

EULOGIO M. PEDRANO, PETITIONER, VS. HEIRS OF BENEDICTO PEDRANO, NAMELY: ROMANA PEDRANO, ANTONIO PEDRANO, ROSENDA PEDRANO RAAGAS, LEONIDA PEDRANO VILLAMOR, AND ZENAIDA P. DAGOHOY...

G.R. NO. 159666. December 04, 2007

Ponente: VELASCO, JR., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-159666/>

VELASCO, JR., J.:

While blood is indeed thicker than water, conflicts involving real properties are no respecter of even the most immediate of blood relations. Lot No. 6416, Ts-222, with an area of 525 square meters located on Lapu-lapu St., Molave, Zamboanga del Sur is the subject of a long standing dispute between a son against his mother and his siblings.

Lot No. 6416 was previously owned by Dr. Isidro Hynson who sold it on March 15, 1965 to Romana Montecal Pedrano, for PhP 315.02. Romana was married to Benedicto Pedrano who passed away on August 19, 1967.

Fourteen years later, petitioner Eulogio M. Pedrano, a son of Romana, alleged that he had bought the land himself for PhP 30,000 from Romana, payable on or before December 31, 1982 as shown in the Deed of Sale dated December 22, 1981.

Since Lot No. 6416 and another lot, Lot No. 6409, were yet untitled, these became subject of Cadastral Case No. N-4, LRC Cad. Rec. No. N-64, for titling.

On June 14, 1984, in Cadastral Case No. N-4, petitioner filed a Motion to Lift Order of General Default and to Admit Cadastral Answer.[1] Subsequently, on June 2, 1989, the Regional Trial Court (RTC) acting as Cadastral Court rendered a Decision adjudicating Lot No. 6409-A, Ts-222[2] to Romana and Lot No. 6416, Ts-222 to petitioner. Although on July 3, 1989, the cadastral court issued an Order for the Issuance of Decree in Cadastral Case No. N-4,[3] to date, no Original Certificate of Title (OCT) has been issued to Lot No. 6416.

Alleging that petitioner had not paid the PhP 30,000 consideration for Lot No. 6416 until the December 31, 1982 deadline, as stipulated in the December 22, 1981 Deed of Sale, respondents filed before the Municipal Trial Court of Molave, Zamboanga del Sur, a Complaint[4] docketed as Civil Case No. 570 entitled Heirs of Benedicto Pedrano, namely, Romana Pedrano, Antonio Pedrano, Rosenda Pedrano Raagas, et al. v. Eulogio Pedrano. Respondents asked for the annulment of the December 22, 1981 Deed of Sale, and the recovery of the possession and ownership of Lot No. 6416, with prayer for a writ of preliminary injunction and restraining order and damages.

According to respondents, Romana informed petitioner that the former was canceling the sale and petitioner should have Dr. Hynson's name in the title replaced with her name. Respondents added that despite the cancellation of the deed of sale, Romana allowed petitioner to occupy the house on Lot No. 6416. Further, respondents averred they were unaware that petitioner instituted a cadastral case to have the land titled to himself.

They discovered his machinations only in 1994. Thus, respondents instituted the instant case to have the December 22, 1981 Deed of Sale voided for want of consideration and for fraud.

Petitioner denied all allegations. He claimed that his father, Benedicto, died without any property. Besides, he averred, respondents' action was barred by the decision of the RTC in Cadastral Case No. N-4, which adjudicated Lot No. 6416 to him and which decision had long become final and executory. He also insisted that he had paid respondents for the land.

The Trial Court ruled prescription had set in

Subsequently, on July 4, 2000, the Molave, Zamboanga del Sur RTC rendered a Decision, the dispositive portion of which reads:

WHEREFORE, for the reason that prescription of the cause of action to annul the questioned Deed of Absolute Sale has already set in, the complaint in the above-entitled case is ordered dismissed.

To bring peace to the family, the counterclaim of defendant in his answer is also ordered dismissed.

