Title:

Spouses Onesiforo & Rosario Alinas vs. Spouses Victor & Elena Alinas

Facts:

In 1982, Spouses Onesiforo and Rosario Alinas separated, relocating to different cities while leaving two lots, identified as Lot 896-B-9-A (with a bodega) and Lot 896-B-9-B (with their house), under the care of Onesiforo's brother, Victor Alinas, and his wife, Elena. The properties were meant to serve as collateral for loans with the Rural Bank of Oroquieta City (RBO) and the Social Security System (SSS).

- In 1986 and 1987, the SSS and RBO foreclosed on Lots 896-B-9-A and 896-B-9-B due to non-payment of these loans.
- Respondents subsequently acquired Lot 896-B-9-A through an installment purchase executed by RBO in May 1988.
- Respondents redeemed Lot 896-B-9-B from the SSS in March 1989, claiming a deed of absolute sale and an agreement that these acts were executed with Onesiforo's authorization.
- The titles for both lots were then transferred to respondents.

In June 1993, petitioners filed a complaint for the recovery of possession and ownership with damages.

Upon trial, the RTC issued its decision:

- 1. Respondents were found not to have schemed to obtain titles fraudulently.
- 2. Declared respondents owners of Lot 896-B-9-A.
- 3. Declared Onesiforo and Rosario as owners of Lot 896-B-9-B, voiding the sale and ordering reimbursive compensation to respondents for the redemption amount.

Respondents appealed to the CA, and the appellate court modified the RTC's decision, in essence, affirming respondents' ownership of Lot 896-B-9-A and modifying the terms regarding Lot 896-B-9-B to protect respondent spouses' equitable interests.

Issues:

- 1. Whether the CA erred in disregarding testimony regarding the authenticity of the Registrar of Deeds' signatures.
- 2. Whether respondents should be regarded as owners or mere trustees of Lot 896-B-9-A.
- 3. Whether imposing obligations on petitioners without accounting for rental income was a manifest abuse of discretion.

4. Whether the sale of Lot 896-B-9-B is void under the Family Code for lack of spousal consent.

Court's Decision:

- 1. **Certificate not subject to collateral attack**: Petitioners' challenge to the authenticity of the Registrar of Deeds' signature is considered a collateral attack on the TCTs, which is not allowed under Section 48 of Presidential Decree No. 1529.
- 2. **Ownership of Lot 896-B-9-A**: The Court affirmed the CA's decision upholding the RTC ruling that respondents acquired ownership of Lot 896-B-9-A via proper means from RBO and not through redemption or questionable methods.
- 3. **Obligations and Reimbursements**: The petitioners' contention that respondents are only trustees and should account for rental income was dismissed. The bodega's rentals, which respondents managed to lease from January 1990, belonged to them post title transfer.
- 4. **Sale of Lot 896-B-9-B and Spousal Consent**: The sale of Lot 896-B-9-B was voided ab initio for lack of Rosario's written consent as required under Article 124, Family Code. The Court ruled for the reimbursement of the redemption amount (P111,110.09) to respondents with stipulated interest, and voided the sale entirely, ensuring Rosario's proprietary rights were upheld.

Doctrine:

- **Collateral Attack on Certificates of Title**: Titles cannot be assaulted indirectly via complaints not specifically aimed at altering or nullifying them (Section 48, PD 1529; De Pedro vs. Romasan Development Corporation).
- **Conjugal Property Consent Requirement**: Article 124 of the Family Code mandates joint spousal consent for disposing of conjugal properties. Absence of such renders the transaction void.

Class Notes:

- **Collateral Attack Doctrine**: Referencing PD 1529, Section 48: "A certificate of title shall not be subject to collateral attack."
- **Conjugal Partnership Rule**: Article 124, Family Code: Dispositions require the consent of both spouses or court authority. In absence, such acts are void.
- **Good Faith in Possession under Civil Code**: Article 526 defines good and bad faith in property possession.

Historical Background:

This case arose at a period when Filipino property laws were evolving to incorporate and reflect the importance of formal spousal consents under the Family Code (enacted in 1988). The tensions between land ownership, familial consent, and the legitimacy of administrative transfers reflect broader socio-economic developments in post-martial law Philippines, where land ownership, bank foreclosures, and familial trust came under scrutiny. This case highlighted the judiciary's role in interpreting these evolving legal norms.