

## THIRD DIVISION

[ G.R. No. 165863, April 10, 2013 ]

**ALBERT CHUA, JIMMY CHUA CHI LEONG AND SPOUSES EDUARDO SOLIS AND GLORIA VICTA, PETITIONERS, VS. B.E. SAN DIEGO, INC., RESPONDENT.**

[G.R. NO. 165875]

**LORENZANA FOOD CORPORATION, PETITIONER, VS. B.E. SAN DIEGO, INC., RESPONDENT.**

### D E C I S I O N

**MENDOZA, J.:**

These cases were already disposed of with finality by the Court on April 22, 1994, but were reconsidered, remanded to the Court of Appeals (CA) for reevaluation and elevated to this Court again for another review.

It appears from the records that on April 22, 1994, **G.R. No. 105027**, a case for annulment of title, entitled *Lorenzana Food Corporation, Jimmy Chua Chi Leong, Albert Chua, and Spouses Eduardo Solis and Gloria Victa v. Court of Appeals and B.E. San Diego, Inc.*, was dismissed by the Court.<sup>[1]</sup> On June 20, 1994, the Court stood by its April 22, 1994 Decision by denying the motion for reconsideration filed by Lorenzana Food Corporation (LFC) and Spouses Eduardo Solis and Gloria Victa (*Spouses Solis*). On November 16, 1994, the Court issued a resolution ordering the entry of judgment.

Insistent, LFC filed its Petition to Re-open Case while Jimmy Chua Chi Leong (*Jimmy*) and Albert Chua (*Albert*) filed their Second Motion for Reconsideration, both seeking to set aside the April 22, 1994 Decision and the June 20, 1994 and November 16, 1994 Resolutions of the Court.

On March 18, 1996, the Court issued its Resolution<sup>[2]</sup> favorably granting both pleadings stating that the "petitioners alleged new facts and submitted pertinent documents putting in doubt the correctness of our factual findings and legal conclusions,"<sup>[3]</sup> and ordering the remand of the case to the CA for another round of evaluation.

B.E. San Diego, Inc. (*San Diego*) filed an Omnibus Motion 1) to Recall the Resolution of March 18, 1996; and 2) to Refer the Case to the Court En Banc; and 3) to Set Case for Oral Argument; but the Court denied it on March 3, 1997.

On July 14, 2004, after considering all the evidence presented by the parties, the CA rendered another decision,<sup>[4]</sup> the dispositive portion of which reads:

WHEREFORE, after a detailed consideration of the totality of evidence presented by both parties, this Court hereby holds, as follows:

a. The complaints of plaintiffs in Civil Cases Nos. 80-17 and BCV 81-18 are hereby DISMISSED.

b) The Transfer Certificates of Title in the name of plaintiffs, that is, TCT Nos. 88467, 88468, 104248 and 104249, as well as the title of Spouses Solis, TCT No. 94389, are hereby CANCELLED on account of their spurious nature.

c) The validity of the title of defendant B.E. San Diego is hereby UPHELD.

No pronouncement as to costs.

SO ORDERED.<sup>[5]</sup>

Again, not in conformity, the petitioners come to this Court with two separate petitions, challenging the July 14, 2004 Decision<sup>[6]</sup> of the CA and the October 29, 2004 Resolution,<sup>[7]</sup> denying their motion for reconsideration. The first petition, docketed as **G.R. No. 165863** was filed by Albert, Jimmy and Spouses Solis. The other one, docketed as **G.R. No. 165875**, was filed by LFC.

### **The Facts**

Records show that three (3) civil cases for Quieting of Title involving tracts of land located in Bacoor, Cavite, were filed before the Regional Trial Court, Branch XIX, Bacoor, Cavite and docketed as

1. Civil Case BCV-80-17 entitled "*Lorenzana Food Corporation vs. B.E. San Diego, Inc., et al.*"
2. Civil Case BCV-81-18 entitled "*Jimmy Chua Chi Leong and Albert Chua vs. B.E. San Diego, Inc.*"
3. Civil Case BCV-83-79 entitled "*B.E. San Diego, Inc. vs. Eduardo Solis.*"

The factual and procedural antecedents of this long-drawn controversy were succinctly summarized by the Court in its April 22, 1994 Decision in G.R. No. 105027, entitled *Lorenzana Food Corporation v. Court of Appeals*, as follows:

The objects of the controversy are several portions of a large tract of land located in the municipality of Bacoor, Cavite. The large tract of land is claimed to be originally owned by one Juan Cuenca y Francisco, who had it surveyed way back in 1911. The land itself is traversed by railroad tracks dividing the land into two (2) parcels. On February 21, 1922, Juan Cuenca was issued Original Certificate of Title No. 1020 (Exhibit "H") covering the two parcels, designated as Lots 1 and 2. Original Certificate

of Title No. 1020 was later reconstituted as O.C.T. No. (1020) RO-9, containing the technical descriptions of Lots 1 and 2.

