

FIFTH DIVISION

[CA-G.R. CV NO. 96274, March 13, 2015]

**IN RE: CANCELLATION OF ADVERSE CLAIM IN TCT NO. 112259
OF BENITO CHUA OF THE REGISTRY OF DEED OF QUEZON CITY
UNDER ENTRY NO. 442/T-112259, ENITO CHUA, VS. HEIRS OF
FRANCISCO K. REDOR, SR., REPRESENTED BY FRANCISCO
REDOR, JR. AND OFFICE OF THE REGISTRY OF DEEDS OF
QUEZON CITY, RESPONDENTS,**

**HEIRS OF FRANCISCO K. REDOR, SR., REPRESENTED BY
FRANCISCO REDOR, JR., RESPONDENTS-APPELLANTS.**

DECISION

GARCIA-FERNANDEZ, J.:

This is an appeal from the order of the Regional Trial Court of Quezon City, Branch 87, dated November 15, 2005 in LRC Case No. Q-17070 (03) directing the cancellation of the adverse claim under Entry No. 442/T-112259 in TCT No. 112259 in the name of petitioner-appellee Benito Chua.

Petitioner-appellee Benito Chua is the registered owner of a parcel of land situated in Quezon City with an area of 654.53 sq. meters covered by TCT No. 112259 of the Register of Deeds of Quezon City.^[1]

On July 14, 1994, respondents-appellants Heirs of Francisco Redor, Sr. represented by Francisco Redor, Jr., caused the annotation of an adverse claim on TCT No. 112259 under Entry No. P.E. 4032-T-112259 based on their claim that they are surviving heirs of Francisco Redor, Sr., who had a pending Insular Government Property Sales Application under IGPSA No. 1989(E-1068) over the said parcel of land, which was awaiting final resolution by the Land Management Bureau of the Department of Environment and Natural Resources (DENR). On August 16, 1994, the adverse claim was canceled.^[2]

On August 17, 1994, respondents-appellants caused the annotation of a notice of lis pendens on the same title under Entry no. PE-445/T-112259 in view of a pending case before the RTC of Quezon City in Civil Case No. Q-94-21348, entitled "*Heirs of Francisco K. Redor, namely: Angelita C. Redor, Rolando C. Redor, Mercedita R. Foz, Marietta R. Gregorio, Julieta R. Bautista and Francisco Redor, Jr. herein represented by Francisco Redor, Jr., plaintiffs – versus – Norma D. Bernardo, Carmen Dimaranan, Corazon D. Miranda, Benito Chua, Register of Deeds of Quezon City, Land Registration Authority, Defendants,*" where respondents-appellants prayed for annulment of the sale of the subject property between Norma Bernardo and Benito Chua, and cancellation of TCTs issued to Benito Chua, Norma Bernardo and the latter's mother Valentina Rivera. The complaint in Civil Case No. Q-94-21348 substantially alleged as follows:

"a) The parcel of land, subject of the complaint, is located at Bonifacio Street, Balintawak, Quezon City. The late Francisco Redor, Sr. transferred his rights and interests over this property to his heirs, herein petitioners, represented by Francisco Redor, Jr.;

b) The decedent Redor, Sr. has a pending Insular Government Property Sales Application under IGPSA No. 1989[E-1068] over the land which application is awaiting final resolution by the Land Management Bureau of the Department of Environment and Natural Resources (DENR);

c) On or about December 1, 1938, the land, then registered in the name of Eulogio Dimaranan under TCT No. 23810, was ordered forfeited in favor of the then Commonwealth of the Philippines because it was used as a property bail bond in a criminal case where the accused jumped bail;

d) On October 13, 1938, Valentina Rivera, the common-law wife of Eulogio, also filed an IGPSA over the disputed land with the Bureau of Lands but she eventually sold all her rights, interests and participation over the realty in favor of Redor, Sr. and his wife on May 5, 1959;

