

[G.R. No. L-5178. February 22, 1954]

EMILIO DEL CAMPO, ET AL., PLAINTIFFS AND APPELLEES, VS. FRANCISCO DEL CAMPO, ET AL., DEFENDANTS AND APPELLANTS.

D E C I S I O N

MONTEMAYOR, J.:

The facts in this case are not disputed. In 1889 Leon del Campo married Isabel Balante by whom he had four children named Emilio, Ramona, Victor and Kital, all surnamed del Campo, plaintiffs in this case. Their mother Isabel died in 1902, but two years before her death, that is, in 1900, Geronimo Sulupanan, an owner of a parcel of land in the municipality of Surup, Province of Davao, with an area of about 220 hectares, sold said parcel to Leon del Campo. In other words, the purchase was made during the marriage.

Not long after Isabel's death in 1902, Leon married Esperanza Catada and had by her six children,—Francisco and his brothers, defendants in this case. Esperanza died in 1920, and two years thereafter Leon del Campo, father of plaintiffs and defendants applied for registration of the parcel in question claiming it as belonging to him and his children by his second wife Esperanza. After due publication and hearing the application was granted and the land was adjudicated to Leon del Campo and the six children of Esperanza in equal portions. The corresponding decree was issued the following year 1923. According to a subdivision plan presumably made thereafter, one-half of the land designated as lot A was assigned to Leon del Campo and the other half known as lot B was assigned to his six children by Esperanza; and Transfer Certificate of Title Nos. 1702 and 1703 were issued for lots A and B, respectively.

Leon del Campo died in 1927. In the intestate proceedings had thereafter, Emilio del Campo, one of his four children of the first marriage, was appointed judicial administrator and as such administrator and with the approval of the court he sold lot A as property of his deceased father to defendant Gregorio Yrasuegui who immediately took possession thereof. In the deed of sale signed by Emilio, it was stated that the adjoining lot B belonged to Francisco del Campo and his brother. In 1940 Francisco and his brothers sold lot B to the same Yrasuegui who also took possession of the same. Transfer Certificate of Title No. 1878 was issued in the name of Yrasuegui. Ten years thereafter or rather on July 11, 1950 the four children of Isabel, Emilio and his brothers, filed the present action against their brothers of the second marriage and against Gregorio Yrasuegui asking the court to declare them (plaintiffs) the owners of lot B, to declare the deed of sale of said lot by Francisco del Campo and his brothers in favor of Yrasuegui, null and void and to order Yrasuegui to reconvey said lot B to them (the plaintiffs) and to deliver to them all the products and rents which Yrasuegui may have received from the land since 1940, plus interest

After hearing the Court of First Instance of Davao found and held that the plaintiffs as heirs of Isabel Balante inherited one-half of the whole parcel from her for the reason that the purchase having been made during their marriage, the land belonged to Leon del Campo and Isabel Balante in equal portions; that in registration of lot "B" in favor of the children of the second marriage, constructive fraud was committed against the children of Isabel; that the granting of title to one person over property belonging to another does not have the effect of conferring legal and valid title in favor of the former for the reason that acts which are null and void have no legal existence that as regards reconveyance of lot "B" to the plaintiffs, the trial court was of the opinion that although in reality Yrasuegui may not be properly regarded as a purchaser in bad faith, still neither could he be considered as an innocent purchaser for value, exempt from all blame because being an old resident of the place where the land was located and being a good friend of the Del Campo family, had he been more

diligent and cautious, he could have surely and easily discovered the flaw in the title of his vendors. The lower court rendered judgment in favor of the plaintiffs declaring that the defendants Francisco del Campo and his brothers were not the owners of lot B, and that they obtained title thereto through constructive fraud; declaring null and void the sale in favor of Yrasuegui and sentencing the latter to convey said lot B to the plaintiffs upon payment to him of the purchase price previously paid to Francisco del Campo and his brothers. The defendants are appealing from that decision.

