

THIRD DIVISION

[G.R. No. 138463, October 30, 2006]

HEIRS OF CIPRIANO REYES: RICARDO REYES, DAYLINDA REYES, BEATRIZ REYES, JULIAN CUECO, ESPERANSA REYES, VICTORINO REYES, AND JOVITO REYES, PETITIONERS, VS. JOSE CALUMPANG, GEOFFREY CALUMPANG, AGAPITO AGALA, LORENZO MANABAN, RESTITUTO MANABAN, OLYMPIA MANABAN, PELAGIA MANABAN AND FELIPE CUECO, RESPONDENTS.

D E C I S I O N

VELASCO JR., J.:

*Say not you know another entirely,
til you have divided an inheritance with him.*

Johann Kaspar Lavater

Can a party who lost rights of ownership in a parcel of land due to laches be allowed to regain such ownership when one who benefited from the delay waives such benefit? This is the core issue to be resolved from this Petition for Review on *certiorari*^[1] that seeks to set aside the January 26, 1999 Decision^[2] of the Court of Appeals (CA) in CA-GR CV No. 54795 which overturned the April 2, 1996 Decision of the Dumaguete City Regional Trial Court (RTC) in Civil Case No. 9975 declaring null and void the December 27, 1972 Deed of Quitclaim executed by petitioners Jovito Reyes and Victorino Reyes and ordering respondents to vacate Lot No. 3880 in Tanjay, Negros Oriental, remove their houses from the said lot, and pay petitioners attorneys fees of PhP 10,000.00. Also challenged is the March 25, 1999 Resolution^[3] which denied petitioners February 12, 1999 Motion for Reconsideration.^[4]

The Facts

It is sad and tedious when relatives bicker over inheritance when the differences could have been amicably settled and harmony prevail among relatives. The instant case involves Lot No. 3880 of the Cadastral Survey of Tanjay, Negros Oriental which has a land area of around 25,277 square meters, more or less. Said lot was originally owned by a certain Isidro Reyes, who sired eight children, viz: Victoriana Reyes Manaban, Telesfora Reyes Manaban, Leonardo Reyes, Juan Reyes, Eduarda Reyes, Miguel Reyes, Eleuteria Reyes, and Hermogenes Reyes.

The protagonists are the descendants, specifically the grandchildren, of the three eldest children of Isidro Reyes, namely, Victoriana, Telesfora and Leonardo. To better understand the relation of the parties, it is apt to mention the lineal positions of the

pertinent heir-litigants whose names are emphasized for clarity and identity.

1. Daughter Victoriana Reyes Manaban had five children, namely: Antonia Manaban Sta. Cruz, Emerencia Manaban Agala, Juana Manaban Aguilar, Lope Manaban, and Arcadia Manaban Balsamo. a.) Granddaughter Emerencia Manaban Agala had five children, namely: **Agapito Agala**, Cresencio Agala, Nicasia Agala, Filomena Agala, Baldomera Manaban Alido, and **Pelagia Manaban** Cueco, the last two being illegitimate children. b.) Granddaughter Antonia Manaban Sta. Cruz had no issue. c.) Granddaughter Juana Manaban Aguilar had eight children, namely: Fructuoso, Salvadora, Delfin, Rufina, Felomina, Ceferino, Lucia, and Cipriano, all surnamed Aguilar. d.) Grandson Lope Manaban had seven children, namely: Aniana, Lucas, Isidro, Genera, Abadias, Jose, and Gabriela, all surnamed Manaban. e.) Granddaughter Arcadia Manaban Balsamo had seven children, namely: Lucrecia, Bienvenida, Gregoria, Antonio, Moises, Marcela, and Maria, all surnamed Balsamo. Of the grandchildren of Victoriana Reyes Manaban, Agapito Agala and Pelagia Manaban Cueco, are among the respondents in the instant case. Respondent **Felipe Cueco** was included among the litigants, being the husband of Pelagia Manaban.

2. Daughter Telesfora Reyes Manaban had only one child, Valentin Manaban who in turn had three children, namely: **Olympia Manaban Mayormita, Restituto Manaban,** and Lorenzo Manaban, all of whom are among the respondents in the instant case.

3. Son Leonardo Reyes had six children, namely: Higino Reyes, Policarpio Reyes, Ines Reyes Calumpang, Exaltacion Reyes Agir, Honorata Reyes, and Sofia Reyes. a.) Grandson Higino Reyes had six children, namely: **Victorino, Cipriano,** Luis, **Ricardo,** Jesus, and **Daylinda,** all surnamed Reyes. b.) Grandson Policarpio Reyes had three children, namely: **Beatriz,** Guillermo, and **Jovito,** all surnamed Reyes. Most of the children of Higino and Policarpio Reyes are the petitioners in the instant case. c.) Granddaughter Ines Reyes Calumpang on the other hand had five children, namely: Jose, Pedring, Cesar, Zosima, and Angel, all surnamed Calumpang. Great-grandson Jose Calumpang and his son, **Geoffrey Calumpang,** a great-great-grandson of Isidro, are among the respondents in the instant case. d.) Granddaughter Exaltacion Reyes Agir had seven children, namely: Rafael Agir, Remedios Agir, Cordova Agir Gabas, Natividad Agir, Rogelio Agir, Ramon Agir, and Zenaida Agir Lopez.

