

## FIRST DIVISION

[ A.C. No. 8825, August 03, 2016 ]

**BUDENCIO DUMANLAG, COMPLAINANT, VS. ATTY. JAIME M. BLANCO, JR., RESPONDENT.**

### D E C I S I O N

**SERENO, C.J.:**

Before this Court is an administrative Complaint for Disbarment against respondent Atty. Jaime M. Blanco for rejecting complainant's claim over a parcel of land based on a Spanish Title.

#### FACTUAL ANTECEDENTS

Under Transfer Certificate of Title No. (TCT) 79146,<sup>[1]</sup> El Mavic Investment and Development Co., Inc. (EMIDCI) appears to be the registered owner of the land it occupies at the corner of Ramon Magsaysay Boulevard and C. de Dios Street in Sampaloc, Manila (Sampaloc property).

Complainant Budencio Dumanlag sent a letter dated 9 August 2010 to EMIDCI's President, Victoriano Chung, claiming to be an agent of the Heirs of Don Mariano San Pedro (the Heirs of San Pedro) based on a Special Power of Attorney dated 14 October 1999.<sup>[2]</sup> Complainant asserted that the Heirs of San Pedro, and not EMIDCI, owned the Sampaloc property, predicating such claim on a Spanish Title, *Titulo de Propiedad* No. (T.P.) 4136.<sup>[3]</sup> He further stated in the letter that the Heirs of San Pedro were selling the Sampaloc property, and that he had given EMIDCI the option to buy it.

Victoriano Chung referred the matter to EMIDCI's counsel, respondent<sup>[4]</sup> Atty. Jaime M. Blanco, Jr. (Atty. Blanco), who rejected the claim. In a letter<sup>[5]</sup> dated 16 August 2010, the latter explained that the Supreme Court had declared T.P. 4136 null and void in *Intestate Estate of the Late Don Mariano San Pedro y Esteban v. Court of Appeals*.<sup>[6]</sup> Demand was made on Dumanlag and his principals to cease and desist from further harassing EMIDCI.

Complainant sent another letter to Mr. Chung dated 1 September 2010.<sup>[7]</sup> While acknowledging the Court's decision, the former alleged that Intestate Estate excluded the Heirs of San Pedro from the enumeration of persons prohibited from selling lands covered by T.P. 4136, including the Sampaloc property.

Atty. Blanco rejected complainant's claim once more through another letter<sup>[8]</sup> dated 13 September 2010. He reasoned that the Supreme Court Decision held that the heirs were specifically prohibited from exercising any act of ownership over the lands covered by T.P. 4136.

On 22 October 2010, complainant filed this administrative case for disbarment against Atty. Blanco, alleging that Mr. Chung was a squatter on the Sampaloc Property and Atty. Blanco had unjustly prevented the exercise of complainant's rights over the same.<sup>[9]</sup>

In his Verified Comment,<sup>[10]</sup> Atty. Blanco alleged that the Complaint was frivolous, unfounded and retaliatory. He averred, among others, that complainant, in his second demand letter to Mr. Chung, had attached two draft pleadings. The first was a draft petition for certiorari against the latter;<sup>[11]</sup> the second, a draft complaint for disbarment against Atty. Blanco.<sup>[12]</sup> According to respondent, these drafts were meant to intimidate him and Mr. Chung. True enough, after Atty. Blanco sent his second letter to complainant, the latter filed with the Court of Appeals the draft petition, which was later dismissed. Complainant subsequently filed the Complaint for Disbarment.

Atty. Blanco also moved that the Court direct complainant to show cause why the latter should not be cited for indirect contempt. Respondent stated that *Intestate Estate* declared in its *fallo* that agents of the Heirs of San Pedro were disallowed from exercising any act of ownership over lands covered by T.P. 4136.

