

D.B.T. MAR-BAY CONSTRUCTION, INCORPORATED, PETITIONER, VS. RICAREDO PANES, ANGELITO PANES, SALVADOR CEA, ABOGADO MAUTIN, DONARDO PACLIBAR, ZOSIMO PERALTA AND HILARION MANONGDO, ...

G.R. No. 167232. July 31, 2009

Ponente: NACHURA, J.

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NACHURA, J.:

Before this Court is a Petition[1] for Review on Certiorari under Rule 45 of the Rules of Civil Procedure, assailing the Court of Appeals (CA) Decision[2] dated October 25, 2004 which reversed and set aside the Order[3] of the Regional Trial Court (RTC) of Quezon City, Branch 216, dated November 8, 2001.

The Facts

Subject of this controversy is a parcel of land identified as Lot Plan Psu-123169,[4] containing an area of Two Hundred Forty Thousand, One Hundred Forty-Six (240,146) square meters, and situated at Barangay (Brgy.) Pasong Putik, Novaliches, Quezon City (subject property). The property is included in Transfer Certificate of Title (TCT) No. 200519,[5] entered on July 19, 1974 and issued in favor of B.C. Regalado & Co. (B.C. Regalado). It was conveyed by B.C. Regalado to petitioner D.B.T. Mar-Bay Construction, Inc. (DBT) through a dacion en pago[6] for services rendered by the latter to the former.

On June 24, 1992, respondents Ricaredo P. Panes (Ricaredo), his son Angelito P. Panes (Angelito), Salvador Cea, Abogado Mautin, Donardo Paclibar, Zosimo P. Peralta, and Hilarion Manongdo (herein collectively referred to as respondents) filed a Complaint[7] for "Quieting of Title with Cancellation of TCT No. 200519 and all Titles derived thereat (sic), Damages, with Petition for the Issuance of Injunction with Prayer for the Issuance of Restraining Order Ex-Parte, Etc." against B.C. Regalado, Mar-Bay Realty, Inc., Spouses Gereno Brioso and Criselda M. Brioso, Spouses Ciriaco and Nellie Mariano, Avelino C. Perdido and Florentina Allado, Eufrocina A. Maborang and Fe Maborang, Spouses Jaime and Rosario Tabangcura, Spouses Oscar Ikalina and the Register of Deeds (RD) of Quezon City. Subsequently, respondents filed an Amended Complaint[8] and a Second Amended Complaint[9] particularly impleading DBT as one of the defendants.

In the Complaints, Ricaredo alleged that he is the lawful owner and claimant of the subject property which he had declared for taxation purposes in his name, and assessed in the amount of P2,602,190.00 by the City Assessor of Quezon City as of the year 1985. Respondents alleged that per Certification[10] of the Department of Environment and Natural Resources (DENR) National Capital Region (NCR) dated May 7, 1992, Lot Plan Psu-123169 was verified to be correct and on file in said office, and approved on July 23, 1948.

Respondents also claimed that Ricaredo, his immediate family members, and the other respondents had been, and still are, in actual possession of the portions of the subject property, and their possession preceded the Second World War. To perfect his title in accordance with Act No. 496 (The Land Registration Act) as amended by

Presidential Decree (P.D.) No. 1529 (The Property Registration Decree), Ricaredo filed with the RTC of Quezon City, Branch 82 a case docketed as LRC Case No. Q-91-011, with LRC Rec. No. N-62563.[11]

Respondents averred that in the process of complying with the publication requirements for the Notice of Initial Hearing with the Land Registration Authority (LRA), it was discovered by the Mapping Services of the LRA that there existed an overlapping of portions of the land subject of Ricaredo's application, with the subdivision plan of B.C. Regalado. The said portion had, by then, already been conveyed by B.C. Regalado to DBT.