The records do not show the heirs of granddaughters Honorata and Sofia Reyes, the last two children of Leonardo Reyes. Likewise, the records do not mention the heirs of the last five children of Isidro Reyes, namely: Juan, Eduarda, Miguel, Eleuteria, and Hermogenes.

For clarity, a chart showing the family tree originating from Isidro Reyes is provided as follows (with the parties names given emphasis):

See Chart Vol. 536 Phil 803

With the foregoing perspective on the relational positions of the protagonists, we move on to the factual antecedents:

Among Isidros children, it was Leonardo Reyes, in behalf of his seven (7) siblings, who managed the properties of their father. In 1924, a cadastral survey was

conducted pursuant to Act No. 2259. Leonardo, through his representative, Angel Calumpang, filed an answer in the cadastral court naming all eight children of Isidro Reyes as claimants of the said lot.

However, on July 10, 1949, a certain Dominador Agir filed another claim over the disputed lot, this time naming some grandchildren of Leonardo Reyes (great-grandchildren of Isidro Reyes), which included most of the children of Higino and Policarpio Reyes as claimants, namely: Victorino, Cipriano, Luis, Ricardo, and Daylinda all surnamed Reyes, who are the children of Higino Reyes; and Beatriz, Guillermo, and Jovito all surnamed Reyes, who are the children of Policarpio Reyes. Subsequently, on July 19, 1949, a Decision was rendered in Cadastral Case No. 12, G.L.R.O. Cad. Rec. No. 31 which covered four (4) lots, among which is **Lot No. 3880**, whereby the Decision granted judicial confirmation of the imperfect title of petitioners over said lot. Consequently, Original Certificate of Title (OCT) No. OV-227 was issued on August 5, 1954 in the name of petitioners, namely: Victorino, Cipriano, Luis, Ricardo, Jesus, Daylinda, Jovito, Guillermo, and Beatriz, all surnamed Reyes.

The nine (9) registered co-owners, however, did not take actual possession of the said lot, and it was Victorino and Cipriano Reyes who paid the land taxes. The heirs of Telesfora Reyes Manaban and Victoriana Reyes Manaban (daughters of Isidro Reyes) retained possession over a hectare portion of the said lot where they built their houses and planted various crops and fruit bearing trees. Meanwhile, sometime in 1968, Jose Calumpang, grandson of Leonardo Reyes and cousin of petitioners, also took possession over a hectare of the said lot, planting it with sugarcane. Thus, Jose Calumpang and his son Geoffrey continued to plant sugarcane over almost a hectare of the said lot while the heirs of Telesfora Reyes Manaban and Victoriana Reyes Manabanthe respondents Agalas and Manabansoccupied the rest of the same lot which is about one hectare.

Sometime in 1972, respondent Agapito Agala (grandson of Victoriana Reyes Manaban) was informed by his cousin Victorino Reyes, one of the petitioners and registered co-owner of Lot No. 3880, that there was already a title over the said lot. This prompted respondent Agapito Agala and the other heirs of Telesfora and Victoriana to seek advice from a judge who suggested that they request the registered co-owners to sign a quitclaim over the said lot.

A conference was allegedly held on December 27, 1972, where three (3) of the registered co-ownersVictorino, Luis, and Jovito all surnamed Reyessigned a Deed of Quitclaim,^[5] where, for a consideration of one peso (P1.00), they agreed to release, relinquish and quitclaim all their rights over the land in favor of the legal heirs of the late Victoriana Reyes and Telesfora Reyes.^[6]

The Deed of Quitclaim was annotated on the back of OCT No. OV-227. Thereafter, respondent Agapito Agala had the then Police Constabulary (PC) summon the other registered co-owners, namely: Cipriano, Ricardo, Daylinda, Guillermo, and Beatriz, to sign another deed of quitclaim. But the latter allegedly ignored the call, prompting the heirs of Victoriana and Telesfora Reyes to file on June 9, 1975 in Civil Case No. 6238, with the Dumaguete City RTC, Branch 40, a Complaint for Reconveyance of Real Property, Cancellation of Certificate of Title and Damages against the registered co-owners of the disputed lot who did not sign a deed of

quitclaim and Dominador Agir, who filed the amended answer in the cadastral proceedings in 1949. On April 28, 1987, the trial court dismissed the complaint and ruled in favor of the registered co-owners of Lot No. 3880. On appeal, the CA upheld the trial court and affirmed the RTC November 29, 1989 Decision.^[7] The CA Decision was not raised for review before this Court, thereby attaining finality.

