

THIRD DIVISION

[G.R. No. 231062, November 25, 2020]

JORGE DE OCAMPO, HEIRS OF THE LATE NAPOLEON DE OCAMPO, NAMELY: ROSARIO DE OCAMPO, JOSE DE OCAMPO, PABLO DE OCAMPO, JAIME DE OCAMPO, PEDRITO DE OCAMPO, JOSEPH DE OCAMPO, NAPOLEON DE OCAMPO, JR., NORMA DE OCAMPO, PURITA DE OCAMPO, FLORENCE DE OCAMPO, CORAZON DE OCAMPO, AND ROSEMARIE DE OCAMPO, PETITIONERS, VS. JOSE OLLERO, GENOVEVA OLLERO, AND CONCEPCION OLLERO-GUECO, RESPONDENTS.

DECISION

INTING, J.:

Before the Court is a Petition for Review on *Certiorari* under Rule 45 of the 1997 Rules of Civil Procedure^[1] assailing the Decision^[2] dated June 6, 2016 of the Court of Appeals (CA) which dismissed the appeal; and the Resolution^[3] dated February 22, 2017 denying the motion for reconsideration in CA-G.R. CV No. 102866.

The Antecedents

The subject matter of the case is a parcel of land with an area of 738 square meters (sq. m.), located in Poblacion, Tubao, La Union and covered by Tax Declaration No. 00002^[4] in the name of the late Francisco Alban (Francisco) with Napoleon De Ocampo (Napoleon) as its named administrator.^[5]

On March 5, 1926, Francisco adopted Susana Felipa Carmen de Ocampo (Carmen), the sister by blood of Napoleon. Consequently, Carmen adopted the family name "Alban" until she married Marcos Ollero on December 23, 1929. Later on, Francisco donated the subject property to Carmen as evidenced by a deed of donation dated November 10, 1930.^[6]

On April 27, 1998, Carmen died in Chicago, Illinois. Thereafter, her children, Jose, Genoveva, and Concepcion, all surnamed Ollero (respondents) discovered that Napoleon appropriated to himself the subject property through an affidavit of adjudication dated May 22, 1997. In the affidavit, Napoleon claimed that he was the sole legal heir of the late Francisco. By reason of the adjudication, a new tax declaration was issued in the names of Napoleon and his brother, Jorge De Ocampo (Jorge).^[7]

Claiming that they were deprived of title over the subject property, respondents filed a case for recovery of ownership, reconveyance and damages against the heirs of the late Napoleon and Jorge (petitioners).^[8]

For their part, petitioners countered that in 1944, Napoleon married Rosario Suguitan (Rosario). During the occasion, Carmen told Napoleon and Rosario to occupy the subject land. Resultantly, the latter built their home on the property.^[9]

Petitioners stressed that respondents never resided in the subject property. They declared that when Carmen got married, she resided in Malate, Manila with respondents. Meanwhile, after college, respondents Concepcion and Genoveva migrated to the United States of America and Carmen later on joined them. Further, petitioners argued that during her lifetime, neither Carmen nor respondents (her children) caused the cancellation of Tax Declaration No. 00002 in the name of Francisco even if Francisco already donated the property to Carmen in 1930. They also insisted that on December 11, 1984, Carmen executed a deed of conveyance over her real property located in Tubao, La Union in favor of Napoleon and Rosario.^[10]

Ruling of the Regional Trial Court (RTC)

On April 21, 2014, Branch 32, RTC, Agoo, La Union rendered a Decision,^[11] the dispositive portion of which reads:

IN VIEW OF THE FOREGOING, after a thorough examination of all the evidence adduced by the parties as well as the testimonies of their witnesses, judgment is hereby rendered in FAVOR of the plaintiffs and AGAINST defendants.

1. DECLARING the Affidavit of Adjudication executed by Napoleon de Ocampo on May 22, 1997 as void. As a consequence therefor, the property subject matter of this case should be reverted to its original owner Francisco Alban, as gleaned from tax declaration No. 002;
2. ORDERING defendants to pay to the plaintiffs the amount of Php20,000.00 as moral damages; Php20,000.00 as attorney's fees and the additional amount of Php2,000.00 per appearance of their lawyer in Court and to pay the costs of suit.

