

Title:

Josephine B. Belcodero vs. The Honorable Court of Appeals, et al. (G.R. No. 67445)

Facts:

- **Marriage:** Alayo D. Bosing married Juliana Oday on July 27, 1927, and had three children: Flora, Teresita, and Gaido.
- **Desertion:** In 1946, Alayo left the conjugal home and began living with Josefa Rivera. They had a child named Josephine Bosing (later Josephine Balcobero).
- **Property Purchase:** On August 23, 1949, Alayo purchased a parcel of land on an installment basis from Magdalena Estate, Inc., listing his civil status as “married to Josefa R. Bosing,” his common-law wife.
- **Letter to Transfer Title:** On October 6, 1959, Alayo authorized Magdalena Estate, Inc. to transfer the lot to “Josefa R. Bosing.”
- **Deed of Sale and Title Transfer:** On October 24, 1959, a final deed of sale was executed. On November 9, 1959, Transfer Certificate of Title No. 48790 was issued in the name of “Josefa R. Bosing.”
- **Invalid Marriage:** On June 6, 1958, Alayo married Josefa, despite his existing marriage to Juliana. Alayo died on March 11, 1967.
- **Extrajudicial Partition and Sale:** On September 17, 1970, Josefa and Josephine executed an extrajudicial partition and sale of the property, describing it as “conjugal property”. This was published on November 4-6, 1970, and a new title (TCT No. 198840) was issued on June 6, 1974.
- **Action for Reconveyance:** On October 30, 1980, Juliana and her children filed an action for reconveyance.

Procedural Posture:

- **Trial Court:** Ruled in favor of Juliana and her children, ordering reconveyance of the property and payment of damages.
- **Court of Appeals:** Affirmed the reconveyance but reversed the award of damages.
- **Petition for Review:** Josephine filed a petition for review with the Supreme Court, arguing that the action for reconveyance had prescribed, questioned the basis of implied or constructive trust, claimed exclusive ownership, and moved for a new trial based on newly discovered evidence.

Issues:

1. Did the action for reconveyance prescribe?
2. Was the action for reconveyance based on an implied or constructive trust?

3. Did the property belong exclusively to the petitioners?
4. Should a new trial have been granted based on newly discovered evidence?

Court's Decision:

****Issue 1: Prescription of Action for Reconveyance****

- The property was titled under the Torrens System, and the 10-year prescriptive period for reconveyance starts from the issuance of the new title (June 6, 1974). The action filed on October 30, 1980, was within this period. Hence, the action for reconveyance had not prescribed.

****Issue 2: Implied or Constructive Trust****

- The property belonged to the conjugal partnership of Alayo and Juliana. Josefa received the title through a transfer authorized by Alayo, but not intended to negate Alayo's ownership or Juliana's interest. Therefore, a constructive trust was deemed established by operation of law under Article 1456 of the Civil Code.

****Issue 3: Exclusive Ownership Claim by Petitioners****

- The property was acquired during Alayo's subsisting marriage with Juliana; thus, it belonged to their conjugal partnership. The attempt to claim exclusive ownership by Josefa and Josephine, based on the title transfer, was not valid.

****Issue 4: Motion for New Trial****

- The evidence claimed as newly discovered was mindful to be "forgotten evidence" and not truly "newly discovered." The issues concerning the sale of other property in 1948 and Juliana's remarriage in 1961 were not sufficient grounds for a new trial.

Doctrine:

- ****Constructive Trust:**** Established when property acquired by one party is to be held for the benefit of another from whom the property came, per Article 1456 of the Civil Code.
- ****Conjugal Partnership Presumption:**** Property acquired during the marriage is presumed to belong to the conjugal partnership unless proven otherwise (Articles 160 and 1407 of the Civil Codes).

Class Notes:

- ****Constructive Trust (Article 1456):**** When property is acquired through mistake or fraud, the acquirer holds it in trust for the rightful owner.
- ****Conjugal Partnership Property (Articles 160 & 1407):**** Any property acquired during the marriage is part of the conjugal assets unless convincingly proven to be exclusively

owned by one spouse.

- ****Prescription for Reconveyance (Article 1144):**** Any action for reconveyance under a constructive trust is subject to a 10-year prescriptive period starting from the registration under the Torrens System.
- ****Newly Discovered Evidence (Article 1391):**** Must be truly “new”, unknown during the trial despite due diligence, and must likely alter the outcome.

Historical Background:

- The case delves into issues of property ownership within the context of marital and extramarital relationships, reflecting societal and legal perspectives on marriage, family, and property rights in the Philippines.
- It highlights the transition between the Old Civil Code, the New Civil Code of 1950, and the Family Code of 1988, illustrating the legal evolution in matrimonial property relations and the family legal framework.