

Title:

Heirs of Pomposa Saludaes vs. Court of Appeals, Jose Dator and Carmen Calimutan

Facts:

The case revolves around a dispute over a parcel of land known as Lot 5793, measuring 8,916 square meters, part of the Tanza estate located in Mahabang Parang, Lucban, Quezon. The controversy began with the death of Pomposa Saludaes on May 1, 1923, leaving behind her heirs and a contested property which formed part of her conjugal estate with Juan Dator. On February 28, 1940, an extra-judicial partition was executed between Juan Dator and the heirs, eventually leading to the issuance of a Free Patent No. 4A-2-8976 and Original Certificate of Title (OCT) No. P-23617 in the name of the heirs on May 26, 1977.

In 1988, allegations of unauthorized felling of trees by the private respondents sparked a legal battle culminating in the filing of an action for reconveyance against the heirs, asserting ownership and possession of Lot 5793 since 1966. The Regional Trial Court dismissed the case on the grounds of prescription of action, but the Court of Appeals reversed this decision, recognizing the private respondents' rightful ownership and calling for a reconveyance of the title.

Issues:

1. Did the Court of Appeals err in its decision to reverse the Regional Trial Court's ruling on the basis of reconveyance and prescription of action?
2. Is the right to seek reconveyance of registered property subject to prescriptive periods, and how does fraud affect this right?
3. Can a deed of sale executed prior to the application of a free patent invalidate the latter, even if the registered owners are in possession of the property?

Court's Decision:

The Supreme Court granted the petition, reversing the decision of the Court of Appeals and reinstating the decision of the Regional Trial Court. The Court clarified that actions for reconveyance of registered property are indeed subject to a ten-year prescriptive period from the date of the issuance of the certificate of title, barring cases of possession by the plaintiff or fraud perpetuated against an innocent purchaser for value. In this case, the ten-year period had elapsed without action from the private respondents, rendering their claim stale. The Court also distinguished this case from exceptions allowed in previous

jurisprudence, emphasizing the continuous possession by the heirs over Lot 5793 and the lack of action by the private respondents to assert their claim or oppose the patent application.

Doctrine:

- Actions for reconveyance of fraudulently registered real property are subject to a ten (10) year prescriptive period, reckoned from the issuance of the certificate of title. This is based on Article 1144 of the Civil Code and Section 53, paragraph 3 of Presidential Decree No. 1529.
- Reconveyance based on fraud is imprescriptible only when the plaintiff remains in possession of the land or when the land has not been transferred to an innocent purchaser for value.

Class Notes:

1. ****Prescriptive Period for Reconveyance****: An action for reconveyance based on fraud must be brought within ten (10) years from the issuance of the title.
2. ****Doctrine of Laches****: Delay or neglect in asserting a right within a reasonable time, warranting a presumption that the party entitled to assert it either has abandoned or declined to assert it.
3. ****Principle of Indefeasibility of Title****: Once a title is registered under the Torrens system, it becomes incontrovertible and indefeasible after one year from the date of issuance, barring fraud or mistake.
4. ****Imprescriptibility in Certain Reconveyance Actions****: Actions for reconveyance are imprescriptible only if the claimant is in possession of the property or if the property has not passed to an innocent purchaser for value.

Historical Background:

The case highlights the intricacies of land disputes in the Philippines, particularly the tension between claims based on traditional inheritance and ownership evidenced by formal registration and titling processes. It illustrates the challenge of reconciling claims to land arising from informal transactions or customary inheritance with those established through the legal formalities of the Torrens system, a challenge that remains relevant in Philippine jurisprudence.