

FIRST DIVISION

[G.R. NO. 146459, June 08, 2006]

HEIRS OF DICMAN, NAMELY: ERNESTO DICMAN, PAUL DICMAN, FLORENCE DICMAN FELICIANO TORRES, EMILY TORRES, TOMASITO TORRES AND HEIRS OF CRISTINA ALAWAS AND BABING COSIL, PETITIONERS, VS. JOSE CARIÑO AND COURT OF APPEALS, RESPONDENTS.

D E C I S I O N

AUSTRIA-MARTINEZ, J.:

This refers to the petition for review on *certiorari* under Rule 45 of the Rules of Court questioning the Decision^[1] dated June 30, 2000 of the Court of Appeals (CA) in C.A.-G.R. CV No. 33731, which affirmed *in toto* the Decision dated November 28, 1990 of the Regional Trial Court (RTC), Branch 7 (Baguio City), La Trinidad, Benguet; and the CA Resolution dated December 15, 2000 which denied the petitioners' motion for reconsideration.

The petition originated from an action for recovery of possession of the eastern half of a parcel of land situated in Residence Section "J", Camp Seven, Baguio City, consisting of 101,006 square meters, more or less, and identified as Lot 46, Ts-39, Plan SWO-37115.^[2]

The antecedent facts are clear:

The subject land, at the turn of the 20th century, had been part of the land claim of Mateo Cariño. Within this site, a sawmill and other buildings had been constructed by H.C. Heald in connection with his lumber business. On March 14, 1916, H.C. Heald sold the buildings to Sioco Cariño, son of Mateo Cariño and grandfather of private respondent Jose Cariño. Sioco Cariño then took possession of the buildings and the land on which the buildings were situated.

Ting-el Dicman,^[3] predecessor-in-interest of the petitioners, namely, Ernesto Dicman, Paul Dicman, Florence Dicman, Babing Cosil, Feliciano Torres, Cristina Alawas, Emily Torres and Tomasito Torres, and resident of Atab, a sitio within the City of Baguio but located at some distance from the land in controversy, had been employed by Sioco Cariño as his cattle herder. On the advice of his lawyers, and because there were already many parcels of land recorded in his name,^[4] Sioco Cariño caused the survey of the land in controversy in the name of Ting-el Dicman.

On October 22, 1928, Ting-el Dicman executed a public instrument entitled "Deed of Conveyance of Part Rights and Interests in Agricultural Land" with Sioco Cariño. The deed reads:

DEED OF CONVEYANCE OF PART RIGHTS AND INTERESTS IN
AGRICULTURAL LAND.

KNOW ALL PERSONS BY THESE PRESENTS:

That I, Ting-el Diac-man, of legal age, widower, and resident of the sitio known as "Atab", near Camp Seven, City of Baguio, Philippine Islands, DO HEREBY STATE, viz:-

That I am the applicant for a free-patent of a parcel of land (public), having a surface of over ten (10) hectares, surveyed by the District Land Office of Baguio for me, and located in the place known as Camp Seven, Baguio;

That to-date I have not as yet received the plan for said survey;

That Mr. Sioco Cariño has advanced all expenses for said survey for me and in my name, and also all other expenses for the improvement of said land, to date;

That for and in consideration of said advance expenses, to me made and delivered by said Mr. Sioco Cariño, I hereby pledge and promise to convey, deliver and transfer unto said Sioco Cariño, of legal age, married to Guilata Acop, and resident of Baguio, P.I., his heirs and assigns, one half (1/2) of my title, rights, and interest to and in the aforesaid parcel of land; same to be delivered, conveyed and transferred in a final form, according to law, to him, his heirs and assigns, by me, my heirs, and assigns, as soon as title for the same is issued to me by proper authorities.

That this conveyance, transfer, or assignment, notwithstanding its temporary nature, shall have legal force and effect; once it is approved by the approving authorities all the final papers and documents, this instrument shall be considered superseded.

After I have received my title to said parcel of land I bind myself, my heirs and assigns, to execute the final papers and forward same for approval of the competent authorities at Mr. Sioco Cariño's expense.

WITNESS MY HAND in the City of Baguio, P.I., this, the 22nd day of October, 1928, A.D.

his right
TING-EL DIAC-MAN
thumbmark^[5]

After the execution of the foregoing deed, Sioco Cariño, who had been in possession of the land in controversy since 1916, continued to stay thereon.

