

## SECOND DIVISION

[ G.R. No. 187661, December 04, 2013 ]

**MODESTO SANCHEZ, PETITIONER, VS. ANDREW SANCHEZ,  
RESPONDENT.**

### D E C I S I O N

**PEREZ, J.:**

In this Petition for Review on *Certiorari*,<sup>[1]</sup> Modesto Sanchez (Modesto) substituted by Juanita Y. Sanchez, assails the 16 July 2008 Decision<sup>[2]</sup> of the Thirteenth Division of the Court of Appeals (CA) in CA-G.R. CV No. 88531 reversing the 28 December 2006 Order<sup>[3]</sup> of the Regional Trial Court (RTC) of Manila, Branch 39, which dismissed respondent Andrew Sanchez's (Andrew) complaint for *Annulment of Deed of Sale, Cancellation of New Title and Reconveyance of Title* on the grounds of prescription and laches.

The factual antecedents<sup>[4]</sup> were summarized by the CA as follows:

The instant controversy was brought to fore because of the Deed of Absolute Sale,<sup>[5]</sup> dated November 25, 1981, which expressly states that the parcel of land registered in the name of [Andrew] and covered by Transfer Certificate of Title (TCT) No. 143744<sup>[6]</sup> has been conveyed to his brother, [Modesto] through a sale. [Andrew] assailed the said document as sham and replete with falsehood and fraudulent misrepresentations.

While [Andrew] admitted that he sent the said pre-signed deed of sale to [Modesto] in response to the latter's offer to buy his abovementioned property, he however, alleged that the said transaction did not push through because [Modesto] did not have the financial means to purchase the property at that time. He also stated that he sent the said document undated and not notarized. He alleged that he tried to retrieve the said deed from [Modesto], but the latter failed to return it despite several reminders.

[Andrew] further alleged that he continued to allow [Modesto] to occupy his property since their ancestral home was built thereon. This alleged liberality of [Andrew] was later extended to [Modesto's] live-in partner, Juanita H. Yap (Yap), as evidenced by the Bequest of Usufruct,<sup>[7]</sup> which the former had executed.

In 2000, [Modesto], through Yap, allegedly offered again to buy the said property, but [Andrew] already refused to part with his lot.

[Andrew] later discovered that his certificate of title was missing. Thus,

he filed an Affidavit of Loss<sup>[8]</sup> with the Registry of Deeds of Manila. Subsequently, he learned that a Petition for Reconstitution of TCT No. 143744 was filed by [Modesto] on the basis of the said deed of sale, which already appeared to have been notarized in 1981.

Thus, [Andrew] filed the case below to seek for the annulment of the said document. During the pendency of the case, [Andrew's] certificate of title was cancelled and a new one in the name of [Modesto] was issued. Hence, the amendment of his complaint to include Cancellation Of New Title And Reconveyance Of Title.

By way of affirmative and special defences, [Modesto] alleged lack of cause of action, prescription, and laches. He filed a motion to set his affirmative defences for a hearing. [Andrew] file an *Opposition To The Defendant's Affirmative Defenses* while [Modesto] filed his Reply thereto. Thereafter, the RTC issued the assailed order.

### **RTC Ruling**

The RTC issued an order<sup>[9]</sup> dismissing the complaint on the grounds of prescription and laches. The RTC took note of the lapse of time between the date of the assailed document and the filing of the case and concluded that Andrew's action was time-barred because a person desiring to file an action based on a written contract has only 10 years to do so. Moreover, the RTC held that the failure of Andrew to offer any valid reason for the delay in asserting his right made him guilty of laches. The dispositive portion of the decision reads:

**WHEREFORE**, premises considered, the instant complaint filed by plaintiff is hereby **DISMISSED**. The counterclaims of the defendant are likewise **DISMISSED**.<sup>[10]</sup>

### **CA Decision**

Aggrieved, Andrew elevated the case to the CA. The appeal was premised on the sole issue of whether or not the lower court erred in dismissing Andrew's complaint on the grounds of prescription and laches.

For the appellate court, there was a need to determine whether the subject deed of sale is void, voidable or valid; and such could be ascertained only if the parties are allowed to go on trial. The CA held that the trial court erred in dismissing the complaint of Andrew without the benefit of a trial. The dispositive portion of the appellate court's decision reads:

**WHEREFORE**, premises considered, the instant appeal is **GRANTED**. The assailed order dated December 28, 2006 of the court a quo is **REVERSED** and **SET ASIDE**. The case is **REMANDED** to the Regional Trial Court of Manila, Branch 39 for trial and judgment on the merits. No pronouncement as to costs.<sup>[11]</sup>

### **Our Ruling**

The petition is bereft of merit. We agree with the CA's ruling.