deogracias Javier; 3) spouses Pedro Bernardo and Pacita Ronquillo fraudulently procured another subdivision plan executed by Pedro Rayo, which substantially increased the area of Lot 1323 and used the same in their application for free patent; 4) OCT No. P-2980 was issued in the names of spouses Pedro Bernardo and Pacita Ronquillo, and Lot 1323 was described therein as having an area of 67,873 square meters; 5) respondents were shocked when petitioner Belen informed them that a 14,749-square meter portion of their land was included in petitioners' TCT No. NT-109773; 6) at the time of their application, the 14,749-square meter portion had ceased to be part of the free, alienable and disposable portion of the public domain and thus, was unlawfully included by spouses Pedro Bernardo and Pacita Ronquillo in their application for free patent; and, 7) in a separate case, spouses Pedro Bernardo and Pacita Ronquillo were found guilty of fraud by the CA and ordered to reconvey an area of 8,161.705 square meters to spouses Clemente and Gregoria Paredes. Respondents prayed that petitioners be ordered to cause the segregation of the 14,749-square meter portion of Lot 1324 from TCT No. NT-109773 and have said portion titled in the names of respondents, and that the Register of Deeds of Nueva Ecija be ordered to partially cancel TCT No. NT-109773 insofar as it covers said segregated portion and issue a new certificate of title over the same in the names of respondents. Respondents further prayed that petitioners be ordered to pay them actual, moral and exemplary damages, litigation expenses and attorney's fees.<sup>[13]</sup>

Petitioners then filed their Answer with Counterclaim. They countered that a relocation survey of Lot 1323 was conducted, which showed that respondents encroached upon an area therein consisting of 14,749 square meters, and the matter was then brought before the *Barangay*. However, when the parties were about to settle, respondents suddenly filed their complaint. Petitioners asserted that the complaint was barred by *res judicata* as there was a previous judgment against

respondents' predecessor-in-interest, Corseno Padolina, denying his claim that two hectares of his land was erroneously included in OCT No. P-2980. Petitioners added that prescription and laches had set in because OCT No. P-2980, which was issued on January 3, 1962, had long attained indefeasibility and respondents' action to annul petitioners' title prescribed after four years. Petitioners sought payment of actual, moral and exemplary damages, among others.<sup>[14]</sup>

During the pre-trial, the parties stipulated that respondents were in actual physical possession of the 14,749-square meter portion in dispute.<sup>[15]</sup> Trial ensued thereafter.

Eventually, the RTC of Gapan City, Nueva Ecija, Branch 34, rendered its Decision dated February 9, 2015 in favor of respondents. The said RTC found that Pedro Bernardo had been previously judicially held guilty of encroaching on his neighbor's land, spouses Clemente and Gregoria Paredes, and thus, there was basis for respondents' claim that he likewise encroached on their Lot 1324. The RTC of Gapan City added that fraud was perpetrated by Pedro Bernardo prior to respondents' acquisition of Lot 1324, by virtue of the second relocation survey conducted on Lot 1323. The RTC found that petitioners failed to present credible evidence to prove their claim that the disputed 14,749-square meter area was part of Lot 1323. Finally, the RTC ruled that respondents were not guilty of laches and their action was not barred by prescription since petitioners admitted that respondents had always been in possession of Lot 1324. The dispositive portion of said Decision reads:

**WHEREFORE**, premises considered, judgment is hereby rendered in favor of the plaintiffs and against the defendants

1. Ordering the defendants to cause, at their expense the subdivision of Lot 1323-B covered by TCT No. NT-308292 segregating a portion of 14,749 square meters of plaintiffs' lot in question and to have the segregated portion titled in the names of plaintiff spouses Guadalupe Gamboa and Trinidad Caballero;
2. Ordering the Register of Deeds of Nueva Ecija to cancel partially TCT No. NT-308292 in so far as it covers the segregated portion and to issue a new certificate of title over the same portion in the name of plaintiffs;

**SO ORDERED.**<sup>[16]</sup>

Petitioners then filed an appeal before the CA. Petitioners alleged that the RTC of Gapan City, Nueva Ecija, Branch 34, erred in using as basis in its decision in respondents' favor, the CA Decision dated February 3, 1978, which found Pedro Bernardo guilty of encroaching on the land owned by spouses Clemente and Gregoria Paredes. Petitioners argued that no evidence was adduced by respondents to prove their claim that Pedro Bernardo committed fraud in acquiring Lot 1323. Petitioners insisted that the RTC erred in holding that the action filed by respondents was imprescriptible and not barred by laches, and that respondents had a valid cause of action against them. Petitioners also claimed that they were entitled to damages because respondents filed the complaint in bad faith.<sup>[17]</sup>

In the assailed Decision dated January 31, 2017,<sup>[18]</sup> the CA denied petitioners'

appeal. The CA held, among others, that respondents were able to prove by documentary and testimonial evidence the identity of Lot 1324 with a total area of 42,643 square meters and their ownership over the same. The CA elaborated on the fraud perpetrated by Pedro Bernardo in causing the relocation survey of Lot 1323 to include a portion of Lot 1324 consisting of 14,749 square meters, and using said survey in his application for free patent, which was granted even though it was not accompanied by an official plan and official technical description. The CA affirmed the ruling of the trial court that the action was not barred by prescription and laches, and also found that herein petitioners were not entitled to damages because respondents filed the complaint in good faith. The CA ruled in this wise:

**WHEREFORE**, premises considered, the instant Appeal is hereby **DENIED**. Accordingly, the 9 February 2015 Decision of the Regional Trial Court of Gapan City, Nueva Ecija, Branch 34 in Civil Case No. 2738 is **AFFIRMED**.