On April 14, 1928, a separate original certificate of title for Lot 1, referring to the parcel north of the railroad tracks, was issued to Juan Cuenca as O.C.T. No. (1898) RO-58 (Exhibit "Z"). Lot 1 itself was divided into thirteen (13) parcels, eleven (11) of which were described therein as situated in the barrios of Talaba, Zapote, and Malicsi, while two (2) parcels were situated in the poblacion of Bacoor, Cavite.

Upon the demise of Juan Cuenca, an action for partition of his properties was filed by Jose Cuenca, one of the surviving heirs. On February 21, 1969, a project of partition was approved by the Land Registration Commission (Exhibit "EEE"), and on April 10, 1969, the court ordered the Register of Deeds of the Province of Cavite to issue individual titles for twelve (12) parcels of Lot 2 (Exhibit "GG). Three (3) parcels thereof: Lot 2-A, 2-K, and 2-L, were titled (T.C.T. Nos. 35963, 35973 and 35974, respectively) and registered in the name of Juan Cuenca (Exhibits "K", "TTT-1" and "TTT-2") on April 21, 1969. All three titles stated that the lands covered therein were originally registered as O.C.T. No. RO-9 on February 21, 1922 (Exhibits "K", "G" and "H").

Lot 2-A of Juan Cuenca was later subdivided into seven (7) lots in 1969. Of these seven subdivided parcels, one parcel (Lot 2-A-3) was adjudicated to his heir, Pura Cuenca, who was issued Transfer Certificate of Title No. 41505 on February 24, 1970 (Exhibit "L). The said T.C.T. No. 41505 stated that the land covered therein was originally registered as Original Certificate of Title No. 1898 on April 14, 1928, and Transfer Certificate of Title No. RO-58-I was cancelled by virtue thereof. One other parcel (Lot 2-A-4) was adjudicated to another heir, Ladislav Cuenca, who was issued Transfer Certificate of Title No. 41506 (Annex "M") on February 24, 1970. Likewise, T.C.T. No. 41506 stated that the land covered therein was originally registered as Original Certificate of Title No. 1898 on April 14, 1928, and that T.C.T. No. RO-58-I was cancelled by virtue thereof.

We interpose at this point the observation that although the transfer certificates of title issued to Pura and Ladislav Cuenca stated that the lands covered therein were originally registered as O.C.T. No. 1898, hence, referring to Lot 1 located at the northern portion of Juan Cuenca's large tract of land, the technical description appearing in said transfer certificates of title were taken or lifted from O.C.T. No. (1020) RO-9 covering Lot 2, referring to the southern portion of the original tract of land.

In the meantime, Lots 2-K and 2-L (T.C.T. Nos. 35973 and 35974) in the name of Juan Cuenca, were consolidated and, in turn, were subdivided into eight (8) lots. Lot 4 was adjudicated to Pura Cuenca, who was issued T.C.T. No. 41498 (Exhibit "TTT-5") on February 24, 1970. Lot 3 was adjudicated to Ladislav Cuenca, who was issued T.C.T. No. 41497 (Exhibit "TTT-4") on the same date. Lot 6 was adjudicated to Jose Cuenca, who was issued T.C.T. No. 41501 with the inscription therein that

the land covered by said titles were originally registered as O.C.T. No. 1898 on April 14, 1928, and that T.C.T. No. RO-58-I was cancelled thereby, referring to Lot 1 of the original tract. However, the technical descriptions inscribed therein were lifted from O.C.T. No. (1020) RO-9 covering Lot 2 of the original tract of land.

Upon the deaths of Pura and Ladislaw Cuenca, the administrators of their respective testate estates were given authority by the court to dispose of some parcels of land. Lot 2-A-3 of Pura Cuenca covered by T.C.T. No. 41505, and Lot 2-A-4 of Ladislaw[a] Cuenca covered by T.C.T. No. 41506, were eventually sold to herein appellee Lorenzana Food Corporation on February 4, 1977 (Annexes, "OOO", "CCC" and "UU-1"). Transfer Certificate of Title No. 41505 was cancelled by T.C.T. No. 88468 issued to, and registered in favor of, Lorenzana Food Corporation (Annex "D"). Transfer Certificate of Title No. 41506 was cancelled by T.C.T. No. 88467 (Exhibit "2") on February 18, 1977. Both T.C.T. Nos. 88467 and 88468 also stated that the lands covered therein were originally registered as O.C.T. No. 1898, but contained portions of the technical description appearing in O.C.T. No. (1020) RO-9.