Ricaredo asseverated that upon verification with the LRA, he found that the subdivision plan of B.C. Regalado was deliberately drawn to cover portions of the subject property. Respondents claimed that the title used by B.C. Regalado in the preparation of the subdivision plan did not actually cover the subject property. They asserted that from the records of B.C. Regalado, they gathered that TCT Nos. 211081,[12] 211095[13] and 211132,[14] which allegedly included portions of the subject property, were derived from TCT No. 200519. However, TCT No. 200519 only covered Lot 503 of the Tala Estate with an area of Twenty-Two Thousand Six Hundred Fifteen (22,615) square meters, and was different from those mentioned in TCT Nos. 211081, 211095 and 211132. According to respondents, an examination of TCT No. 200519 would show that it was derived from TCT Nos. 14814,[15] 14827,[16] 14815[17] and T-28.

In essence, respondents alleged that B.C. Regalado and DBT used the derivative titles which covered properties located far from Pasong Putik, Novaliches, Quezon City where the subject property is located, and B.C. Regalado and DBT then offered the same for sale to the public. Respondents thus submitted that B.C. Regalado and DBT through their deliberate scheme, in collusion with others, used (LRC) Pcs-18345 as shown in the consolidation-subdivision plan to include the subject property covered by Lot Plan Psu-123169.

In his Answer[18] dated July 24, 1992, the RD of Quezon City interposed the defense that at the time of registration, he found all documents to be in order. Subsequently, on December 5, 1994, in his Motion[19] for Leave to Admit Amended Answer, with the Amended Answer attached, he admitted that he committed a grave mistake when he earlier said that TCT No. 200519 covered only one lot, i.e. Lot 503. He averred that upon careful examination, he discovered that TCT No. 200519 is composed of 17 pages, and actually covered 54 lots, namely: Lots 503, 506, 507, 508, 509, 582, 586, 655, 659, 686, 434, 495, 497, 299, 498, 499, 500, 501, 502, 493, 692, 776, 496, 785, 777, 786, 780, 783, 505, 654, 660, 661, 663, 664, 665, 668, 693, 694, 713, 716, 781, 779, 784, 782, 787, 893, 1115, 1114, 778, 669 and 788, all of the Tala Estate. Other lots included therein are Lot 890-B of Psd 36854, Lot 2 of (LRC) Pcs 12892 and Lot 3 of (LRC) Pcs 12892. Thus, respondents' allegation that Lots 661, 664, 665, 693 and 694 of the Tala Estate were not included in TCT No. 200519 was not true.

On December 28, 1993, then defendants Spouses Jaime and Rosario Tabangcura (Spouses Tabangcura) filed their Answer[20] with Counterclaim, claiming that they were buyers in good faith and for value when they bought a house and lot covered by TCT No. 211095 from B.C. Regalado, the latter being a subdivision developer and registered owner thereof, on June 30, 1986. When respondent Abogado Mautin entered and occupied the property, Spouses Tabangcura filed a case for Recovery of Property before the RTC, Quezon City, Branch 97 which rendered a decision[21] in their favor.

On its part, DBT, traversing the complaint, alleged that it is the legitimate owner and occupant of the subject property pursuant to a dacion en pago executed by B.C. Regalado in the former's favor; that respondents were not real parties-in-interests because Ricaredo was a mere claimant whose rights over the property had yet to be determined by the RTC where he filed his application for registration; that the other respondents did not allege matters or invoke rights which would entitle them to the relief

prayed for in their complaint; that the complaint was premature; and that the action inflicted a chilling effect on

the lot buyers of DBT.[22]

The RTC's Rulings

On June 15, 2000, the RTC through Judge Marciano I. Bacalla (Judge Bacalla), rendered a Decision[23] in favor of the respondents. The RTC held that the testimony of Ricaredo that he occupied the subject property since 1936 when he was only 16 years old had not been rebutted; that Ricaredo's occupation and cultivation of the subject property for more than thirty (30) years in the concept of an owner vested in him equitable ownership over the same by virtue of an approved plan, Psu 123169; that the subject property was declared under the name of Ricaredo for taxation purposes;[24] and that the subject property per survey should not have been included in TCT No. 200519, registered in the name of B.C. Regalado and ceded to DBT. The RTC further held that Spouses Tabangcura failed to present satisfactory evidence to prove their claim. Thus, the RTC disposed of the case in this wise:

