

SECOND DIVISION

[G.R. NO. 141964, June 30, 2006]

**SPOUSES EDESITO AND CONSORCIA RAGASA, PETITIONERS, VS.
SPOUSES GERARDO AND RODRIGA ROA AND THE EX-OFFICIO
SHERIFF OF QUEZON CITY, RESPONDENTS.**

D E C I S I O N

CORONA, J.:

Edesito and Consorcia Ragasa filed a complaint^[1] against private respondents Gerardo and Rodriga Roa and the public respondent ex-officio sheriff of Quezon City founded on the following allegations:

On May 10, 1989, plaintiffs [petitioners here] entered into a contract with Oakland Development Resources Corporation for the purchase in installments of a piece of property, with improvements, located at No. 06, Garnet St., Prater Village II, Diliman, Q.C. covered by TCT No. 27946 of the Registry of Deeds for Quezon City and more particularly described in a photocopy of TCT No. 27946 [...];

Immediately thereafter, plaintiffs took possession of the property covered by TCT No. 27946 of the Registry of Deeds for Quezon City and resided thereat together with their relatives who continued to occupy the same whenever the plaintiffs would leave for Italy where they both worked. Hence, from May of 1989 up to the present date, plaintiffs were in continuous and notorious possession of the property covered by TCT No. 27946 of the Registry of Deeds for Quezon City to the exclusion of others and in the concept of an owner;

In March of 1992, plaintiffs were able to fully pay for the agreed purchase price of the property covered by TCT No. 27946 of the Registry of Deeds for Quezon City and accordingly, a Deed of Absolute Sale dated March 12, 1992 was executed by and between Oakland Development Resources Corporation [...] and the original owner's copy of TCT No. 27946 of the Registry of Deeds for Quezon City accordingly turned over to them;

However, despite the execution of the Deed of Absolute Sale, Oakland Development Resources Corporation failed to cause the transfer of title to plaintiffs. On the part of plaintiffs, all the while they thought that the Deed of Absolute Sale and possession of the original of the owner's copy of TCT No. 27946 of Registry of Deeds for Quezon City was more than sufficient to protect their rights and interests over the property;

Sometime March of 1999, during one of the trips of plaintiff Consorcia

Ragasa to the Philippines from Italy, upon learning that Oakland Development Resources Corporation was no longer functional as a corporate entity, she decided to cause the transfer of registration of TCT No. 27946 of Registry of Deeds for Quezon City herself since the vendor thereof was apparently in no position to undertake the same;

She was thus surprised to learn from the Registry of Deeds for Quezon City that on April 14, 1995, the property in question was sold by defendant Ex-Officio Sheriff of Quezon City [a respondent here] to defendants Sps. Roa [respondents here] as the highest bidder for the price and consideration of P511,000.00 as shown in the Sheriff's Final Deed of Sale [...].

xxx xxx xxx

The levy on attachment and the execution sale undertaken by the Ex-Officio Sheriff's Office of Quezon City is clearly illegal there being no notice given by said individual to the occupants of the property in question.

Furthermore, a casual perusal of the Sheriff's Deed of Sale will reveal that the execution price of P511,000.00 is grossly inadequate to pay for real properties listed therein with fair market values conservatively estimated at P3,000,000.00

The case was raffled to Branch 220^[2] of the Quezon City Regional Trial Court (RTC) and was docketed as Civil Case No. Q-99-37908.

Instead of filing an answer, private respondents moved for the dismissal of the complaint on the grounds of prescription and laches. In an order^[3] dated February 3, 2000, the RTC granted the motion. Characterizing the suit as an action "upon an injury to the rights of the plaintiff" which, according to Article 1146 of the Civil Code,^[4] must be filed within four years, the RTC held that petitioners' action was barred by prescription for having been filed more than four years after the registration of the execution sale.

Seeking a reversal of the trial court's order dismissing their complaint, petitioners proceeded forthwith to this Court with the present petition for review on certiorari^[5] raising only a pure question of law.^[6]

We grant the petition.

The trial court's order of dismissal was predicated on the theory that the suit petitioners commenced was an "action upon an injury to their rights" contemplated in Article 1146 of the Civil Code. That premise was erroneous. A reading of the allegations in petitioners' complaint reveals that the action was essentially one for quieting of title to real property under Article 476 of the Civil Code which states:

Whenever there is a cloud on title to real property or any interest therein, by reason of any instrument, record, claim, encumbrance or proceeding which is apparently valid or effective but is in truth and in fact invalid,