On the other hand, Lot 3 of the consolidated Lots 2-K and 2-L, as part of the testate estate of Ladislaw Cuenca, was sold to herein appellee Jimmy Chua Chi Leong. Transfer Certificate of Title No. 104248 (Exhibit "A") was issued to and registered in his name on May 9, 1979, cancelling T.C.T. No. 41497. Lot 4, being part of the testate estate of Pura Cuenca, was sold to Albert Chua, who was issued T.C.T. No. T-104249 on May 9, 1979 (Exhibit "B"), cancelling T.C.T. No. 41498. Lot 6 was sold by Jose Cuenca to Eduardo Solis, who was issued T.C.T. No. T-94389, cancelling T.C.T. No. T-41501. Common to the titles of Jimmy Chua Ching Leong, Albert Chua and Eduardo Solis is the inscription that the lands covered therein were originally registered as O.C.T. No. 1898 on April 14, 1928.

Another common feature of all these succeeding titles is the description that the property therein described is situated in the barrio of Talaba, Bacoor, Cavite. Looking back, the records show that the original tract of land owned by Juan Cuenca was bounded on the north by Calle Real de Talaba, on the south and southeast by Sapa Niog, and on the west, by Calle Niog. As mentioned earlier, the land was divided into two (2) by the railroad tracks running from and going to east and west. The area located north of the railroad tracks, bordering Calle Real de Talaba was later titled as O.C.T. (1898) 50-58, said parcel straddling the barrios of Talaba, Zapote and Milicsi, as well as the poblacion proper.

On the other hand, the portion located south of the railroad tracks was designated as Lot 2. Traversing this land is what used to be a national road, now called the Aguinaldo Highway, linking Tagaytay City to Metro Manila. This parcel was later titled as O.C.T. No. (1020) RO-9. The subdivided parcels aforementioned, by their technical descriptions are located at the south to southeast portions of Lot 2, bounded on the south, by Sapa Niog and Calle Niog on the west. Nevertheless, the said parcels were described as situated in the barrio of Talaba.

The controversy arose when herein appellees learned that the same parcels were being claimed by herein appellant, B.E. San Diego, Incorporated. B.E. San Diego's claim was based on two (2) titles registered in its name. The first parcel was covered under T.C.T. No. T-17621 (Annex "C") issued on March 2, 1966, which originated from O.C.T. No. 0-490 registered on December 22, 1965. The said title described "a parcel of land Plan Psu-211245, pursuant to L.R.C. Case No. N-467, (LRC) Record No. N-27923, situated in the Barrio of Niog, Municipality of Bacoor." The second parcel was titled under O.C.T. No. 0-644, registered on January 5, 1967, pursuant to LRC Case No. N-557, (LRC) Record No. N-30647, describing "a parcel of land (Lot 1, Plan Psu-223920), situated in Barrio of Niog" (Exhibit "9").

All parties resolutely seeking to enforce their respective claims over the subject properties, three (3) civil suits for quieting of title were filed before the Regional Trial Court of Bacoor, Cavite, Branch XIX. The first case, docketed as BCV-80-17 was filed by Lorenzana Food Corporation versus B.E. San Diego, Incorporated, and other defendants. The second civil case, BCV-81-18, was filed by Jimmy Chua Chi Leong and Albert Chua, also against B.E. San Diego, Inc., et al., as defendants. The last case, BCV-83-79 was filed by B.E. San Diego, Inc., against spouses Eduardo and Gloria Solis, as defendants.

In Civil Case No. BCV-80-17, Lorenzana Food Corporation claimed exclusive ownership over the two (2) parcels covered by T.C.T. Nos. 88467 and 88468, issued to it on February 18, 1977. Lorenzana Food Corporation alleged that it took immediate possession of the said property and even contracted to prepare the land for development. It is alleged that it was only years later that Lorenzana Food Corporation learned that B.E. San Diego, Inc. was claiming ownership over portions of the said parcels by virtue of O.C.T. No. 0-644. It is Lorenzana Food Corporation's contention that the O.C.T. No. 0-644, in B.E. San Diego's name is null and void because Lorenzana Food Corporation's title emanated from an O.C.T. issued more than thirty-nine (39) years prior to the issuance of B.E. San Diego's original certificate of title.

In answer, B.E. San Diego countered that it and its predecessors-in-interest have been in the open continuous and adverse possession in concept of owner of the subject property for more than fifty (50) years prior to Lorenzana Food Corporation's purchase of the two (2) parcels. It also argued that Original Certificate of Title No. 0-644 was not null and void since it was issued upon application and proper proceedings in (LRC) Case No. N-557 and N-30647, before the then Court of First Instance of Cavite. Pursuant to its issuance, the said property was declared by B.E. San Diego for tax purposes (Exhibits "Q" and "5-F") since June 22, 1966.

B.E. San Diego claims it bought the subject property from Teodora Dominguez on February 6, 1966 (Exhibit "5-D") and the absolute deed of sale was submitted in (LRC) Case No. N-577. It was further argued that Lorenzana Food Corporation was erroneously claiming the subject property because Lorenzana's titled property is described to be located in Barrio Talaba, while B.E. San Diego's property is situated in Barrio Niog.