WHEREFORE, in view of the foregoing considerations, judgment is hereby rendered declaring Certificate of Title No. 200519 and all titles derived thereat as null and void insofar as the same embrace the land covered by Plan PSU-123169 with an area of 240,146 square meters in the name of Ricaredo Panes; ordering defendant DBT Marbay Realty, Inc. to pay plaintiff Ricaredo Panes the sum of TWENTY THOUSAND (P20,000) pesos as attorney's fees plus costs of suit.

SO ORDERED.

On September 12, 2000, DBT filed a Motion[25] for Reconsideration, based on the grounds of prescription and laches. DBT also disputed Ricaredo's claim of open, adverse, and continuous possession of the subject property for more than thirty (30) years, and asserted that the subject property could not be acquired by prescription or adverse possession because it is covered by TCT No. 200519.

While the said Motion for Reconsideration was pending, Judge Bacalla passed away.

Meanwhile, on January 2, 2001, a Motion[26] for Intervention and a Complaint in Intervention were filed by Atty. Andres B. Pulumbarit (Atty. Pulumbarit), representing the Don Pedro/Don Jose de Ocampo Estate. The intervenor alleged that the subject property formed part of the vast tract of land with an area of 117,000 hectares, covered by Original Certificate of Title (OCT) No. 779 issued by the Honorable Norberto Romualdez on March 14, 1913 under Decree No. 10139, which belongs to the Estate of Don Pedro/Don Jose de Ocampo. Thus, the Complaint[27] in Intervention prayed that the RTC's Decision be reconsidered; that the legitimacy and superiority of OCT 779 be upheld; and that the subject property be declared as belonging to the Estate of Don Pedro/Don Jose de Ocampo.

In its Order[28] dated March 13, 2001, the RTC, through Acting Judge Modesto C. Juanson (Judge Juanson), denied Atty. Pulumbarit's Motion for Intervention because a judgment had already been rendered pursuant to Section 2,[29] Rule 19 of the 1997 Rules of Civil Procedure.

On April 10, 2001, the RTC issued an Order[30] stating that there appeared to be a need for a clarificatory hearing before it could act on DBT's Motion for Reconsideration. Thus, a hearing was held on May 17, 2001. Thereafter, supplemental memoranda were required of the parties.[31] Both parties complied.[32] However, having found that the original copy of TCT No. 200519 was not submitted to it for comparison with the photocopy thereof on file, the RTC directed DBT to present the original or certified true copy of the TCT on August 21, 2001.[33] Respondents moved to reconsider the said directive[34] but the same was denied.[35] DBT, on the other hand, manifested that a copy of TCT No. 200519, consisting of 17 pages, had already been admitted in evidence; and that because of the fire in the Office of the RD in Quezon City sometime in 1988, DBT, despite diligent effort,

could not secure an original or certified true copy of said TCT. Instead, DBT submitted a certified true copy of Consolidated Subdivision Plan Pcs 18345.[36]

On November 8, 2001, the RTC, through Judge Juanson, issued an Order[37] reversing the earlier RTC Decision and dismissing the Complaint for lack of merit. The RTC held that prescription does not run against registered land; hence, a title once registered cannot be defeated even by adverse, open or notorious possession. Moreover, the RTC opined that even if the subject property could be acquired by prescription, respondents' action was already barred by prescription and/or laches because they never asserted their rights when B.C. Regalado registered the subject property in 1974; and later developed, subdivided and sold the same to individual lot buyers.