IT IS SO ORDERED.[5]

The RTC said that it could no longer annul the sale reasoning that Article 1144[6] of the Civil Code provided for 10 years within which to bring action from the time the right of action accrues upon a written contract. Hence, it concluded that since the deed of sale was executed on December 22, 1981, and the instant action was filed only on September 5, 1996, after more than 14 years, prescription had set in.

The Court of Appeals reversed the trial court

Aggrieved, respondents appealed to the Court of Appeals (CA). The appeal was docketed as CA-G.R. CV No. 68159. Respondents raised the sole issue of whether their action had already prescribed.

In the meantime, pending appeal before the CA, Romana died on September 25, 2001.

On February 14, 2003, the appellate court rendered the assailed Decision which granted respondents' appeal, and reversed and set aside the July 4, 2000 RTC Decision. The decretal portion reads:

WHEREFORE, the instant appeal is hereby GRANTED. Accordingly, the assailed decision is hereby REVERSED and SET ASIDE and a new one rendered ordering defendant-appellee to transfer ownership and possession of the subject property in favor of plaintiffs-appellants.

SO ORDERED.[7]

The CA ratiocinated that Art. 1144 of the Civil Code was erroneously applied by the RTC. The CA explained that the instant case involves an implied trust, and that Art. 1456 of the Civil Code was the applicable law.

The CA also found untenable petitioner's assertion that he was the one who paid Dr. Hynson the purchase price of PhP 315.02 although the agreement shows Romana was the transferee. Moreover, he presented no proof to support his claim that he paid PhP 30,000 for Lot No. 6416 to Romana based on the December 22, 1981 Deed of Sale. According to the CA, the March 15, 1965 Deed of Absolute Sale categorically showed that it was Romana who purchased the property from Dr. Hynson. Why, posed the CA, would petitioner still pay respondents the PhP 30,000 purchase price if he had already earlier paid PhP 315.02 for the same property? Consequently, the CA concluded, based on the December 22, 1981 Deed of Sale, respondents had no obligation to transfer ownership of Lot No. 6416 to petitioner since the latter had not paid for it. In sum, according to the CA, the sale was never perfected and all along, petitioner merely held the land in trust for respondents.

On the issue of prescription, the CA applied Villanueva-Mijares v. Court of Appeals,[8] where we held that an action for reconveyance of a parcel of land based on implied or constructive trust prescribes in ten (10) years, reckoned from the date of registration of the deed or the date of the issuance of the certificate of title of the property. The CA pointed out that in this case, the prescriptive period has not started to run since no certificate of title had yet been issued.

Finally, the CA held that since respondents demanded that petitioner return the property, the implied trust had ceased and petitioner was under obligation to return the property to respondents. In its July 28, 2003 Resolution, the appellate court likewise denied petitioner's Ex-Parte Motion for Reconsideration.

The Issues

This petition under Rule 45 raises the following issues:

- Whether or not there was a PRESCRIPTION under Art. 1144 of the Civil Code that the document sought to be ANNULLED was executed on December 22, 1981 and the case was filed on September 5, 1996 which has a gap of 14 years, 8 months and 23 days.
- Whether or not there was an IMPLIED TRUST and therefore the property was acquired through mistake or fraud and the person obtaining it is a TRUSTEE under Art. 1456 of the Civil Code.
- Whether or not there was an EXPRESS TRUST as provided in Art. 1444, 1445 and 1446 of the Civil Code where the TRUSTEE should accept the trust or his/her acceptance may be presumed.
- Whether or not that the property under trust by one spouse be considered as a conjugal property of both husband and wife.
- Whether or not that the document DEED OF SALE is the right document for partition to be executed by the heirs.[9]

In gist, the instant petition proffers the twin issues: Is the possession of the land by petitioner an implied or express trust? Has the action of respondents prescribed?

The petition is devoid of merit.