**SO ORDERED.**<sup>[19]</sup>

Petitioners filed a Motion for Reconsideration,<sup>[20]</sup> but the CA denied the same in the assailed Resolution dated July 18, 2017.<sup>[21]</sup>

Hence, petitioners come to this Court raising the following questions of fact and law:

- A. WHETHER THE ACTION FILED BY THE RESPONDENTS BEFORE THE REGIONAL TRIAL COURT (RTC) IS ACTUALLY AN ILLEGAL COLLATERAL ATTACK UPON THE TORRENS TITLE DULY ISSUED IN THE NAME OF PETITIONERS' FATHER;
- B. WHETHER ALLEGED FRAUD ON THE PART OF PETITIONERS' FATHER WHICH SUPPOSEDLY ATTENDED THE PROCUREMENT AND SUBSEQUENT ISSUANCE OF OCT No. P-2980 (NOW TCT No. NT-109773) MAY BE LAWFULLY RAISED AND ASSAILED IN THE ACTION FILED BY RESPONDENTS BEFORE THE RTC;
- C. WHETHER THE RESPONDENTS MAY LAWFULLY ASK FOR THE SUBDIVISION AND ISSUANCE OF A TITLE IN THEIR NAMES OVER A PORTION OF OCT No. P-2980 (NOW TCT No. NT-109773) THROUGH THE ACTION FILED BY THEM BEFORE THE RTC;
- D. WHETHER THE PROPERTY ALREADY COVERED BY TITLE IN THE NAME OF PETITIONERS' FATHER (OCT No. P-2980, NOW TCT No. NT-109773) MAY STILL BE ACQUIRED THROUGH ACQUISITIVE PRESCRIPTION BY MERE OCCUPATION OR POSSESSION BY THE RESPONDENTS;
- E. WHETHER THE COURT OF APPEALS' VERSION OF THE "FACTS OF THE CASE" AS STATED IN THE *DECISION* IS ACTUALLY SUPPORTED BY AND IN ACCORD WITH THE EVIDENCE ON RECORD;
- F. WHETHER THE COURT OF APPEALS ERRED IN SOLELY RELYING UPON THE TAX DECLARATIONS AND SUBDIVISION PLAN IN CONCLUDING THAT RESPONDENTS ARE ENTITLED TO OWN AND BE

ISSUED A CERTIFICATE OF TITLE OVER A PORTION OF LOT 1323- B (COVERED BY THEN OCT No. P-2980, NOW TCT No. NT- 109773);

- G. WHETHER THE RESPONDENTS - ASSUMING FOR THE SAKE OF ARGUMENT THAT THE RTC CASE IS NOT A COLLATERAL ATTACK UPON THE PETITIONERS' TORRENS TITLE - DISCHARGED THEIR BURDEN AND HAD PROVEN BY SUFFICIENT EVIDENCE THEIR CLAIM OF OWNERSHIP OVER A PORTION OF LOT 1323-B (COVERED BY THEN OCT No. P-2980, NOW TCT No. NT- 109773) AND THEIR CLAIM THAT THE SAME SHOULD BE SEGREGATED FROM THE LOT COVERED BY [THE] TITLE ISSUED IN THE NAME OF PETITIONERS' FATHER;
- H. WHETHER THE RESPONDENTS WERE ABLE TO PROVE THE ALLEGED FRAUD ON THE PART OF PETITIONERS' FATHER WHICH SUPPOSEDLY ATTENDED THE PROCUREMENT AND SUBSEQUENT ISSUANCE OF OCT No. P-2980 (NOW TCT No. NT-109773); and
- I. WHETHER THE RESPONDENTS MAY LAWFULLY INITIATE THIS CASE FOR CANCELLATION OF TITLE NOT [BEING] THE REAL-PARTIES IN INTEREST AND THUS NOT ENTITLED TO THE REGISTRATION OF A PORTION OF THE PROPERTY UNDER THEIR NAMES.<sup>[22]</sup>

### **The Court's Ruling**

The Petition must be denied for utter lack of merit.

At the outset, we emphasize that only questions of law may be raised in a petition for review on *certiorari*, as this Court is not a trier of facts.<sup>[23]</sup> The factual findings of the trial court, when affirmed by the CA, are generally binding on this Court.<sup>[24]</sup> Subject to recognized exceptions, it is not the function of the Court to review, analyze and weigh all over again evidence already considered in the proceedings below.<sup>[25]</sup> None of these exceptions, however, applies in this case.

In any case, a judicious review of the records reveals that petitioners failed to show any reversible error on the part of the CA.

We *first* rule that the action for reconveyance filed by respondents is not a collateral attack on OCT No. P-2980 (now TCT No. NT-109773) and the respondents may pray for the segregation of the 14,749-square meter portion of Lot 1324 wrongfully included therein.

It is settled that a Torrens title cannot be altered, modified or cancelled except in a direct proceeding in accordance with law. A direct proceeding is an action specifically to annul or set aside such judgment or enjoin its enforcement.<sup>[26]</sup>

In addition, an action for reconveyance is a recognized remedy, an action in *personam*, available to a person whose property has been wrongfully registered under the Torrens system in another's name.<sup>[27]</sup> In an action for reconveyance, the decree is not sought to be set aside, as the same is respected as incontrovertible and no longer open to review. What is being sought is the transfer or reconveyance