On December 18, 2001, respondents filed a Motion for Reconsideration[38] which the RTC denied in its Order[39] dated June 17, 2002. Aggrieved, respondents appealed to the CA.[40]

The CA's Ruling

On October 25, 2004, the CA reversed and set aside the RTC Orders dated November 8, 2001 and June 17, 2002 and reinstated the RTC Decision dated June 15, 2000. The CA held that the properties described and included in TCT No. 200519 are located in San Francisco del Monte, San Juan del Monte, Rizal and Cubao, Quezon City while the subject property is located in Brgy. Pasong Putik, Novaliches, Quezon City. Furthermore, the CA held that Engr. Vertudazo's testimony that there is a gap of around 1,250 meters between Lot 503 and Psu 123169 was not disproved or refuted. The CA found that Judge Juanson committed a procedural infraction when he entertained issues and admitted evidence presented by DBT in its Motion for Reconsideration which were never raised in the pleadings and proceedings prior to the rendition of the RTC Decision. The CA opined that DBT's claims of laches and prescription clearly appeared to be an afterthought. Lastly, the CA held that DBT's Motion for Reconsideration was not based on grounds enumerated in the Rules of Procedure.[41]

Petitioner filed a Motion for Reconsideration,[42] which was, however, denied by the CA in its Resolution[43] dated February 22, 2005.

Hence, this Petition.

The Issues

Petitioner raises the following as grounds for this Petition:

I.

PETITIONER'S FAILURE TO ALLEGE PRESCRIPTION IN ITS ANSWER IS NOT A WAIVER OF SUCH DEFENSE.

II.

IT IS NOT ERRONEOUS TO REQUIRE THE PRODUCTION OF A CERTIFIED TRUE COPY OF TCT NO. 200519 AFTER THE DECISION ON THE MERITS HAS BEEN RENDERED BUT BEFORE IT BECAME FINAL.

III.

A REGISTERED LAND CAN NOT BE ACQUIRED BY ACQUISITIVE PRESCRIPTION.

IV.

THE TESTIMONY OF ENGR. VERTUDAZO ON THE BASIS OF THE TECHNICAL DESCRIPTION OF

LOT 503 IN AN INCOMPLETE DOCUMENT IS UNRELIABLE.

V.

MR. PANES HAS NEVER BEEN IN OPEN, ADVERSE AND CONTINUOUS POSSESSION OF THE SUBJECT PROPERTY FOR MORE THAN THIRTY (30) YEARS.[44]

Distilled from the petition and the responsive pleadings, and culled from the arguments of the parties, the issues may be reduced to two questions, namely:

- 1) Did the RTC err in upholding DBT's defenses of prescription and laches as raised in the latter's Motion for Reconsideration?
- 2) Which between DBT and the respondents have a better right over the subject property?

Our Ruling

We answer the first question in the affirmative.

It is true that in *Dino v. Court of Appeals*[45] we ruled:

(T)rial courts have authority and discretion to dismiss an action on the ground of prescription when the parties' pleadings or other facts on record show it to be indeed time-barred; (*Francisco v. Robles*, Feb. 15, 1954; *Sison v. McQuaid*, 50 O.G. 97; *Bambao v. Lednicky*, Jan. 28, 1961; *Cordova v. Cordova*, Jan. 14, 1958; *Convets, Inc. v. NDC*, Feb. 28, 1958; 32 SCRA 529; *Sinaon v. Sorongan*, 136 SCRA 408); and it may do so on the basis of a motion to dismiss (Sec. 1, [f] Rule 16, Rules of Court), or an answer which sets up such ground as an affirmative defense (Sec. 5, Rule 16), or even if the ground is alleged after judgment on the merits, as in a motion for reconsideration (*Ferrer v. Ericta*, 84 SCRA 705); or even if the defense has not been asserted at all, as where no statement thereof is found in the pleadings (*Garcia v. Mathis*, 100 SCRA 250; *PNB v. Pacific Commission House*, 27 SCRA 766; *Chua Lamco v. Dioso, et al.*, 97 Phil. 821); or where a defendant has been declared in default (*PNB v. Perez*; 16 SCRA 270). What is essential only, to repeat, is that the facts demonstrating the lapse of the prescriptive period be otherwise sufficiently and satisfactorily apparent on the record; either in the averments of the plaintiff's complaint, or otherwise established by the evidence. (Emphasis supplied)

Indeed, one of the inherent powers of courts is to amend and control its processes so as to make them conformable to law and justice. This includes the right to reverse itself, especially when in its opinion it has committed an error or mistake in judgment, and adherence to its decision would cause injustice.[46] Thus, the RTC in its Order dated November 8, 2001 could validly entertain the defenses of prescription and laches in DBT's motion for reconsideration.

