

Title: Gevero vs. Intermediate Appellate Court and Del Monte Development Corporation

Facts:

The case revolves around Lot No. 2476 in Gusa, Cagayan de Oro City, originally belonging to Teodorica Babangha and her six children, including Ricardo Gevero. After Teodorica's death, before World War II, and a series of ownership transfers, a portion of this lot, specifically Lot No. 2476-D, became the subject of a legal dispute. Ricardo Gevero sold the lot to Luis Lancero in 1952, who then sold it to Del Monte Development Corporation (DELCOR) in 1964. The heirs of Teodorica Babangha executed an Extra-Judicial Settlement and Partition of the estate in 1966, which included the contested portion. DELCOR filed an action to quiet title and/or annul the partition insofar as it affected its claimed ownership of Lot No. 2476-D. The case moved through the judicial system, from the Regional Trial Court of Misamis Oriental to the Intermediate Appellate Court (IAC), which affirmed the trial court's decision declaring DELCOR the rightful owner of the contested portion.

Issues:

1. The validity of the deed of sale executed by Ricardo Gevero to Luis Lancero.
2. Inclusion of Teodorica Babangha's 1/2 share in the deed of sale.
3. Whether DELCOR's action is barred by laches.

Court's Decision:

The Supreme Court dismissed the petition, affirming the decision of the IAC. It found that:

1. The deed of sale between Ricardo Gevero and Luis Lancero was valid and executed with all the legal formalities, dismissing allegations of forgery and lack of consideration.
2. The sale from Ricardo to Lancero included Ricardo's hereditary share from Teodorica Babangha, as hereditary rights are transmitted from the moment of death, and the deed of sale was interpreted in its entirety to include Ricardo's full interest in the lot.
3. DELCOR's action was not barred by laches because as a purchaser in good faith of registered land, it had the right to rely on the certificate of title and the law does not oblige the purchaser to go beyond the title to look for flaws. Moreover, DELCOR took additional steps to verify the title and found it to be in order.

Doctrine:

1. A public document notarized and executed with all legal formalities enjoys a presumption of regularity, and forgery must be proven with clear and convincing evidence.
2. The hereditary share in a decedent's estate is transmitted immediately from the moment of death, and successors can dispose of their hereditary share even before the estate is

formally settled.

3. Purchasers of registered land can rely on the correctness of its certificate of title, and the law does not oblige them to go beyond the title to search for flaws.

Class Notes:

- Legal formalities of a public document: Ensure documents are duly acknowledged before a notary public, as they enjoy a presumption of regularity.
- Hereditary rights transmission: Understand that rights to a decedent's estate are transmitted immediately upon death, permitting successors to sell their share even prior to estate liquidation.
- Purchasing registered land: Recognize the principle that purchasers may rely on the certificate of title, and due diligence includes verifying the title's veracity through reasonable inquiry.

Historical Background:

This case underscores the complexity of property ownership and inheritance in the Philippines, reflective of a legal system that combines Spanish civil law influences with American administrative and common law elements, particularly in land registration and titling processes. It illustrates the challenges in property transactions, especially when involving ancestral land and the succession of ownership through inheritance, amidst evolving land registration systems.