### **FINDINGS OF THE INVESTIGATING COMMISSIONER**

Investigating Commissioner Michael G. Fabunan of the Integrated Bar of the Philippines (IBP) rendered a Report and Recommendation<sup>[13]</sup> for the dismissal of the Complaint for lack of merit, based on the following grounds: 1) the complaint was patently frivolous, and 2) it was intended to harass respondent. He recommended that the Court issue an order directing complainant Dumanlag to show cause why he should not be cited for indirect contempt.<sup>[14]</sup>

The IBP Board of Governors passed Resolution No. XXI-2014-418 adopting and approving the Report and Recommendation of the investigating commissioner.<sup>[15]</sup>

No petition for review has been filed with this Court.

### **RULING OF THE COURT**

The Complaint must be dismissed for utter lack of merit.

A lawyer is charged with the duty to defend "the cause of his client with wholehearted fidelity, care, and devotion."<sup>[16]</sup> Nevertheless, the Code of Professional Responsibility circumscribes this duty with the limitation that lawyers shall perform their duty to the client within the bounds of law.<sup>[17]</sup> In this case, Atty. Blanco performed this duty to his client without exceeding the scope of his authority.

As early as 1996, this Court declared in *Intestate Estate* that T.P. 4136 was null and void.<sup>[18]</sup> In said case, the Heirs of San Pedro claimed ownership of a total land area of approximately 173,000 hectares on the basis of a Spanish title, *Titulo de Propiedad Numero 4136* dated 25 April 1894. The claim covered lands in the provinces of Nueva Ecija, Bulacan, Rizal, Laguna and Quezon, and even cities in

Metro Manila such as Quezon City, Caloocan City, Pasay City, City of Pasig and City of Manila.

This Court dubbed the theory of the petitioners therein as "the most fantastic land claim in the history of the Philippines."<sup>[19]</sup> In discarding the claim, We relied on Presidential Decree No. 892, which abolished the system of registration under the Spanish Mortgage Law and directed all holders of Spanish Titles to cause their lands to be registered under the Land Registration Act within six months from date of effectivity of the law or until 16 August 1976. The Heirs of San Pedro failed to adduce a certificate of title under the Torrens system that would show that T.P. 4136 was brought under the operation of P.D. 892. We therefore declared that the T. P. was null and void, and that no rights could be derived therefrom.

Given the nullity of T.P. 4136, the claim of the Heirs of San Pedro against EMIDCI has no legal basis. On the other hand, the records reveal that the Sampaloc property is registered in the name of EMIDCI as TCT 79146 under the Torrens system. As such, the TCT enjoys a conclusive presumption of validity.<sup>[20]</sup>

Hence, complainant had a baseless claim, which Atty. Blanco correctly resisted. In writing the two letters rejecting complainant's claim, he merely acted in defense of the rights of his client. In doing so, he performed his duty to EMIDCI within the bounds of law.

Consequently, there was no misconduct to speak of on the part of Atty. Blanco. In fact, he should even be commended as he remained steadfast, in maintaining the cause of his client even as he was subjected to harassment. As will be discussed below, complainant, in his second demand letter, threatened Atty. Blanco with the filing of a disbarment case.

***Complainant maliciously filed the complaint.***

As a rule, a complainant should not be penalized for the exercise of the right to litigate.<sup>[21]</sup> But the rule applies only if the right is exercised in good faith.<sup>[22]</sup> When a groundless complaint is filed in bad faith, the Court has ' to step in and penalize the erring complainant.<sup>[23]</sup>

The policy of insulation from intimidation and harassment encourages lawyers to stay their course and perform their duties without fear.<sup>[24]</sup> They are better able to function properly and ultimately contributes "to the efficient delivery and proper administration of justice."<sup>[25]</sup> On the other hand, failure to shield lawyers from baseless suits serves "only to disrupt, rather than promote, the orderly administration of justice."<sup>[26]</sup>

In this case, complainant knew fully well that his complaint was totally unfounded. We note that he acknowledged the existence of Our ruling in *Intestate Estate*, in his second letter to Chung. Complainant unquestionably knew of the nullity of the Spanish title in favor of his principals; yet, he insisted on his unfounded claim by sending a second demand letter to Chung. Complainant even had the audacity to state that *Intestate Estate* excluded the Heirs of San Pedro from the enumeration of