However, the conclusion reached by the RTC in its assailed Order was erroneous. The RTC failed to consider that the action filed before it was not simply for reconveyance but an action for quieting of title which is imprescriptible.

Verily, an action for reconveyance can be barred by prescription. When an action for reconveyance is based on fraud, it must be filed within four (4) years from discovery of the fraud, and such discovery is deemed to have taken place from the issuance of the original certificate of title. On the other hand, an action for reconveyance based on an implied or constructive trust prescribes in ten (10) years from the date of the issuance of the original certificate of title or transfer certificate of title. The rule is that the registration of an instrument in the Office of the RD constitutes constructive notice to the whole world and therefore the discovery of the fraud is deemed to have taken place at the time of registration.[47]

However, the prescriptive period applies only if there is an actual need to reconvey the property as when the plaintiff is not in possession of the property. If the plaintiff, as the real owner of the property also remains in possession of the property, the prescriptive period to recover title and possession of the property does not run against him. In such a case, an action for reconveyance, if nonetheless filed, would be in the nature of a suit for quieting of title, an action that is imprescriptible.[48] Thus, in *Vda. de Gualberto v. Go*,[49] this Court held:

[A]n action for reconveyance of a parcel of land based on implied or constructive trust prescribes in ten years, the point of reference being the date of registration of the deed or the date of the issuance of the certificate of title over the property, but this rule applies only when the plaintiff or the person enforcing the trust is not in possession of the property, since if a person claiming to be the owner thereof is in actual possession of the property, as the defendants are in the instant case, the right to seek reconveyance, which in effect seeks to quiet title to the property, does not prescribe. The reason for this is that one who is in actual possession of a piece of land claiming to be the owner thereof may wait until his possession is disturbed or his title is attacked before taking steps to vindicate his right, the reason for the rule being, that his undisturbed possession gives him a continuing right to seek the aid of a court of equity to ascertain and determine the nature of the adverse claim of a third party and its effect on his own title, which right can be claimed only by one who is in possession.

Insofar as Ricaredo and his son, Angelito, are concerned, they established in their testimonies that, for some time, they possessed the subject property and that Angelito bought a house within the subject property in 1987.[50] Thus, the respondents are proper parties to bring an action for quieting of title because persons having legal, as well as equitable, title to or interest in a real property may bring such action, and "title" here does not necessarily denote a certificate of title issued in favor of the person filing the suit.[51]

Although prescription and laches are distinct concepts, we have held, nonetheless, that in some instances, the doctrine of laches is inapplicable where the action was filed within the prescriptive period provided by law. Therefore, laches will not apply to this case, because respondents' possession of the subject property has rendered their right to bring an action for quieting of title imprescriptible and, hence, not barred by laches. Moreover, since laches is a creation of equity, acts or conduct alleged to constitute the same must be intentional and unequivocal so as to avoid injustice. Laches will operate not really to penalize neglect or sleeping on one's rights, but rather to avoid recognizing a right when to do so would result in a clearly inequitable situation.[52]

Albeit the conclusion of the RTC in its Order dated November 8, 2001, which dismissed respondents' complaint on grounds of prescription and laches, may have been erroneous, we, nevertheless, resolve the second question in favor of DBT.

