

SECOND DIVISION

[G.R. No. 141592, November 21, 2002]

MARCELO CENTENO, (SUBSTITUTED AS PLAINTIFF BY HIS HEIR CORAZON CENTENO REYES), PETITIONER, VS. SPOUSES REYNALDO AND ELIZABETH VIRAY, SPS. MANUEL AND ERLINDA D. TANG AND REGISTRY OF DEEDS OF MALOLOS, BULACAN, DEFENDANTS, THE HONORABLE COURT OF APPEALS AND ARTURO TANTOCO (INTERVENOR), RESPONDENTS.

RESOLUTION

QUISUMBING, J.:

This petition for review assails the decision^[1] dated February 12, 1999 and the resolution^[2] dated December 29, 1999, of the Court of Appeals in CA-G.R. CV No. 47799. They affirmed the judgment dated September 22, 1993 of the Regional Trial Court, Branch 21 of Malolos, Bulacan, in Civil Case No. 8250-M, which (a) dismissed the complaint against spouses Manuel and Erlinda Dy Tang, (b) declared the Sheriff's Certificate of Sale to them, as well as the Deed of Sale and Transfer by them in favor of intervenor-respondent Arturo Tantoco, valid and effective, and (c) ordered the Viray spouses to pay petitioner Marcelo^[3] Centeno, substituted by his heir Corazon Centeno Reyes, ₱66,000 as the value of the land subject of this case.

The facts, as found by both the trial and the appellate courts are as follows:

Spouses Marcelo and Pacita Centeno were the registered owners of a parcel of agricultural land consisting of 31,697 square meters, covered by Transfer Certificate of Title No. 57474, in Barrio Kinamatayang Kabayo, San Miguel, Bulacan. Their niece, Elizabeth Centeno Viray, somehow stole said TCT and forged the Centenos' signature in a Special Power of Attorney, enabling Elizabeth to mortgage the property to Manuel Dy Tang as security for her loan of ₱55,000 from him. In support of the mortgage, Elizabeth executed a Real Estate Mortgage, a promissory note, as well as an affidavit of non-tenancy over the subject property.

As Elizabeth failed to redeem the property, Dy Tang in a written request, asked the concerned Sheriff to extrajudicially foreclose the mortgage. Marcelo Centeno was furnished a copy of the request. Hearing no opposition from Marcelo, the Sheriff proceeded with the public auction where Dy Tang was the highest bidder. Consequently, a Certificate of Sale was executed in Dy Tang's favor. Dy Tang in turn executed a Deed of Assignment and Transfer in favor of intervenor-respondent Tantoco.

During the pendency of the one year redemption period, Marcelo Centeno filed a complaint for declaration of nullity of documents and for recovery of ownership of the subject land with the RTC of Malolos, Bulacan. It was docketed as Civil Case No. 8250-M. Meantime, neither Marcelo nor Elizabeth timely redeemed the property from Tantoco. Hence, Tantoco consolidated the title over the property in his name.

On September 22, 1993, the RTC of Malolos issued its decision, thus:

WHEREFORE, judgment is hereby rendered in favor of the Intervenor Arturo Tantoco and the defendant spouses Manuel and Erlinda Dy Tang and against the plaintiff (substituted by the heirs) as follows:

(a) Dismissing the complaint insofar as the defendants spouses Manuel and Erlinda Dy Tang are concerned;

(b) Declaring the Certificate of Sale dated November 20, 1985 as valid and effective;

(c) Declaring the Deed of Sale and Transfer dated February 5, 1985 as valid and effective;

(d) Ordering the cancellation of Transfer Certificate of Title No. T-57474 issued by the Registry of Deeds for the Province of Bulacan and the issuance in its stead of another Transfer Certificate of Title (over the same parcel of land) in the name of Arturo Tantoco;

(e) Ordering the plaintiff (substituted by his heir Corazon Centeno) and/or those acting in his behalf or stead, particularly Urbano Reyes and Edgardo "Totoy" Azonsa who are tilling and/or supervising its tilling to surrender the harvest or to pay jointly and severally to Intervenor Arturo Tantoco, the money value thereof;

(f) Ordering the plaintiff (substituted by his heir Corazon Centeno) to pay P5,000.00 attorney's fee to the Intervenor Arturo Tantoco;

(g) Dismissing the counterclaim and crossclaim of the defendants Manuel and Erlinda Dy Tang for insufficiency of evidence;

(h) Ordering the defendants spouses Reynaldo and Elizabeth Viray to pay the plaintiff the money value of the land in the amount of P66,000.00 which is the consideration stated in the Deed of Assignment and Transfer (Exhibit "L").

With costs against the defendants spouses Reynaldo and Elizabeth C. Viray.

SO ORDERED. **[4]**

Petitioner appealed to the Court of Appeals which, on February 12, 1999, affirmed the decision of the Regional Trial Court, as follows:

WHEREFORE, premises considered, the decision, dated September 22, 1993, of the Regional Trial Court (Branch 21) in Malolos, Bulacan in Civil Case No. 8250-m is hereby AFFIRMED, with costs against the plaintiff-appellant.

SO ORDERED. **[5]**

According to the Court of Appeals, a purchaser in good faith and for value is one who buys the property of another, without notice that some other person has a right to, or interest in such property and pays a full and fair price for the same at the time of such purchase, or before he has notice of the claims or interest of some