Petitioner occupied Lot No. 6416 as implied trustee

Petitioner argues that he is the rightful owner of Lot No. 6416. He claims he paid for it with a treasury warrant representing his salary as a public school teacher. He explains that at the time the lot was bought from Dr. Hynson, he was the only one earning enough. His father was only a caminero, his mother, jobless except for occasional fish vending, and his other siblings, all school drop-outs. He contends that he was the only one who could afford to pay for the lot, but in the March 15, 1965 Deed of Absolute Sale, he made it appear that Romana was the vendee and she was therefore his express trustee. He avers that Romana was not even around when the said deed was executed. He explains that the two-centavo difference in the purchase price of the lot and the actual payment of PhP 315.02 was due to his use of the treasury warrant amounting to PhP 315.02 that he received as public school teacher to pay for the lot. He said he had been occupying the lot since his purchase in 1965.

We are not persuaded by petitioner.

The facts and the documents presented in the instant case belie petitioner's claims

First, petitioner showed no proof that he indeed bought the land from and paid the purchase price of PhP 315.02 to Dr. Hynson. He who alleges a fact has the burden of proof and mere allegation is not evidence.[10] Besides, the

March 15, 1965 Deed of Sale, duly notarized, explicitly shows it was Romana who paid Dr. Hynson PhP 315.02 for the land. We quote the Deed of Sale:

I, DR. ISIDRO HYNSON, Filipino, of legal age, married, with residence and postal address at Ozamis City, Misamis Occidental, Philippines, for and in consideration of the sum of THREE HUNDRED FIFTEEN PESOS and TWO CENTAVOS (P315.02), Philippine Currency, to me in hand paid by MRS. ROMANA MONTEALTO, likewise Filipino, of legal age, married to Benedicto Pedrano, with residence and postal address at Poblacion, Molave, Zamboanga del Sur, Philippines, receipt of which in full is hereby acknowledged to my entire satisfaction, hereby do by these presents, CEDE, SELL, CONVEY and TRANSFER absolutely unto said MRS. ROMANA MONTEALTO[.]

Between petitioner's bare allegations and the notarized deed of absolute sale, a public document, the latter prevails for being prima facie evidence, under Sec. 23, Rule 132 of the Revised Rules on Evidence, of the facts giving rise to its execution and the date of its execution.

Second, as aptly pointed out by the CA, if petitioner indeed paid PhP 315.02 for the subject lot, there was no need for him to pay for the lot again.

Third, petitioner had not adduced evidence that he indeed paid the PhP 30,000 consideration for Lot No. 6416. We quote the December 22, 1981 Deed of Sale:

THAT I, ROMANA M. PEDRANO, Filipino, of legal age, widow, resident of Molave, Zamboanga del Sur, for and in consideration of the sum of THIRTY THOUSAND (P30,000.00) PESOS, Philippine Currency, to be paid by EULOGIO M. PEDRANO, Filipino, of legal age, married to Virginia O. Pedrano, resident of Molave, Zamboanga del Sur, on or before December 31, 1982, DO hereby SELL, CEDE AND CONVEY absolutely and forever unto the said Eulogio M. Pedrano[.]

What is clear in the aforecited deed of sale is that the late Romana was the buyer of Lot No. 6416 from Dr. Hynson; that petitioner was to pay Romana PhP 30,000 for it; and that he had until December 31, 1982 to do so. Petitioner claims he did but offers no proof of payment although he occupied the land. While it is incumbent for petitioner to present proof that he indeed paid it, he had not presented any. Under these facts and even if we concede that the sale was perfected, still petitioner failed to perform his obligation to pay the consideration of PhP 30,000 to Romana. Since petitioner failed to comply with what is incumbent upon him, the injured parties (respondents as heirs of Romana) may choose between fulfillment and rescission of the sale under Art. 1191 of the Civil Code. Respondents chose rescission. Thus, the juridical tie between the parties is invalidated and it leaves the parties with their respective property rights relating to Lot No. 6416 before the celebration of the December 22, 1981 Deed of Sale.