It is a well-entrenched rule in this jurisdiction that no title to registered land in derogation of the rights of the registered owner shall be acquired by prescription or adverse possession.[53]

Article 1126[54] of the Civil Code in connection with Section 46[55] of Act No. 496 (The Land Registration Act), as amended by Section 47[56] of P.D. No. 1529 (The Property Registration Decree), clearly supports this rule. Prescription is unavailing not only against the registered owner but also against his hereditary successors. Possession is a mere consequence of ownership where land has been registered under the Torrens system, the efficacy and integrity of which must be protected. Prescription is rightly regarded as a statute of repose whose objective is to suppress fraudulent and stale claims from springing up at great distances of time and surprising the parties or their representatives when the facts have become obscure from the lapse of time or the defective memory or death or removal of witnesses.[57]

Thus, respondents' claim of acquisitive prescription over the subject property is baseless. Under Article 1126 of the Civil Code, acquisitive prescription of ownership of lands registered under the Land Registration Act shall be governed by special laws. Correlatively, Act No. 496, as amended by PD No. 1529, provides that no title to

registered land in derogation of that of the registered owner shall be acquired by adverse possession. Consequently, in the instant case, proof of possession by the respondents is immaterial and inconsequential.[58]

Moreover, it may be stressed that there was no ample proof that DBT participated in the alleged fraud. While factual issues are admittedly not within the province of this Court, as it is not a trier of facts and is not required to re-examine or contrast the oral and documentary evidence anew, we have the authority to review and, in proper cases, reverse the factual findings of lower courts when the findings of fact of the trial court are in conflict with those of the appellate court.[59] In this regard, we reviewed the records of this case and found no clear evidence that DBT participated in the fraudulent scheme. In *Republic v. Court of Appeals*,[60] this Court gave due importance to the fact that the private respondent therein did not participate in the fraud averred. We accord the same benefit to DBT in this case. To add, DBT is an innocent purchaser for value and good faith which, through a dacion en pago duly entered into with B.C. Regalado, acquired ownership over the subject property, and whose rights must be protected under Section 32[61] of P.D. No. 1529.

Dacion en pago is the delivery and transmission of ownership of a thing by the debtor to the creditor as an accepted equivalent of the performance of the obligation. It is a special mode of payment where the debtor offers another thing to the creditor, who accepts it as an equivalent of the payment of an outstanding debt. In its modern concept, what actually takes place in dacion en pago is an objective novation of the obligation where the thing offered as an accepted equivalent of the performance of an obligation is considered as the object of the contract of sale, while the debt is considered as the purchase price.[62]

It must also be noted that portions of the subject property had already been sold to third persons who, like DBT, are innocent purchasers in good faith and for value, relying on the certificates of title shown to them, and who had no knowledge of any defect in the title of the vendor, or of facts sufficient to induce a reasonably prudent man to inquire into the status of the subject property.[63] To disregard these circumstances simply on the basis of alleged continuous and adverse possession of respondents would not only be inimical to the rights of the aforementioned titleholders, but would ultimately wreak havoc on the stability of the Torrens system of registration.

A final note.

While the Torrens system is not a mode of acquiring title, but merely a system of registration of titles to lands, justice and equity demand that the titleholder should not be made to bear the unfavorable effect of the mistake or negligence of the State's agents, in the absence of proof of his complicity in a fraud or of manifest damage to third persons. The real purpose of the Torrens system is to quiet title to land and put a stop forever to any question as to the legality of the title, except claims that were noted in the certificate at the time of the registration or that may arise subsequent thereto. Otherwise, the integrity of the Torrens system would forever be sullied by the ineptitude and inefficiency of land registration officials, who are ordinarily presumed to have regularly performed their duties.[64] Thus, where innocent third persons, relying on the correctness of the certificate of title thus issued, acquire rights over the property, the court cannot disregard those rights and order the cancellation of the certificate. The effect of such outright cancellation will be to impair public confidence in the certificate of title. The sanctity of the Torrens system must be preserved; otherwise, everyone dealing with the property registered under the system will have to inquire in every instance on whether the title had been regularly or irregularly issued, contrary to the evident purpose of the law. Every person dealing with the registered land may safely rely on the correctness of the certificate of title issued therefor, and the law will in no way oblige him to go behind the certificate to determine the condition of the property.[65]

WHEREFORE, the instant Petition is GRANTED and the assailed Court of Appeals Decision dated October 25, 2004 is hereby REVERSED and SET ASIDE. A new judgment is hereby entered DISMISSING the Complaint

filed by the respondents for lack of merit.