It must be admitted that the whole parcel comprising lots A and B having been purchased by Leon del Campo during his marriage to Isabel Balante, it is to be presumed that it became conjugal property although as already stated, the evidence is to the effect that the purchase was made by Leon alone. The evidence is quite, meagre and is silent as to the circumstances surrounding the purchase. Neither is there any data as to why in 1922 after the death of Isabel and also of his second wife Esperanza, Leon applied for the registration of the parcel in his name and in that of his children by his second wife. Had there been any extrajudicial partition or arrangement or agreement as a result of which the presumptive rights of the children of Isabel to the property was renounced in favor of their brothers of the second marriage? The record fails to enlighten us on this point. So, let us assume that in 1922 when the application for registration was filed, one-half of the parcel through inheritance belonged to the plaintiffs herein. What was the result of the adjudication of said one-half (lot B) to the children of the second marriage, Francisco del Campo and his brothers in 1922 and the issuance of the corresponding decree the following year? Continuing in the presumption that one-half of said whole parcel belonged to the plaintiffs, the mistake or fraud must have been committed by Leon del Campo in assuring the court that said one-half belonged to his children of the second marriage. The trial court even held that this constructive fraud may be attributed to said children of the second marriage. This cannot be correct because at the time, that is in 1922, said children were still minors, the eldest was 14 and the youngest was 2 years old. Children so young could hardly commit the

fraud attributed to them. To correct said fraud assuming that there was one, the plaintiffs had one year from the date of the decree, 1923, within which to reopen the registration proceedings. This, they failed to do, even up to the death of their father in 1927. None of the plaintiffs ever complained or asked for any explanation as to why said one-half of the parcel, lot B, was applied for and adjudicated in favor of their brothers of the second marriage instead of to them. Up to 1937, that is ten years after their father's death, neither did plaintiffs question the validity or correctness of the decree of registration of lot B. On the contrary, in said year 1937 one of said plaintiffs Emilio del Campo who had been appointed judicial administrator of the estate of his father Leon del Campo, and with the approval of the court, sold lot A previously adjudicated to his father to defendant Yrasuegui and in the deed of sale he stated that the adjoining lot B was the property of his brothers of the second marriage. Three years thereafter or in 1940 when Francisco and his brothers sold lot B to Yrasuegui, the plaintiffs still kept their peace. It was not until 1950, that is to say, ten years after the sale of lot B to defendant Yrasuegui and 27 years after the issuance of the decree of registration in 1923, did the plaintiffs assert their claim by bringing the present action.

As regards Francisco del Campo and his brothers, the matter of compelling the conveyance by them of the land in question to plaintiffs is now out of the question for the reason that they had already sold the lot to defendant Yrasuegui. Anyway, the whole objective of the present action is not to hold said children of the second marriage liable, but only to compel Yrasuegui to reconvey the land to them (plaintiffs) and to account for all the products and rents he had received from lot B since he bought it in 1940. The responsibility or liability of Yrasuegui for the reconveyance and for damages depends entirely upon whether or not he was an innocent purchaser for value. The trial court as already stated although it did not dare declare him a purchaser in bad faith said that he could not be regarded as an innocent purchaser for the reasons already stated. Considering all the circumstances obtaining previous to and at the time of the purchase by

Yrasuegui, we are inclined to believe and we find that he was an innocent purchaser. He frankly told the court that he went to live in Surup where the land was located and where the Del Campo family was residing, in 1915; but it will be recalled that that was fifteen years after the land was bought by Leon del Campo, and thirteen years after the death of Isabel in 1902. In other words, he never saw, much less came to know Isabel. All he knew was that the whole parcel was being occupied and enjoyed by Leon del Campo and his children of the first and second marriages and by the second wife Esperanza who died in 1920. There was nothing to inform Yrasuegui that the land was conjugal property of Leon del Campo and his first wife Isabel Balante. So, it was not unreasonable for him to presume and believe that the whole parcel belonged to Leon alone or perhaps to Leon and his wife then living, Esperanza. This belief must have been confirmed when in 1922 Leon del Campo applied for the registration of the whole parcel in his name and that of his children of the second marriage and title was issued to Leon and his children of the second marriage. None of the children of the first marriage opposed his application for registration and as already stated, none of them ever questioned the correctness of the adjudication of the decree until 1950. In 1937 when the deed of sale conveying lot A to him was executed, he was given to understand by one of the plaintiffs, Emilio del Campo, acting as judicial administrator of the estate of his deceased father and with the approval of the court that lot B was the property of Francisco del Campo and his brothers. Besides, when Yrasuegui bought lot B in 1940, he saw and knew that his vendors had a Torrens title to it, and he assured the court that said vendors were then occupying it and enjoying its fruits. All this, to say nothing of the fact that plaintiffs herein through the lapse of at least 27 years have lost any right that they may have had to the land in question.

Reversing the decision appealed from, the complaint is hereby dismissed, with costs against appellees.

Paras, C. J., Pablo, Bengzon, Padilla, Reyes, Jugo, Bantista Angelo, and Labrador, JJ., concur.

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