

## THIRD DIVISION

[ G.R. No. 133545, July 15, 2005 ]

**RENATO S. SANCHEZ, PETITIONER, VS. RODOLFO M. QUINIO  
AND ISMAEL M. QUINIO, RESPONDENTS.**

### D E C I S I O N

**GARCIA, J.:**

Under consideration is this appeal by way of a petition for review on certiorari under Rule 45 of the Rules of Court to nullify and set aside the following issuances of the Court of Appeals in **CA-G.R. CV No. 51764**, to wit:

1. **Decision dated 27 January 1998**,<sup>[1]</sup> reversing and setting aside an earlier decision of the Regional Trial Court at Makati City dismissing respondents' complaint per quieting of title, etc., thereat commenced by them against, among others, the herein petitioner Renato S. Sanchez; and
2. **Resolution dated 28 April 1998**,<sup>[2]</sup> denying petitioner's motion for reconsideration.

The material facts, as found by the trial court and as adopted by the Court of Appeals, may briefly be stated, as follows:

At the core of this case is a parcel of land with an area of 300 square meters, more or less, located at San Antonio Valley I, Parañaque City and originally owned by and registered in the name of one Celia P. Santiago (Santiago, hereinafter) under Transfer Certificate of Title (TCT) No. 391688 of the Registry of Deeds of Rizal. On 12 July 1979, Santiago sold the disputed parcel to herein respondents **Rodolfo M. Quinio** and **Ismael M. Quinio** (collectively the "Quinios"). Following the registration of the conveying deed of absolute sale, the Registry of Deeds of Metro Manila, District IV (Makati) issued on 13 July 1979 TCT No. S-89991 in herein respondents' name.

A little over thirteen (13) years later, one Renato Sanding, by virtue of a deed of absolute sale covering the same parcel of land purportedly executed in his favor on 22 February 1993 by Santiago, was issued TCT No. 70372 of the Registry of Paranaque. Renato Sanding subsequently sold the property to Romeo Abel, married to Ma. Nora S. Abel, resulting in the issuance in the latter's name of TCT No. 72406.

In turn, Romeo Abel sold the subject parcel of land to herein petitioner **Renato Sanchez** on 16 November 1993, executing for this purpose a deed of absolute sale in the latter's favor. This sale was registered with the Registry of Deeds of Paranaque, and, on 17 May 1994, TCT No. 81125 was issued in the name of petitioner.

It appears that, before proceeding with the purchase, petitioner, who happened to own the lot adjacent to the parcel sought to be acquired, repaired to the Registry of Deeds of Paranaque to look into the authenticity of TCT No. 72406 which was then in the hands of Romeo S. Abel. Only upon being assured of the authenticity of Romeo S. Abel's TCT No. 72406 did petitioner conclude the purchase.

Disturbed, as may be expected, when later apprised that their property was the subject of several transactions and that a building was being constructed thereon pursuant to a building permit issued to Renato S. Sanchez, the Quinios instituted on 12 May 1994 before the Regional Trial Court at Makati City a complaint for quieting of title and cancellation of titles against Sanchez and the spouses Romeo Abel and Ma. Nora Abel, which complaint, docketed as Civil Case No. 94-1736, was raffled to Branch 147 of the court.

After due proceedings, the trial court, in a decision dated 6 July 1995,<sup>[3]</sup> rendered judgment dismissing the complaint, it being its holding that Sanchez was an innocent purchaser for value of the disputed property and, therefore, has a better right over it than the Quinios.

