

Title: Heirs of Yadao vs. Heirs of Caletina

Facts:

- Initial Filing:** On June 22, 1993, the Heirs of Juan Caletina (respondents) filed a complaint for ownership and recovery of possession against the Heirs of Angel Yadao (petitioners) and others, claiming ownership of a parcel of land (Lot 1087 of Cadastre 317-D, Original Certificate of Title (OCT) No. P-479 (S)).
- Defendants' Response:** Defendants (petitioners) countered that Josefina Yadao and Domingo Yadao bought Lot 1087 from Juan Caletina's heirs in 1962, evidenced by an unnotarized "Contrata" and a notarized "Deed of Absolute Sale."
- Contrata:** Signed by Jose, Hospicio Sr., William Caletina, and Marciana Calitina (Juan's heirs), stipulating the sale of Lot 1087 for PHP 850.00.
- Deed of Absolute Sale:** Notarized document dated October 15, 1962, reinforcing the sale and allegedly involving the transfer of the owner's copy of OCT No. P-479 (S) to the Yadaos.
- Dispute Over Ownership:** Respondents denied the sale and maintained continuous possession and collection of rent from tenants of Lot 1087 until the Yadaos allegedly took possession in 1962.
- Trial Court:** Respondents presented witnesses affirming their right as legitimate heirs and occupants of Lot 1087, disputing the validity of the Contrata and Deed due to lack of notarization (Contrata) and unauthorized signing (Deed by Casiana, a non-legal heir).
- Land Value and Jurisdiction:** Controversy arose over the correct forum due to the land's low assessed value.
- RTC Decision (November 25, 2011):** Declared respondents as rightful owners and ordered eviction of the Yadaos, questioning the validity of contract documents presented by petitioners.
- Court of Appeals (February 29, 2016):** Affirmed the RTC decision, denying the prescriptive claims and maintaining the non-qualification of the sale documents to confer ownership due to deficiencies in execution and registration.
- Supreme Court Petition:** Petitioners sought to reverse the Court of Appeals' decision, contending acquired title through prescription and validity of the sale documents.

Issues:

- Did the RTC have jurisdiction over the subject matter?
- Did petitioners acquire ownership of the subject lot through acquisitive prescription?
- Is respondents' action barred by prescription?
- Was there a valid contract selling Lot 1087 to the Yadaos?

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

1. ****Jurisdiction****: The Supreme Court held that petitioners were estopped from questioning the RTC's jurisdiction due to their active participation in the case for over 16 years without initially questioning the court's authority.
2. ****Acquisitive Prescription****: The Court ruled that registered lands cannot be acquired through prescription or adverse possession, reinforcing that this applies to both the registered owner and their heirs.
3. ****Extinctive Prescription****: The Court emphasized extinctive prescription, noting that respondents' action to reclaim the land after 31 years without raising any objections was barred by prescription, citing "Pangasinan v. Disonglo-Almazora."
4. ****Validity of Sale****: The unnotarized "Contrata" and subsequent notarized Deed were deemed valid in conveying Lot 1087 because possession was transferred by the heirs of Juan Caletina (publicly and continuously since 1962), refuting the necessity of additional formalities.

****Doctrine:****

1. ****Prescription on Registered Lands****: Ownership of registered land under the Torrens system cannot be acquired through prescription or adverse possession (Presidential Decree No. 1529, Section 47).
2. ****Exception to Prescription****: Prescriptive bar does not apply for registered lands unless the registered owner's heirs do not possess the land or conveyance to the current possessor was invalid, void, or non-existent.
3. ****Estoppel by Laches****: A party who had actively participated in a trial cannot later challenge the court's jurisdiction if done tardily and opportunistically.

****Class Notes - Key Legal Concepts:****

1. ****Estoppel by Laches****: Prevents belated jurisdictional challenges after substantial participation in litigation.
2. ****Registered Land and Prescription****: Registered land under Torrens System is imprescriptible for adverse claims.
3. ****Valid Contracts for Real Property****: Unnotarized contracts may still convey property if possession aligns with the terms of sale. Notarization is formality aiding but not negating otherwise enforceable contracts.
4. ****Extinctive Prescription****: Bars recovery of property when actions are initiated after periods far exceeding legal limits, protecting long-standing, uncontested possession.

****Historical Background:****

The case reflects essential principles in Philippine property law concerning land registration, the weight of documentary evidence in property disputes, and the influence of prescriptive periods. The protracted case, originating in the 1990s, underscores complexities underlying ancestral and familial land ownership conflicts amid formalized processes under the Torrens system. It represents judicial efforts to balance historical possession against statutory frameworks on land ownership and registration.