

SECOND DIVISION

[G.R. No. 172680, August 28, 2009]

THE HEIRS OF THE LATE FERNANDO S. FALCASANTOS, NAMELY; MODESTA CANDIDO-SAAVEDRA AND ANGEL F. CANDIDO; AND THE HEIRS OF THE LATE JOSE S. FALCASANTOS, NAMELY: FELIX G. FALCASANTOS, RAMON G. FALCASANTOS, CORAZON N. FERNANDO, ANASTACIO R. LIMEN, PAZ CANDIDO-SAYASA AND MARIO F. MIDEL; REPRESENTED BY ANASTACIO R. LIMEN IN HIS BEHALF AND IN BEHALF OF THE OTHERS AS ATTORNEY-IN-FACT, PETITIONERS, VS. SPOUSES FIDEL YEO TAN AND SY SOC TIU, SPOUSES NESIQUIO YEO TAN AND CHUA YOK HONG, SPOUSES NERI YEO TAN AND MERCEDES UY AND SPOUSES ELOY YEO TAN AND EVELYN WEE, RESPONDENTS.

D E C I S I O N

CARPIO MORALES, J.:

The now deceased Policarpio Falcasantos (Policarpio) was the registered owner of a parcel of land in Zamboanga City covered by Original Certificate of Title (OCT) No. 3371^[1] issued on September 10, 1913.

OCT No. 3371 was cancelled and, in its stead, Transfer Certificate of Title (TCT) No. 5668 was issued on March 6, 1925^[2] in the name of Jose Falcasantos (Jose), one of his eight children, the others being Arcadio, Lecadia, Basilisa, Fernando, Martin, Dorothea, and Maria, all surnamed Falcasantos.

TCT No. 5668 was in turn cancelled on May 28, 1931 and, in its stead, TCT No. RT-749 (10723) was issued in the name of one Tan Ning.^[3]

Still later, TCT No. RT-749 (10723) was cancelled and TCT No. 3366 was issued in its stead in the name of one Tan Kim Piao a.k.a. Oscar Tan on August 30, 1950.^[4]

Finally, TCT No. RT-749 (10723) was cancelled and in its stead TCT No. T-64,264 was issued on July 27, 1981 in the name of herein respondents spouses Fidel Yeo Tan and Sy Soc Tin et al.^[5]

On January 26, 2004, the heirs of brothers Jose and Fernando Falcasantos, herein petitioners, filed before the Regional Trial Court (RTC) of Zamboanga City a complaint,^[6] which was later amended on July 15, 2004, for **quieting of title and/or declaration of nullity of documents** against respondents, alleging that on March 6, 1922, Jose, without the knowledge of his seven siblings, through fraud, deceit and/or undue influence caused their (Jose and his siblings') father Policarpio, who was then sick and incapacitated, to sign a Deed of Sale, which came to their knowledge only in 2003, by making it appear that Policarpio sold him (Jose) *one half*

of the property on account of which Jose was able to have even the entire area of the property titled in his name on March 6, 1925.

Petitioners also alleged that while respondents and their predecessors-in-interest have not taken possession of the property, they (petitioners) and their predecessors-in-interest have exercised exclusive, public, continuous, and adverse possession of the property for about 82 years since the supposed sale to Jose in 1922.

In a Motion to Dismiss,^[7] respondents contended that, among other things, petitioners' action, which involves an immovable, had already prescribed in 30 years, citing Article 1141 of the New Civil Code; and that petitioners were in fact estopped by laches. To the Motion, petitioners countered that an action for quieting of title is imprescriptible and that, in any event, they had already acquired the property by acquisitive prescription.^[8]

By Order^[9] of September 30, 2004, Branch 14 of the Zamboanga City Regional Trial Court (RTC) dismissed the complaint in this wise:

On the quieting of title [cause of action] . . . plaintiffs miserably failed to allege in their complaint that they possess . . . legal ownership [or] equitable ownership of the litigated property. Hence, plaintiff's cause of action on quieting of title has no legal leg to stand on.

As regards plaintiffs' cause of action invoking the declaration of nullity of the aforementioned certificates of title, they based their claim of ownership thereof on the alleged fraud and deceit in the execution of deed of sale between Jose Falcasantos and his father Policarpio on March 7, 1922.

It is well-settled that a Torrens certificate is the best evidence of ownership over registered land.

The certificate serves as evidence of an indefeasible title to the property in favor of the persons whose names appear therein (*Republic v. Court of Appeals, Artemio Guido, et al.* 204 SCRA 160 (1991), *Demausiado v. Velasco*, 71 SCRA 105, 112 [1976]).

It may be argued that the certificate of title is not conclusive of ownership when the issue of fraud and misrepresentation in obtaining it is raised. However, this issue must be raised seasonably (*Monticives v. Court of Appeals*, 53 SCRA 14, 21 [1973]).

In the present action, TCT No. 5668 was issued on March 6, 1925 to Jose Falcasantos. Upon the expiration of one (1) year from and after the date of entry of the decree of registration, not only such decree but also the corresponding certificate of title becomes incontrovertible and indefeasible (Section 32, P.D. 1529). Otherwise stated, TCT No. 5668 issued to defendant attained the status of indefeasibility one year after its issuance on March 6, 1925, hence, it is no longer open to review, on

the ground of fraud. Consequently, the filing of instant complaint on January 27, 2004 or about 79 years after, can no longer re-open or revise or cancel TCT No. 5668 on the ground of fraud. No reasonable and plausible excuse has been shown for such unusual delay. The law serves these who are vigilant and diligent and not those who sleep when the law requires them to act.

The same is true with TCT Nos. RT-749 (10723) issued on May 28, 1931, No. T-3366 issued on August 30, 1950 and T-64,264 issued on July 27, 1981. These certificates of title became indefeasible one (1) year after their issuance.

Although complainants may still have the remedy of reconveyance, assuming that they are the "owners" and actual occupants of the litigated Lot 2152, as claimed by them, this remedy, however, can no longer be availed of by complainants due to prescription. The prescriptive period for reconveyance of fraudulently registered real property is ten (10) years reckoned from the date of issuance of the certificate of title.

Complainants' discovery of the fraud must be deemed to have taken place from the issuance of the aforementioned certificates of title because the registration of the real property is considered a constructive notice to all persons from the time of such registering, filing or entering (*Serna v. Court of Appeals*, 527 SCRA 537, 536).

Inasmuch the complaint was filed by the complainants only on January 7, 2004, the ten, year prescriptive period had elapsed.

On the matter of prescription raised by the defendants, the Supreme Court, in the case of *Mialhe v. Court of Appeals*, 354 SCRA 686, 681-682, held:

"x x x In *Gicano v. Gegato*, this Court held that a complaint may be dismissed when the facts showing the lapse of the prescriptive period are apparent from the records. In its words:

`x x x We have ruled that the trial courts have authority and discretion to dismiss an action on the ground of prescription when the parties' pleadings or other facts on record show it to be indeed time-barred; x x x and it may do so on the basis of the motion to dismiss, or an answer which sets up such ground as an affirmative defense; or even if the ground is alleged after judgment on the merits, as in a motion for reconsideration; or even if the defense has not been asserted at all, as where no statement thereof is found in the pleadings, or where a defendant has been declared in default. What is essential only, to repeat, is that the facts