e) On July 1, 1983, then Ministry of Natural Resources issued an order approving the transfer of rights and interests over the land from Valentina Rivera to Redor, Sr.;

f) On October 3, 1986, upon petition of the Director of Lands thru the Office of the Solicitor General, the Regional Trial Court of Quezon City, Br. 83, ordered the Register of Deeds to cancel TCT No. 23810 in the name of Eulogio Dimaranan and in lieu thereof to issue transfer certificate of title in the name of the Republic of the Philippines;

g) Despite the order, the Register of Deeds of Quezon City never issued a title in the name of the Republic;

h) On December 8, 1993, when the IGPSA No. 1989 of Redor, Sr. was about to be approved, the heirs of Eulogio and Valentina Rivera Dimaranan belatedly filed a protest against the application;

I) Subsequently, on a chance verification with the Quezon City Register of Deeds, Redor, Jr. discovered that on March 9, 1994, Valentina Rivera, thru Norma Dimaranan Bernardo filed a fraudulent petition for reconstitution of title with the Land Registration Authority (LRA), attaching therewith an expertly falsified TCT No. 143840 allegedly in the name of Valentina Rivera. The petition for reconstitution claimed that the original copy of TCT No. 143840 in the name of Valentina Rivera was lost/destroyed in the fire which gutted the Register of Deeds of Quezon City on June 11, 1988;

j) Barely six (6) days later from the date of filing of the petition for reconstitution or on March 15, 1994, the LRA issued an order directing the Register of Deeds of Quezon City to reconstitute TCT No. 143840. As a result, the old title (TCT No. 143840) was cancelled and in lieu thereof a reconstituted title, TCT No. RT-143840 was issued by the Register of

Deeds on April 8, 1994; and

k) On May 12, 1994, a Deed of Sale, allegedly executed by Valentina Rivera in favor of her daughter Norma Bernardo, was registered and annotated at the back of TCT No. RT-143840. Thus, the fraudulent reconstituted title was cancelled and TCT No. 107925, now in the name of Norma Bernardo, was issued by the Register of Deeds. Norma Bernardo then sold the disputed land to Benito Chua, the latter being fully aware that the land he purchased was the subject of a pending IGPSA. A new TCT No. 112259 was issued in his name."

In that case, Norma Bernardo, Corazon Miranda and petitioner-appellee Benito Chua filed a joint motion to dismiss on grounds that the complaint stated no cause of action because the subject land was not part of public domain; and that respondents-appellants failed to establish their ownership over the same. Petitioner-appellee Benito Chua also contended that respondents-appellants were not real parties in interest as they had no vested right over the subject property; and that he was a buyer of the property in good faith. The RTC granted the said motion and dismissed the complaint holding that Redor Sr.'s IGPSA was still awaiting resolution by the DENR, thus, his right over the subject property neither ripened into a vested right nor bestowed title upon respondents-appellants in order to qualify them as real parties in interest in the case. The RTC decision in Civil Case No. Q-94-21348 was sustained by the Court of Appeals. On January 31, 2000, the Supreme Court issued a decision in G.R. No. 132068 affirming both the RTC and Court of Appeals and holding as follows:

xxx We are in full agreement with the appellate court that petitioners have not established their ownership or any vested right over the disputed land as to cloth them with the legal capacity to institute the action for cancellation of titles. The averment in the complaint that the late Francisco Redor, Sr. merely had a pending IGPSA clearly shows that the deceased had acquired no title over the land in question which he could validly transmit to his heirs. The inescapable conclusion therefore is that petitioners, as heirs of Redor, Sr., also did not acquire any vested right over the property. As correctly observed by the Court of Appeals, if there is anyone whose right was affected by the sale between Benito Chua and Norma Bernardo, it is the Republic of the Philippines. As earlier noted, the disputed land was forfeited in favor of the Government when the same was used as a property bond in a criminal case where the accused jumped bail.