What remains therefore is the undisputed March 15, 1965 Deed of Sale with Romana as the buyer. Petitioner's possession of Lot No. 6416, owned by his parents, was an implied trust constituted upon petitioner. The CA is correct in applying Art. 1456 on implied trust to this case.

Art. 1456 provides, "If property is acquired through mistake or fraud, the person obtaining it is, by force of law, considered a trustee of an implied trust for the benefit of the person from whom the property comes."

Working for judicial confirmation of an imperfect title
when one is not the owner constitutes fraud

On the issue of fraud, petitioner contends that there was nothing fraudulent when he instituted the cadastral proceedings before the Molave, Zamboanga del Sur RTC. Petitioner attests that the said RTC awarded him ownership of Lot No. 6416 upon his satisfactorily presenting both oral and documentary evidence of his and his

predecessors-in-interest's 30-year continuous, adverse, open, public, and notorious possession of Lot No. 6416.

Petitioner's posturing is disingenuous, to say the least.

As earlier discussed, petitioner has failed to convince this Court that he paid for Lot No. 6416 before the lapse of the December 31, 1982 deadline; therefore, he did not acquire ownership of it. Rosenda Pedrano Raagas testified that: (1) petitioner was the only sibling who finished school; (2) he lived in Lot No. 6416 because his mother let him; (3) Romana asked him to take care of titling Lot Nos. 6409-A and 6416; and (4) he was the only one financially better off among his siblings. In our view, all these show that petitioner not only enjoyed immense favor from his mother, she also had only him to count on to make decisions and work on the titling of her land.

We also find petitioner's contention that his mother testified on his behalf regarding his continuous, adverse, open, public, and notorious possession of Lot No. 6416 self-serving, as he has shown no proof of his mother's statements. Neither has he presented any witness to attest to this. In fact, a cursory perusal of the Joint Motion to Lift Order of General Default and to Admit Cadastral Answer filed by petitioner on June 14, 1984 in Cadastral Case No. N-4 shows that Romana's name was only inserted in the motion as an afterthought. To our mind, in an attempt to defraud his siblings, petitioner deliberately did not inform them of his move to put the title of Lot No. 6416 in his name. Petitioner presented the December 22, 1981 Deed of Sale before the cadastral court to mislead the courts to erroneously adjudicate Lot No. 6416 to him.

Prescription has not set in

Petitioner insists that the RTC was correct in declaring that respondents' action had prescribed since more than 14 years have lapsed from the date of the execution of the Deed of Sale on December 22, 1981 to the date of the instant action for annulment. Petitioner posits that in the intervening time, respondents were aware of the cadastral proceedings he initiated; that in fact, he had filed a Joint Motion to Lift Order of General Default and to Admit Cadastral Answer under Cadastral Case No. N-4 on May 2, 1984, and for five years, the cadastral court conducted hearings; that the cadastral court heard the testimonies of his continuous, adverse, open, and public possession of the lots; that since the execution of the deed of sale, respondents neither claimed that they were not paid, nor did they demand payment from 1981 to 1993; and that the letter of Romana purportedly canceling the sale for non-payment was written only in 1996 when she was already 83 years old and this was not sent to him.

Again, petitioner fails to persuade us.

An action for the reconveyance of a parcel of land based on implied or constructive trust, as we have already explained in this case, prescribes in 10 years, the point of reference being the date of registration of the deed or the date of the issuance of the certificate of title of the property.[11] In the instant case, no OCT has yet been issued to Lot No. 6416 despite an order on July 3, 1989 to title Lot Nos. 6409-A and 6416. Without an OCT, the date from whence the prescriptive period could be reckoned is unknown and it could not be determined if indeed the period had already lapsed or not. Thus, we agree with the CA that prescription has not yet set in when the instant case was filed on September 5, 1996.

With our above disquisition, we find no need to go over the other issues raised by petitioner.

