

### Title: **\*\*Heirs of Mariano vs. City of Naga\*\***

### Facts:

The case unfolded when the proponents of City Heights Subdivision offered a parcel of land in Naga City for the construction of a new City Hall. Controversy arose over whether a donation of land to the City of Naga was validly executed and whether the City of Naga's occupation of the property was by tolerance, making it subject to ejectment.

On July 3, 1954, the Subdivision's officers offered to the mayor of the City of Naga to construct a City Hall within the Subdivision, suggesting an initial area and later amending the offer to a more extensive portion of the land. These exchanges led to municipal resolutions accepting the amended offer.

Disputes arose from the representation of whether a Deed of Donation was executed and the conditions attached to such a donation. The local government claimed a Deed of Donation was executed and utilized the land for various government facilities. In contrast, the Mariano heirs (petitioners) contended that the donation never materialized as intended since subsequent developments did not align with the conditions linked to the donation offer. They alleged that the contract for constructing the City Hall was awarded through a public bidding won by another party, not the Subdivision, thereby invalidating the donation's condition.

In 2003, upon realizing their potential rights over the property, the Mariano heirs demanded the City vacate the premises. The refusal led to the filing of an ejectment case (unlawful detainer) against the City of Naga.

### Procedural Posture:

The Municipal Trial Court (MTC) initially dismissed the complaint for lack of jurisdiction, deciding the case hinged on ownership, which it couldn't resolve. On appeal, the Regional Trial Court (RTC) reversed the MTC's ruling, recognizing the heirs' better right of possession. The Court of Appeals (CA), however, in its amended decision, reinstated the MTC's decision but on different grounds, focusing on procedural aspects regarding evidentiary rules. The Mariano heirs escalated the matter to the Supreme Court (SC), asserting errors in the CA's application of legal doctrines about the admission of secondary evidence and its effects on ownership and possession disputes.

### Issues:

1. Whether the purported Deed of Donation was validly executed and it effectively

transferred ownership and possession rights to the City of Naga.

2. The application and consequence of the best evidence rule in the admissibility of secondary evidence for the Deed of Donation.
3. Whether the Mariano heirs, as successors-in-interest, have the right to recover possession of the property in dispute.
4. Whether doctrines of prescription and laches apply to bar the heirs' claims.
5. The legal implications of the City's possession being in good faith or by mere tolerance.

### ### Court's Decision:

The Supreme Court (SC) granted the petition, setting aside the CA's amended decision and reinstating the RTC's ruling with modifications. The Court found the following:

- The purported Deed of Donation lacked the formalities required for validity, rendering it void. Thus, the City did not acquire ownership or the right of possession based on the Deed.
- The City knew it did not fulfill the condition attached to the initial donation offer (award of the construction contract), and its continued occupation was not in good faith.
- The Mariano heirs, as registered owners' heirs, held a preferred right to the property, regardless of the length of the City's possession.
- Claims of laches or prescription were not applicable, as actions to recover possession of registered land do not prescribe.
- The City, other government agencies, and instrumentalities occupying the subject land are bound by the judgment on unlawful detainer.

### ### Doctrine:

- The formalities required for the donation of real property must strictly comply with the Civil Code, specifically Article 749.
- A void contract or deed cannot be the source of legal rights or obligations.
- The principle of indefeasibility of a Torrens title affirms that registered owners and their heirs have a superior right to possession that cannot be defeated by laches or prescription.

### ### Class Notes:

- **\*\*Void Contracts:\*\*** The importance of compliance with statutory requirements for a contract's validity, particularly donations of real property.
- **\*\*Best Evidence Rule:\*\*** The circumstances under which secondary evidence is admissible when the original document is unavailable.
- **\*\*Possession and Ownership in Land Disputes:\*\*** The distinction between de facto possession and legal ownership and their implications in ejectment cases.

- **Heirs' Rights:** The rights of heirs to assert ownership and possessory claims over property registered in their predecessors' names.
- **Imprescriptibility:** Registered land's protection from adverse claims, including those based on long-term occupation or possession.

**Historical Background:**

The dispute represented a clash between communal/public interests in utilizing lands for government facilities and personal property rights under the Torrens system. The case underscores the continuing tension in Philippine jurisprudence over property rights, land use, and the efficacy of donations as legal tools for transferring property interests for public use.