SO ORDERED.

Ynares-Santiago, (Chairperson), Chico-Nazario, Velasco, Jr., and Peralta, JJ., concur.

[1] Rollo, pp. 3-19.

[2] Particularly docketed as CA-G.R. CV No. 75550, penned by Associate Justice Eloy R. Bello, Jr., with Associate Justices Regalado E. Maambong and Lucenito N. Tagle, concurring; rollo, pp. 22-36.

[3] Rollo, pp. 82-85.

[4] Records, Vol. 1, p. 15.

[5] Records, Vol. 3, pp. 723-739.

[6] Id. at 740-755.

[7] Records, Vol. 1, pp. 1-13.

[8] Id. at 197-209.

[9] Id. at 266-278.

[10] Id. at 16.

[11] Id. at 17-20.

[12] Id. at 21.

[13] Id. at 22.

[14] In the pleadings filed by respondents, they alleged that the aforementioned TCT bore the number 211152. However, a perusal of the said title reveals that the TCT bears the number 211132; Records, Vol. 1, p. 288.

[15] Records, Vol. 1, p. 290.

[16] Id. at 291.

[17] Id. at 292.

[18] Id. at 49-50.

[19] Id. at 395-397.

[20] Id. at 350-354.

[21] Penned by former RTC Judge Oscar Leviste.

[22] Records, Vol. 1, pp. 355-358.

[23] Rollo, pp. 56-61.

[24] Records, Vol. 2, pp. 709-710.

[25] Records, Vol. 3, pp. 799-808.

[26] Id. at 837-838.

[27] Id. at 839-843.

[28] Id. at 866.

[29] SEC. 2. Time to intervene.- The motion to intervene may be filed at any time before rendition of judgment by the trial court. A copy of the pleading-in-intervention shall be attached to the motion and served on the original parties.

[30] Records, Vol. 3, p. 867.

[31] Id. at 884.

[32] Id. at 885-888 and 890-893.

[33] Id. at 894.

[34] Id. at 896-900.

[35] Id. at 902.

[36] Id. at 903-906.

[37] Rollo, pp. 82-85.

[38] Id. at 86-92.

[39] Id. at 101-103.

[40] Records, Vol. 3, pp. 939-940.

[41] Supra note 2.

[42] Rollo, pp. 150-163.

[43] Id. at 37-38.

[44] Supra note 1 at 7-8.

[45] 411 Phil. 594, 603-604 (2001), citing *Gicano v. Gegato*, No. L-63575, January 20, 1988, 157 SCRA 140.

[46] *Mauricio v. National Labor Relations Commission*, G.R. No. 164635, November 17, 2005, 475 SCRA 323, 331, citing *Tocao v. Court of Appeals*, G.R. No. 127405, September 20, 2001, 365 SCRA 463, 464; and *Astraquillo v. Javier*, G.R. No. L-20034, January 30, 1965, 13 SCRA 125.

[47] *Millena v. Court of Appeals*, 381 Phil. 132, 138 (2000).

[48] *Aguirre v. Heirs of Lucas Villanueva*, G.R. No. 169898, June 8, 2007, 524 SCRA 492, 494.

[49] G.R. No. 139843, July 21, 2005, 463 SCRA 671, 681, citing *Development Bank of the Phils. v. CA*, G.R. No. 129471, April 28, 2000, 331 SCRA 267, 270.

[50] TSN, February 2, 1996, pp. 53-55.

[51] Art. 477, New Civil Code; *Mamadsual v. Moson*, G.R. No. 92557, September 27, 1990, 190 SCRA 82, 89.