SO ORDERED.^[12]

The RTC ratiocinated that per the testimonies of the two heirs of Napoleon, it was clear that Carmen never intended to deprive herself of ownership over the subject land when she allowed Napoleon and Rosario to occupy it. It decreed that Napoleon's possession was merely permissive underscoring that possession arising from the mere tolerance of the owner was not sufficient for the purpose of acquisitive prescription.^[13]

The RTC further noted that petitioners themselves admitted that Napoleon was not a legal heir of Francisco such that his (Napoleon's) affidavit of adjudication was actually perjurious. "By itself, the assertions in the affidavit of adjudication is false and consequently, the affidavit is a nullity."^[14]

The RTC also ruled that payment of realty taxes did not vest ownership to petitioners in the absence of an adverse possession over the subject property. It

added that at most, petitioners were usufructuaries with the right to enjoy and the corresponding obligation to preserve the property.^[15]

Ruling of the CA

On June 6, 2016, the CA dismissed the appeal and affirmed the RTC Decision, except as to the latter's finding of usufruct.^[16]

The CA elucidated that by virtue of the deed of donation executed by Francisco to Carmen, Carmen became the owner of the subject property. This being the case, Napoleon's eventual affidavit of adjudication was invalid because he executed it *not* as an heir of Carmen, but as the alleged heir of Francisco. It stressed that during the execution of the affidavit of Napoleon, Carmen was already the owner of the property and Francisco could not anymore donate it to Napoleon. It also held that petitioners' occupation of the property for years could not ripen to ownership since mere occupation by itself was not a recognized mode of acquiring ownership or other real rights.^[17]

The CA further held that the deed of conveyance supposedly executed by Carmen in favor of Napoleon and his wife was one of donation. It was, however, not valid as it did not comply with the requirements of a donation. According to the CA, there was no showing that Napoleon accepted and no witnesses signed the deed.^[18] The CA ratiocinated that it was only a simple case of tolerance when Carmen authorized Napoleon to occupy the property in dispute.

Later, the CA denied petitioners' motion for reconsideration which prompted them to file the instant petition raising the following issues:

I.

THE [CA] ERRED IN FINDING THAT THE DEED OF CONVEYANCE EXECUTED BY CARMEN IS A DONATION[.]

II.

THE [CA] ERRED IN FINDING THAT THE PETITIONERS HAD NO "JUST TITLE" OVER THE SUBJECT PROPERTY[.]

III.

THE [CA] ERRED IN AWARDING DAMAGES IN FAVOR OF RESPONDENTS[.]

IV.

THE [CA] ERRED IN NOT ISSUING AN ADJUDICATION UPON THE MERITS ON THE NATURE OF THE IMPROVEMENTS BUILT ON THE SUBJECT LAND[.]^[19]

Petitioners' Arguments

Petitioners insist that the RTC erred in disregarding the contract of sale between Carmen, on one hand, and Napoleon and Rosario, on the other hand; while the CA erroneously found their transaction to be one of donation.

According to petitioners, the deed of conveyance between Carmen, and Napoleon and Rosario was for a valuable consideration in the amount of US\$1,000.00; and Carmen received the amount as the deed indicated that it was executed "for a valuable consideration." They likewise assert that because the deed of conveyance was executed on December 11, 1984, then they already acquired vested right over the property after 10 years from execution of the deed of conveyance.

Petitioners also maintain that since 1944, Napoleon and Rosario had occupied the property in the concept of an owner, and believed that Carmen could transfer it to them. They contend that based on the possession and occupation of Napoleon and Rosario alone, they acquired title over the subject land.

At the same time, petitioners argue that they should not be held liable to pay moral damages arising from the act of Napoleon of executing the affidavit of adjudication without their knowledge and consent. They further posit that the award of attorney's fees is unwarranted in the absence of any circumstance under Article 2208 of the Civil Code of the Philippines (Civil Code).

Finally, petitioners contend that they introduced improvements on the subject property with the belief that they owned the property. They, thus, insist that these improvements should be treated under Article 448 of the Civil Code on builders and planters in good faith.

Respondents' Arguments

Respondents counter that the instant petition raises no question of law which is sufficient reason for the Court to deny it. They also stress that the uniform findings of the RTC and the CA that the deed between Carmen, and Napoleon and Rosario was void must be respected and accorded great weight and even finality by the Court.

Respondents also argue that petitioners have no just title over the property either by the deed supposedly executed by Carmen or by Napoleon's affidavit of adjudication. They pointed out that in fact, the affidavit of adjudication indicated that Napoleon inherited the property from Francisco even if the latter had already donated it to Carmen.

Our Ruling

As a rule, the judicial review under Rule 45 of the Rules of Court excludes factual issues as only pure questions of law may be raised in a petition for review on *certiorari* and the Court generally abides by the unanimous conclusions of the lower courts in a given legal controversy. In the instant case, however, while the RTC and the CA concur in ruling for respondents, their reasonings vary such that the Court deems it necessary to take a closer look on their findings to arrive at a just resolution of the issues on hand.^[20]