On January 10, 1938, Sioco Cariño executed, as seller, a public instrument entitled

"Deed of Absolute Sale" covering the subject land and its improvements with his son, Guzman Cariño, as buyer. The contract states in part:

x x x for and in consideration of the sum of ONE PESO (P 1.00) Philippine Currency and other valuable considerations which I had received from my son, Guzman A. Cariño x x x have ceded, transferred and conveyed as by these presents do hereby cede, convey and transfer unto the [sic] said Guzman A. Cariño, his heirs, executors, administrators and assigns, all my rights, title, interests in and participation to that parcel of land (public) covered by an application for free patent with a surface area of Ten (10) hectares, surveyed by the District Land Office of Baguio in the name of Pingel Dicman, and who ceded, conveyed and transferred one half of his title, rights and interests to me under an instrument executed by the said owner in the city of Baguio, Philippines, on the 22nd day of October, 1928 A.D. and duly ratified before Notary Public x x x together with all improvements therein, consisting of oranges, mangoes, and other fruit trees and a building of strong materials (half finished) x x x, which building was purchased by me from H.C. Heald on March 14, 1916, free from all liens and encumbrances, with full rights and authority to the said Guzman A. Cariño to perfect his claim with any government agency the proper issuance of such patent or title as may be permitted to him under existing laws.

x x x x^[6]

In a letter dated January 15, 1938, Sioco Cariño asked his son, Guzman Cariño, who had been doing business in Damortis, Sto. Tomas, La Union, to take possession of the subject land and building.^[7] Guzman Cariño moved to Baguio as requested and occupied the property. Evidence was adduced in the RTC to the effect that Guzman Cariño took possession of the property publicly, peacefully, and in the concept of owner: the directory of Baguio Telephones published in October 1940 lists the residence of Guzman A. Cariño at Camp 7, Baguio City, along with his telephone number; pictures were taken of him and his family, including the private respondent who was then an infant, depicting the property in the background; U.S. Army authorities obtained permission from Guzman Cariño to use a part of the land in question after the war; he introduced various improvements on the property over the years and exercised acts of ownership over them; he permitted the use of portions of the land to Governor Eulogio Rodriguez, Jr. and the Boy Scouts of Rizal Province; he leased out portions of the land to Bayani Pictures, Inc.; and his neighbors confirmed the possession and occupation over the property of Guzman Cariño and, after him, his son, herein private respondent Jose Cariño. These findings of fact were either confirmed or uncontroverted by the CA.^[8]

On July 27, 1954, Guzman Cariño had the entire Lot 46 resurveyed so as to indicate the half portion that belonged to him and the other half that belonged to the petitioners. The resurvey evenly divided the lot into Lot 76-A and 76-B, and purportedly indicated that Lot 76-A, consisting of 50,953 square meters, belonged to the petitioners, while Lot 76-B, also consisting of 50,953 square meters, formerly pertained to Sioco Cariño and, later, to Guzman Cariño. Additionally, the resurvey indicated the house where private respondent Jose Cariño resided and, before him, where his predecessors-in-interest, Sioco and Guzman Cariño, also resided.

On May 23, 1955, Guzman Cariño filed a Free Patent Application over the land in question. The application was given due course, but Guzman later withdrew it when he decided to file his opposition to the petition later filed by the heirs of Ting-el Dicman. This petition, entitled "Petition of the Heirs of Dicman to Reopen Civil Reservation Case No. 1, G.L.R.O. 211," was filed by Felipe Dicman, Bobing Dicman and Cating Dicman, in their capacity as compulsory heirs of Ting-el Dicman on April 24, 1959 with the Court of First Instance of Baguio. The petition sought to establish ownership over Lot 76-A and Lot 76-B which, taken together, covered an area of 10.1006 hectares. Guzman Cariño opposed the petition insofar as he insisted ownership over Lot 76-B, the land in controversy. The Estate of Sioco Cariño likewise filed an opposition.

On March 6, 1963, the trial court rendered a partial judgment and confirmed that the title over Lot 76-A belonged to the heirs of Ting-el Dicman, there having been no adverse claim. But as to Lot 76-B, the trial court found it necessary to hold further hearing in order to decide on the adverse claims of the parties.