[52] *Maestrado v. Court of Appeals*, 384 Phil. 418, 430 (2000).

[53] *Abadiano v. Martir*, G.R. No. 156310, July 31, 2008, 560 SCRA 676, 693; *Ragudo v. Fabella Estate Tenants Association, Inc.*, G.R. No. 146823, August 9, 2005, 466 SCRA 136, 148; *Alcantara-Daus v. Sps. De Leon*, 452 Phil. 92, 102 (2003); *Velez, Sr. v. Rev. Demetrio*, 436 Phil. 1, 9 (2002); *Villegas v. Court of Appeals*, 403 Phil. 791, 801 (2001); *Bishop v. Court of Appeals*, G.R. No. 86787, May 8, 1992, 208 SCRA 636, 641; and *Barcelona, et. al. v. Barcelona and Ct. of Appeals*, 100 Phil. 251, 256-257 (1956).

[54] ARTICLE 1126. Against a title recorded in the Registry of Property, ordinary prescription of ownership or real rights shall not take place to the prejudice of a third person, except in virtue of another title also recorded; and the time shall begin to run from the recording of the latter.

As to the lands registered under the Land Registration Act, the provisions of that special law shall govern.

[55] SECTION 46. No title to registered land in derogation to that of the registered owner shall be acquired by prescription or adverse possession.

[56] SECTION 47. Registered land not subject to prescription. -- No title to registered land in derogation of the title of the registered owner shall be acquired by prescription or adverse possession.

[57] *Gallardo v. Intermediate Appellate Court*, G.R. No. L-67742, October 29, 1987, 155 SCRA 248, 260. (Citations omitted)

[58] *Feliciano v. Zaldivar*, G.R. No. 162593, September 26, 2006, 503 SCRA 182, 197, citing *Natalia Realty Corporation v. Vallez, et al.*, G.R. Nos. 78290-94, May 23, 1989, 173 SCRA 534.

[59] *Tan v. Court of Appeals*, 421 Phil. 134, 141-142 (2001).

[60] G.R. No. 116111, January 21, 1999, 301 SCRA 366, 370.

[61] SECTION 32. Review of decree of registration; Innocent purchaser for value. -- The decree of registration shall not be reopened or revised by reason of absence, minority, or other disability of any person adversely affected thereby, nor by any proceeding in any court for reversing judgment, subject, however, to the right of any person, including the government and the branches thereof, deprived of land or of any estate or interest therein by such adjudication or confirmation of title obtained by actual fraud, to file in the proper Court of First Instance a petition for reopening and review of the decree of registration not later than one year from and after the date of the entry of such decree of registration, but in no case shall such petition be entertained by the court where an innocent purchaser for value has acquired the land or an interest therein whose rights may be prejudiced. Whenever the phrase "innocent purchaser for value" or an equivalent phrase occurs in this Decree, it shall be deemed to include an innocent lessee, mortgagee, or other encumbrancer for value.

Upon the expiration of said period of one year, the decree of registration and the certificate of title issued shall become incontrovertible. Any person aggrieved by such decree of registration in any case may pursue his remedy by action for damages against the applicant or any other person responsible for the fraud (Emphasis supplied).

[62] *Uy v. Sandiganbayan*, G.R. No. 111544, July 6, 2004, 433 SCRA 424, 438. (Citations omitted)

[63] *Agag v. Alpha Financing Corporation*, G.R. No. 154826, July 31, 2003, 407 SCRA 602, 610.

[64] *Republic v. Guerrero*, G.R. No. 133168, March 28, 2006, 485 SCRA 424, 445.

[65] *Republic v. Orfinada, Sr.*, G.R. No. 141145, November 12, 2004, 442 SCRA 342, 359, citing *Heirs of Spouses Benito Gavino and Juana Euste v. Court of Appeals*, G.R. No. 120154, June 29, 1998, 291 SCRA 495, 509.

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