Following the denial of their motion for reconsideration, the Quinios went on appeal to the Court of Appeals whereat their recourse was docketed as **CA-G.R. CV NO. 51764**. As stated at the outset hereof, the Court of Appeals, in a decision dated 27 January 1998,<sup>[4]</sup> reversed and set aside the appealed decision of the trial court, thus:

**WHEREFORE**, the decision appealed from is hereby **REVERSED**. Transfer Certificate of Title No. S-89991 issued on July 13, 1979 in favor of Rodolfo M. Quinio and Ismael M. Quinio is forever quieted; Transfer Certificate of Title No. 72406 issued on May 19, 1993 in favor of Spouses Romeo S. Abel and Ma. Nora S. Abel is hereby ordered **CANCELLED** including any and all titles, deeds or proceedings derived or that may emanate therefrom; Defendant-appellee Renato S. Sanchez and any and all persons acting in his behalf is ordered to **DEMOLISH** and **REMOVE** any and all buildings, structures, tenements and works constructed, built and made on the property covered by Transfer Certificate of Title No. S-89991; Defendants-appellees to jointly and solidarily pay plaintiffs-appellants attorney's fees in the amount of **TEN THOUSAND (P10,000.00) PESOS**. Costs against defendants-appellees.

**SO ORDERED.**

In a subsequent resolution<sup>[5]</sup> dated 28 April 1998, the appellate court denied herein petitioner's motion for reconsideration.

Hence, this recourse by petitioner Renato S. Sanchez.

As we see it, the singular issue to be resolved is who between petitioner, on one hand, and respondents, on the other, is entitled to the subject land.

Petitioner latches his case on his being an innocent purchaser for value of the land in question, and asserts the rights and guarantees accorded by law on such

purchaser.

We find no merit in the petition.

It cannot be over-emphasized that Santiago sold the subject land in July 1979 to respondents, who lost no time in registering the conveying deed of sale and securing title in their names. From that time on, ownership and other rights flowing therefrom over the land in question pertained to respondents. In other words, Santiago was no longer possessed of transmissible rights over such property when she executed on 22 February 1993 a deed of sale in favor of Renato Sanding. The aforesaid deed, in fine, could not have conveyed valid title over the land.

Lest it be overlooked, Santiago, testifying below, denied having executed the deed of sale adverted to in favor of Renato Sanding. But assuming, *ex gratia argumenti*, the authenticity of such deed and the bona fides of the corresponding transaction, the consequent issuance in Renato Sanding's name of TCT No. 70372 — and Romeo S. Abel's TCT No. 72406 and petitioner's TCT No. 81125 descending therefrom — would not defeat respondents' superior right to the property in question. For, in cases where two (2) certificates of title covering the same parcel of land are issued to two (2) different persons, he who holds in good faith that certificate which is earlier in date has superior right over the land covered thereby. Thus, we said in *Margolles vs. Court of Appeals*:<sup>[6]</sup>

Lastly, it is a settled rule that when two certificates of title are issued to different persons covering the same land in whole or in part, the earlier in date must prevail, and, in case of successive registrations where more than one certificate is issued over the land, the person holding a prior certificate is entitled to the land as against a person who relies on a subsequent certificate. The titles of the petitioners, having emanated from an older title, should thus be upheld.

Even if petitioner and Romeo S. Abel, the former's immediate predecessor-in-interest, are to be accorded the status of innocent purchasers for value, as the term is juridically understood, the superior right of respondents will still have to be posited and recognized. *Baltazar vs. Court of Appeals*<sup>[7]</sup> explains why:

We might assume for the moment and for purposes of argument only that Baltazar's vendees had successfully proven they were purchasers in good faith and for value. Even so, as between two persons both of whom are in good faith and both innocent of any negligence, the law must protect and prefer the lawful holder of registered title over the transferee of a vendor bereft of any transmissible rights. Under the foregoing principle derived from the above case law, Baltazar's vendees have no rights as against Good Earth. Their recourse is against Baltazar himself.

In *Torres vs. Court of Appeals*,<sup>[8]</sup> we also said:

Moreover, even if We grant Mota the status of an innocent mortgagee, the doctrine relied upon by the appellate court that a forged instrument may become the root of a valid title, cannot be applied where the owner still holds a valid and existing certificate of title covering the same interest in a realty. The doctrine would apply rather when, as in the cases for example of *De la Cruz v. Fabie*, 35 Phil. 144 [1916], *Fule v. De*