ACCORDINGLY, in view of the foregoing, the petition is DENIED for lack of merit. Costs against petitioners.

SO ORDERED."^[3]

By virtue of the Supreme Court decision dated January 31, 2000 in G.R. No. 132068, Entry No. 2839/T-112259 was annotated on TCT No. 112259 on February 14, 2001 effectively canceling the notice of lis pendens under Entry No. PE-445/T-112259.^[4]

On June 26, 2002, another notice of adverse claim was annotated on petitioner-

appellee's title under Entry No. 4427/T-112259. The adverse claim was based on respondents-appellants' alleged rights and interests over the subject property under IGPSA No. 1989 (E-10680) of Redor Sr.^[5]

On September 1, 2003, petitioner-appellee through counsel, wrote to the Register of Deeds of Quezon City requesting that the adverse claim annotated as Entry No. 4427/T-112259 in his title be administratively cancelled.^[6] When the request was ignored, petitioner-appellee filed a petition on September 24, 2003 for cancellation of the second adverse claim against respondents-appellants and the Office of the Register of Deeds of Quezon City alleging that: 1) The second notice of adverse claim was invalid as it was a repetition of the previous adverse claim annotated on July 14, 1994 under Entry No. 4032/T-112259; 2) The issue regarding respondents-appellants' alleged claim was already settled by the Supreme Court in the decision dated January 31, 2000 in G.R. No. 132068 ruling that respondents-appellants did not acquire any vested right from Redor, Sr. or his IGPSA over the subject property; 3) The adverse claim under Entry No. 4427/T-112259 (June 26, 2002) was only effective for a period of 30 days; and 4) Respondents-appellants have not commenced any action against petitioner-appellee to assert or prosecute their alleged adverse claim over the property. Petitioner-appellee prayed that Entry No. 4427/T-112259 be declared invalid; that the Register of Deeds of Quezon City be directed to cancel the said annotation in TCT No. T-112259; and that respondents-appellants be ordered to pay damages and attorney's fees.^[7]

In their opposition, respondents-appellants contended that the second adverse claim or Entry No. 4427/T-112259 was annotated on account of a pending criminal case docketed as I.S. No. 01-3077 where the city prosecutor of Quezon City issued a resolution dated June 18, 2001 recommending the filing of an information to charge petitioner-appellee's predecessors-in-interest Norma Dimaranan Bernardo with falsification of public documents by private individuals under Art. 172 (1) and 171(2) of the Revised Penal Code;^[8] that the charges of falsification involved the titles fraudulently issued over the subject property; and that the Office of the Solicitor General had already undertaken initial steps to file a case for reversion of the subject parcel of land to the public domain against petitioner-appellee's predecessors-in-interest.^[9] Respondents-appellants also contended that IGPSA No. 1989 (E-1068) was awarded to Valentina Rivera on May 2, 1941, and that Francisco Redor, Sr. acquired legal rights over the property by virtue of the order dated July 1, 1989 of the then Ministry of Natural Resources approving the transfer of sales rights from Valentina Rivera to Francisco Redor, Sr.^[10] Respondents-appellants argued that the aforementioned criminal case rendered the issuance of TCT No. 95848 RT(143840) in the name of Valentina Rivera and its derivative title TCT No. 112259 in the name of petitioner-appellee tainted with fraud, thus, the adverse claim under Entry No. 442/T-112259 was a valid measure to protect respondents-appellants' interest over the subject property pending final determination of the genuineness of petitioner-appellee's title.^[11]

On November 15, 2005, the RTC of Quezon City issued the appealed order in LRC Case No. Q-17070(03) directing the Register of Deeds of Quezon City to cancel the adverse claim under Entry No. 4427/T-112259 in petitioner-appellee's title or TCT No. 112259. In its order, the RTC took note of the previous adverse claim in TCT No. 112259 under Entry No. P.E. 4032-T-112259 dated July 14, 1994, which was