

Title: *Spouses Horacio and Felisa Benito vs. Agapita Saquitán-Ruiz*

****Facts:****

Agapita Saquitán-Ruiz filed a civil suit against Spouses Horacio and Felisa Benito on April 1, 1999, for specific performance with a declaration of nullity of titles and damages. Saquitán-Ruiz claimed that on April 17, 1979, Horacio, with Felisa's consent, sold her a piece of land in Pasig City for P6,000. However, despite demands, the Benitos failed to deliver the certificate of title in her name. Instead, the Benitos purportedly subdivided and issued new titles for the land, including the portion sold to Saquitán-Ruiz. The Regional Trial Court (RTC) dismissed the complaint on June 28, 1999, due to prescription and/or laches. Saquitán-Ruiz filed a motion for reconsideration and for leave to amend the complaint, which was denied on August 20, 1999. The Court of Appeals (CA) reversed the RTC's decision on June 6, 2001, reinstating the complaint and granting the amendment, leading to this petition for review by the Benitos.

****Issues:****

1. Whether the Court of Appeals erred in reinstating Saquitán-Ruiz's complaint and in admitting the amended complaint.
2. Whether the action for reconveyance has prescribed.
3. Whether laches applies due to Saquitán-Ruiz's inaction.

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

1. The Supreme Court denied the petition, affirming the CA's decision. The Court clarified that the heart of the complaint was a suit for reconveyance based on an implied or constructive trust, which has a prescriptive period of ten years from the issuance of the title and not one year as initially argued.
2. Saquitán-Ruiz's action for reconveyance had not prescribed since it was filed within ten years from the issuance of the questioned titles on March 25, 1996.
3. The Court dismissed the arguments regarding mootness due to transfer to a third party, non-payment of consideration, and laches. It emphasized that an action for reconveyance can be pursued if the property has not been transferred to an innocent purchaser for value and stressed that possession of the property by Saquitán-Ruiz, coupled with no evidence of the demand for the unpaid consideration, could not establish laches.

****Doctrine:****

The case reiterated the doctrine that the cause of action in suits involving property wrongfully or erroneously registered in another's name, aimed at reconveyance to its

rightful owner or to one with a better right, prescribes in ten years from the issuance of the title. This period applies as long as the property has not been transferred to an innocent purchaser for value. Furthermore, the decision underscored that allegations in a complaint and not its caption determine the cause of action.

****Class Notes:****

1. ****Prescription for Reconveyance:**** An action for reconveyance based on an implied or constructive trust prescribes in ten years from the issuance of the title.
2. ****Doctrine of Laches:**** Laches is the failure or neglect for an unreasonable and unexplained length of time to do that which, by exercising due diligence, could or should have been done earlier. The burden to prove laches is on the party alleging it.
3. ****Principle of Due Process in Motions to Dismiss:**** A motion to dismiss cannot be based on grounds not alleged in the motion, ensuring due process for the plaintiff to oppose.
4. ****Specific Performance as a Remedy:**** Upon the failure of an obligor to perform a reciprocal obligation, the injured party has the remedies of either specific performance or judicial rescission.
5. ****Inaction and Property Rights:**** The actual possession of a property by a person claiming to be its owner may constitute a continuing right to seek the court's aid in vindicating their claim, making the right to seek reconveyance impervious to the defense of prescription if possession is maintained.

****Historical Background:****

While the decision in *Spouses Horacio and Felisa Benito vs. Agapita Saquitán-Ruiz* is primarily focused on the legal proceedings and application of doctrines related to the prescriptive period and reconveyance, the case arises against a backdrop of common property disputes in the Philippines. The contours of this case reflect broader issues around land ownership, registration, and the challenges of navigating the country's complex property laws—often leading to lengthy legal battles over rightful ownership and entitlements. This context underscores the importance of understanding legal doctrines and procedural rules in resolving property disputes efficiently and fairly.