

****Title:**** Valenzuela v. Spouses Danilo and Eleonor Pabilani, et al.: A Case of Annulment of Titles, Reconveyance, and Damages

****Facts:**** This case revolves around a dispute over a 180-square meter land in Makati City, originally owned by Felix and Candida Valenzuela. Their children, petitioners Emerson, Valentino, and Marty Valenzuela, contested the transfer of property to Leticia Valenzuela-Mattingly (their sister) through a Deed of Absolute Sale (DOAS) they claimed was fraudulent. They contended that their mother, Candida, was already dead at the DOAS's notarization date, and their father, Felix, was incapacitated due to illness. Leticia eventually sold the property to the Spouses Danilo and Eleonor Pabilani, who then sought to evict the petitioners. The petitioners filed a Complaint for Annulment of Titles, Reconveyance, and Damages against the respondents, which went through the RTC and the CA, and eventually to the Supreme Court for further review.

****Issues:****

1. Was the DOAS between Felix, Candida, and Leticia forged?
2. Are the subsequent transactions and title transfers based on the allegedly forged DOAS valid?
3. Were Spouses Pabilani innocent purchasers for value with no knowledge of the alleged defect over the title?

****Court's Decision:****

1. The Court found the DOAS void ab initio, establishing that Candida could not have signed the deed as she was already deceased, and Felix was practically incapacitated.
2. The subsequent transactions and resulting titles were also declared null and void, as they were based on a void DOAS.
3. Spouses Pabilani were not considered innocent purchasers for value as they were found to be aware of the property's disputed ownership, evidenced by the occupants on the property and the existing adverse claim at the time of purchase.

****Doctrine:**** The case reiterates the doctrine that a forged deed is null and void and conveys no title, and all transactions based on it are also void. It emphasizes the principle that the death of a co-owner transmits their rights to their heirs immediately, making the approval of all co-owners necessary for a valid sale of co-owned property. Furthermore, it highlights the importance of good faith in the purchase of property, noting that purchasers must exercise due diligence when there are visible signs of potential ownership disputes.

****Class Notes:****

- A property sale requires the consent of all co-owners.
- A notarized document is not immune to contestation; evidence of forgery can override its presumed validity.
- The rights to succession are transmitted to the heirs upon the death of the decedent (Art. 777, Civil Code).
- Good faith in purchasing property involves active inquiry into potential disputes or claims regarding the property's title.

****Historical Background:**** The dispute stems from transactions involving family property after the passing of one of the original owners, illustrating the complexities of property rights, inheritance, and the responsibilities of notaries and buyers in real estate transactions.