NINTH DIVISION

[CA G.R. CV No. 102253, March 12, 2015]

ZENAIDA MENDOZA, FELIPE MEJIA, SUSAN M. JIADO AND FRANCISCO M. MEJIA, PLAINTIFFS-APPELLANTS VS. EDGAR PAZ, DEFENDANT-APPELLEE.

DECISION

DICDICAN, J.:

Before us is an appeal filed by the plaintiffs-appellants seeking to reverse and set aside the Decision^[1] dated December 27, 2013 rendered by Presiding Judge Emma M. Torio of Branch 41 of the Regional Trial Court of the First Judicial Region situated in Dagupan City, Pangasinan ("trial court") in Civil Case No. 2010-0003-D. The material and relevant facts of the case, as culled from the record, are as follows:

This case arose from a Complaint^[2] for annulment of land title and recovery of possession of land with prayer for damages filed by herein plaintiffs-appellants Zenaida Mendoza, Felipe Mejia, Jr., Susan M. Jiado and Francisco M. Mejia ("plaintiffs-appellants") against Edgardo Paz, herein defendant-appellee.

In their Complaint^[3] that was filed in the trial court, the plaintiffs-appellants alleged that they were the heirs of the late Felipe Mejia, Sr. ("Felipe, Sr."), who died on August 12, 2002 in Mangaldan, Pangasinan. On September 22, 1949, Felipe, Sr. purchased a parcel of land from one Albina Duyala ("Albina") located at Barangay Osiem, Mangaldan, Pangasinan ("subject property). The aforesaid transaction was evidenced by a Deed of Sale with Right to Repurchase^[4]. In the said deed of sale, the subject property was described as follows:

"A parcel of sugarcane land, containing an area of 5,780 square meters, more or less. Bounded on the North by Paulino Mejial and on the East by Agustin Mejia; on the South by Agustin Mejia and on the West by Paulino Mejia. Said parcel of land is assessed in the amount of P______ according to Tax Declaration No. ______ and is declared in the name of AGUSTIN MEJIA for the current year."

Consequently, the plaintiffs-appellants and their father Felipe, Sr. took possession of the said parcel of land and built their residential house thereon. They also cultivated the land and planted thereon crops and other fruit bearing trees. The Tax Declaration of Real Property of the aforesaid property was later transferred and registered to one Fe Mejia, a predecessor-in-interest of the plaintiffs-appellants.

The plaintiffs-appellants further averred that, from the time of the aforesaid sale in 1949, none of Albina's heirs had redeemed the subject property from them or even expressed intention to repurchase the same. On August 8, 2008, however, the plaintiffs-appellants' ownership and peaceful possession of the subject property

were disrupted when herein defendant-appellee and some armed men forcibly entered the property and dismantled the house built thereon. Thereafter, the, defendant-appellee asked the plaintiffs-appellants to vacate the property claiming that a free patent title was issued in his name covering the subject property^[5]. Thus, in view of the said incident, the plaintiffs-appellants brought the matter to their barangay tagapamayapa for conciliation but the defendant-appellee refused to receive the summons that was sent to him, thereby forcing the plaintiffs-appellants to institute a case against him.

Thus, in the case filed in the RTC, the plaintiffs-appellants prayed for the annulment of the free patent title and tax declarations of real property issued under the name of the defendant-appellee. They also prayed for the reconveyance of the subject property in their favor. The plaintiffs-appellants argued that, since the defendantappellee is an American citizen, he could not have validly obtained any title covering the subject property. Furthermore, they insisted that the subject property was actually a residential land and, thus, it is not covered by the system of free patent titling.

Summons was thereafter served upon the defendant-appellee by the trial court for the latter to file his answer to the complaint that was filed by the plaintiffsappellants. Thus, in his Answer with Counter-Claim^[6], the defendant-appellee countered that he was the absolute owner of a property located at Brgy. Osiem, Mangaldan, Pangasinan, as evidenced by a free patent title "Katibayan ng Orihinal na Titulo Blg. P-47027^[7]". The defendant-appellee averred that the parcel of land covered by his title was different from the parcel of land being claimed by the plaintiffs-appellants. The parcel of land being claimed by the plaintiffs-appellants was in a different area and the same had already been previously sold by Felipe, Sr. to another relative^[8]. Moreover, the defendant-appellee pointed out that he only owned an area of 3,103 square meters as described in his title while the deed of sale of the plaintiffs-appellants had particularly described an area of 5,780 square meters.

Furthermore, the defendant-appellee maintained that the Deed of Sale presented by the plaintiffs-appellants was not registered in the Registry of Deeds, hence, this could not bind third parties. Also, the declaration of real property that was presented by the plaintiffs-appellants should not be given any weight in that the same was not even registered in the names of any of the plaintiffs-appellants. In fact, the tax declarations of real property presented by the plaintiffs-appellants were registered in the name of Fe Mejia who was the mother of herein defendantappellee.

The defendant-appellee also alleged that he is a dual citizen recognized under Philippine and American laws. He is, therefore, qualified to acquire real property situated in the Philippines. During the trial of the case, the plaintiffs-appellants presented the testimonies of Felipe Mejia, Jr. (Felipe, Jr.), Evelyn Fernandez and Victorino Guba, to substantiate their claims against the defendant-appellee. On the other hand, the defendant-appellee offered the testimonies of Edgar Paz, Antonio Padilla, Felipe Cera and Gerald Lopez. The plaintiffs-appellants also submitted the judicial affidavit of Zenaida Mendoza.

The testimony of Felipe, Jr. revealed that, on August 8, 2008, the defendant-