Petitioner has equal share with other siblings over subject property

From the foregoing discussion, we rule that Lot No. 6416 is part of the estate of the spouses Benedicto and Romana and is held by petitioner as an implied trust. Petitioner is co-heir among six (6) compulsory heirs of Romana and Benedicto. Therefore, he is only entitled to a one-sixth (1/6) share in Lot No. 6416.

Even if the June 2, 1989 Decision and July 3, 1989 Order for the issuance of decree in Cadastral Case No. N-4,

LRC Cad. Rec. No. N-64 have become final, this Court can still modify them pursuant to its inherent power to suspend its own rules or to except a particular case from its operations wherever demands of justice so require.[12] We order the amendment or modification of said decision and order for the issuance of decree to reflect the equal one-sixth (1/6) share for each of the heirs of Romana and Benedicto with respect to Lot No. 6416, Ts-222 to avoid further delay and additional legal expenses to the parties.

WHEREFORE, the petition is DENIED for lack of merit. The February 14, 2003 Decision and July 28, 2003 Resolution in CA-G.R. CV No. 68159 are hereby AFFIRMED with MODIFICATION that the six (6) compulsory heirs of the late spouses Benedicto and Romana Pedrano, namely: petitioner Eulogio M. Pedrano, Antonio M. Pedrano, Rosenda P. Raagas, Leonida P. Villamor, Zenaida P. Dagohoy, and Norberto M. Pedrano (deceased), represented by Normie P. Alcorin, Norberto C. Pedrano, Jr., Marilyn C. Pedrano, and Benedicto C. Pedrano, are each entitled to one-sixth (1/6) share in Lot No. 6416, Ts-222. The June 2, 1989 Decision and July 3, 1989 Order for the Issuance of Decree of the RTC acting as a cadastral court in Cadastral Case No. N-4, Cad. Rec. No. N-64 respectively adjudicating and decreeing Lot No. 6416, Ts-222 to petitioner Eulogio M. Pedrano are MODIFIED that said lot is adjudicated and decreed to the aforelisted six (6) heirs of Benedicto and Romana Pedrano each with one-sixth (1/6) share in said lot. The Land Registration Authority and the Register of Deeds of Zamboanga del Sur are ordered to issue an OCT in the names of said heirs. Costs against petitioner.

SO ORDERED.

Quisumbing, (Chairperson), Carpio, Carpio-Morales, and Tinga, JJ., concur.

[1] Rollo, p. 65.

[2] Id. at 66.

[3] Id. at 67.

[4] Id. at 36-42, dated April 9, 1996.

[5] Id. at 44. Decided by Presiding Judge Camilo E. Tamin.

[6] Art. 1144. The following actions must be brought within ten years from the time the right of action accrues:

- (1) Upon a written contract;
- (2) Upon an obligation created by law;
- (3) Upon a judgment.

[7] Rollo, p. 29. Penned by Associate Justice Mariano C. del Castillo and concurred in by Associate Justices Buenaventura J. Guerrero (Chairperson) and Teodoro P. Regino.

[8] G.R. No. 108921, April 12, 2000, 330 SCRA 349.

[9] Rollo, pp. 188-189.

[10] Heirs of Cipriano Reyes v. Calumpang, G.R. No. 138463, October 30, 2006, 506 SCRA 56, 72; citing Luxuria Homes, Inc. v. Court of Appeals, G.R. No. 125986, January 28, 1999, 302 SCRA 315, 325.

[11] Vda. de Delgado v. Court of Appeals, G.R. No. 125728, August 28, 2001, 363 SCRA 758, 766; see also Villanueva-Mijares v. Court of Appeals, supra note 8; citing Vda. de Cabrera v. Court of Appeals, February 3, 1997, 267 SCRA 339, 353, and Sta. Ana, Jr. v. Court of Appeals, November 13, 1997, 281 SCRA 624, 629.

[12] Ginete v. Court of Appeals, G.R. No. 127596, September 24, 1998, 296 SCRA 38; citations omitted.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.