Meanwhile, on January 8, 1960, while the foregoing petition was pending in the trial court, President Carlos P. Garcia issued Proclamation No. 628 "excluding from the operation of the Baguio Townsite Reservation certain parcels of public land known as 'Igorot Claims' situated in the City of Baguio and declaring the same open to disposition under the provisions of Chapter VII of the Public Land Act." The Proclamation further provided that the "Igorot Claims" enumerated therein shall be "subject to the condition that except in favor of the government or any of its branches, units, or institutions, lands acquired by virtue of this proclamation shall not be encumbered or alienated within a period of fifteen years from and after the date of issuance of patent." One such claim pertained to the "Heirs of Dicman," to wit:

Name	Lot No.	Survey Plan	Residence Section	Area (Sq. m.)
Heirs of Dicman	46	Swo-37115	"J"	101,006

Before the trial court could dispose of the case, the Supreme Court promulgated *Republic v. Marcos*^[9] which held that Courts of First Instance of Baguio have no jurisdiction to reopen judicial proceedings on the basis of Republic Act No. 931. As a consequence, on July 28, 1978, the trial court dismissed the petition to reopen Civil Reservation Case No. 1, G.L.R.O. 211 insofar as Lot 76-B was concerned, and the certificate of title issued pursuant to the partial decision involving Lot 76-A was invalidated. The trial court stated that the remedy for those who were issued titles was to file a petition for revalidation under Presidential Decree No. 1271, as amended by Presidential Decrees No. 1311 and 2034.

After the dismissal of the case, Guzman Cariño was left undisturbed in his possession of the subject property until his death on August 19, 1982. His remains are buried on the land in question, next to the large house purchased in 1916 by his father, Sioco Cariño (the grandfather of private respondent), from H.C. Heald. Guzman's widow and son, private respondent Jose Sioco C. Cariño, continued possession of the subject property.^[10]

On April 20, 1983, petitioners, suing as compulsory heirs of Ting-el Dicman, revived the foregoing case by filing a complaint for recovery of possession with damages involving the subject property with the RTC, docketed as Civil Case No. 59-R. As earlier stated, petitioners, then complainants, originally sought to recover possession of the eastern half of the parcel of land situated in Residence Section "J", Camp Seven, Baguio City, consisting of 101,006 square meters, more or less, and identified as Lot 46, Ts-39, Plan SWO-37115.

Petitioners, then plaintiffs, averred in their complaint:

10. That however, this Honorable Court was not able to decide the [] petition for reopening as far as the remaining eastern half portion of the above-described property is concerned due to the fact that the said petition was dismissed for alleged lack of jurisdiction; x x x
11. That because of the above-mentioned dismissal, the conflict between herein plaintiffs and defendant over the half eastern portion of the above-described property which was one of the issues supposed to be decided in the said judicial reopening case remains undecided;
12. That after the dismissal of the abovementioned petition and before the dispute between herein plaintiffs and defendant over the eastern half portion of the above-described property, defendant unlawfully and illegally continue to occupy portion [sic] of the above-described property to the clear damage and prejudice of herein plaintiffs;
13. That the defendant has no valid claim of ownership and possession over any of the portions of the above-described property;
14. That plaintiffs and their predecessors-in-interest have been religiously paying the realty taxes covering the above-described property x x x^[11]

Private respondent Jose Cariño filed his answer and prayed for dismissal. He alleged that his predecessors-in-interest had acquired the land by onerous title through the "Deed of Absolute Sale" dated January 10, 1938 executed by his grandfather, Sioco Cariño, as seller, and his father, Guzman Cariño, as buyer; that the property was earlier acquired by Sioco Cariño by virtue of the "Deed of Conveyance of Part Rights and Interests in Agricultural Land" dated October 22, 1928 executed between Sioco Cariño and Ting-el Dicman; and that he has been in possession of the subject property for 55 years peacefully, in good faith, and in concept of owner and therefore perfected title over the same through acquisitive prescription.

On June 13, 1983, the administratrix of the Estate of Sioco Cariño filed a motion to intervene with the RTC. On July 1, 1983, the RTC granted said motion. On July 11, 1983, the Estate of Sioco Cariño filed its Complaint-in-Intervention, praying for quieting of title among the adverse claimants.

The RTC, through an ocular inspection on February 15, 1984, found that the larger