Consequently, on July 2, 1991, petitioners filed the instant civil case for Recovery of Possession, Declaration of Non-existence of a Document, Quieting of Title and Damages against Jose Calumpang, Geoffrey Calumpang, Agapito Agala, Lorenzo Manaban, Heirs of Olympia Manaban, Pelagia Manaban, Felipe Cueco and Heirs of Restituto Manaban (herein respondents) in Dumaguete City RTC. It was docketed as Civil Case No. 9975 and raffled to RTC Branch 44.

In gist, petitioners, as registered owners of Lot No. 3880, alleged that by tolerance they allowed respondents Jose and Geoffrey Calumpang to cultivate an area of about one hectare of the said property; and also by tolerance allowed respondents Manabans and Agalas to occupy another hectare portion of the same lot. They further alleged that in December 1972, petitioners Victorino, Luis, and Jovito Reyes got sick; and believing that they were bewitched by the occupants of the said lot, they signed a Deed of Quitclaim, waiving all their rights and interests over their respective shares in the disputed lot in favor of the heirs of Victoriana and Telesfora Reyes; and that thereafter, the latter filed Civil Case No. 6238 in 1987, which was dismissed by the Dumaguete City RTC.

During the hearing of the instant case, petitioners presented their sole witness, Ricardo Reyes, who testified on the identity of OCT No. OV-227, the character of its possession, existence, and the Decision in the prior Civil Case No. 6238;^[8] and the estimated income of the disputed lot, and the expenses incurred in pursuing the instant case.

On the other hand, respondent-heirs of Victoriana and Telesfora Reyes presented Lorenzo Manaban,^[9] who testified on the relationship of respondents to Victoriana and Telesfora Reyes; that they were in actual and adverse possession of Lot No. 3880; and, the existence and due execution of the assailed Deed of Quitclaim in their favor which was duly annotated on the back of OCT No. OV-227. Respondents Jose and Geoffrey Calumpang did not participate in the trial although they filed their answer.

Subsequently, the trial court rendered its judgment on April 2, 1996. The dispositive portion reads:

WHEREFORE, this Court renders judgment declaring NULL and VOID the Deed of Quitclaim dated December 27, 1972 signed by Jovito and Victorino all surnamed Reyes. Ordering defendants to vacate Lot No. 3880, Cadastral Survey of Tanjay and to remove their house thereon; and to pay jointly and severally plaintiffs the sum of P10, 000.00, by way of reimbursement for attorneys fees, and to pay the costs.^[10]

Believing that they were the legal and true owners of Lot No. 3880, respondents interposed an appeal to the CA on June 27, 1996, which was docketed as CA-G.R. CV No. 54795.

The Ruling of the Court of Appeals

For non-payment of the requisite docket fee, the appeal of respondent Jose Calumpang was dismissed by the CA on December 19, 1997,^[11] and a Partial Entry of Judgment for Appellant Jose Calumpang Only^[12] was issued on January 23, 1998.

However, the appeal filed by respondents Agalas and Manabans was found to be meritorious, and on January 26, 1999, the CA reversed the Decision of the trial court and dismissed Civil Case No. 9975. While it ruled that petitioners had a cause of action to institute the case assailing the Deed of Quitclaim as its validity was not disputed in Civil Case No. 6238, upon review of the evidence adduced, the CA found that petitioners utterly failed to present evidence substantiating their allegation of fraud and mistake in the execution of the assailed quitclaim. The CA reasoned out that it was incumbent for petitioners to prove their allegations of fraud and mistake, but they failed to overcome the presumptions that a person takes ordinary care of ones concerns and that private transactions have been fair and regular.

Thus, the CA ruled that the trial court had no basis in fact and in law to declare the Deed of Quitclaim null and void, and concluded that it remained valid and binding to all the signatories. The rights and interests in the shares of Victorino, Luis, and Jovito Reyes over Lot No. 3880 were deemed waived in favor of the heirs of Victoriana and Telesfora Reyes (that is, respondents Agalas and Manabans) who had the right to retain possession of the lot.

Petitioners registered a Motion for Reconsideration of the January 26, 1999 Decision of the CA, which was however turned down in its March 25, 1999 Resolution, as petitioners were unable to raise new substantial issues which had not been duly considered in arriving at the challenged judgment.

Hence, the instant petition.

The Issues

In the instant petition, petitioner raises the following assignment of errors for our consideration:

(a) In exercising jurisdiction over the appeal of the defendants when in fact the issues are purely questions of law misfiled in the Court of Appeals, which should have been filed directly to the Supreme Court at that time;

(b) In reversing the RTC Decision dated April 2, 1993; and in reversing its own resolution dated December 19, 1997;

(c) In declaring that the fraud and mistake in the execution of the waiver was not substantiated, when in fact there is overwhelming evidence of infirmity of the document as found by the trial court, which should not be disturbed on appeal.

(d) In sweepingly dismissing the complaint, including the claim against the Calumpang defendants, even as the latter did not adduce any