

THIRD DIVISION

[G.R. No. 106472, August 07, 1996]

**JUAN CASTILLO AND MARIA MASANGYA-CASTILLO
(SUBSTITUTED BY THEIR LEGAL HEIRS AND CHILDREN,
ALEJANDRO CASTILLO, CONSTANCIA C. VILLANUEVA,
CRISOSTOMO CASTILLO, PRESELIANA C. ISMAEL AND
INDALICIO CASTILLO), PETITIONERS, VS. COURT OF APPEALS,
REGIONAL TRIAL COURT OF AKLAN (BRANCH 3) AND ROSITA
MASANGYA, RESPONDENTS.**

D E C I S I O N

PANGANIBAN, J.:

In resolving this petition, the Court reiterates the well-settled rule that, absent any clear showing of abuse, arbitrariness or capriciousness committed by the lower court, its findings of facts, especially when affirmed by the Court of Appeals, are binding and conclusive upon this Court.

This is a petition under Rule 45 to review and set aside the Decision^[1] of the Court of Appeals^[2] promulgated on May 26, 1992 and the Resolution^[3] promulgated on August 5, 1992 denying the motion for reconsideration.

The Antecedents

On February 6, 1976, private respondent Rosita Masangya filed a complaint with the Regional Trial Court of Aklan (Branch 3) for quieting of title with damages, over a piece of land located in Barrio Candelaria, Municipality of New Washington, Province of Aklan. During the pendency of the case, defendants-spouses Juan Castillo and Maria Masangya Castillo died on September 17, 1980 and October 4, 1980, respectively, and were substituted by their heirs and children, Alejandro Castillo, Constancia C. Villanueva, Crisostomo Castillo, Preseliana C. Ismael and Indalicio Castillo.

The facts of the case as found by the trial court and reiterated verbatim in the respondent Court's assailed Decision are as follows:

"It is established that the land in question is situated at Barrio Candelaria, New Washington, Aklan. It is that which is indicated in the commissioner's report and sketch as enclosed within the perimeter of points 1, 2, 3, 4, 5, 6, 7, 8, 9, and back to point 1 (traced in black [sic] and red ink lines) and having an approximate area of 12,724 square meters, more or less.

Likewise, it is established that the land in question referred to and more particularly described in paragraph 2 of the complaint is the same land

reflected in the report and sketch of the court commissioner.

It is, moreover, established that the primitive owner of the land in question is Luis Masangya who had long been cultivating or possessing the land for years long before the last World War II.

After the death of the said Luis Masangya the latter's children, namely Isidro Masangya also known as Loverato Masangya) and then Rosita Masangya took over the possession of the said land in question. Isidro Masangya began cultivating and possessing said land in 1934.

For failure to pay taxes on the land it was sold at public auction on or about May 29, 1937 and it was Presentacion Relado, married to Pedro Balledos, who bought the same at public auction and who in turn sold it later to the said Rosita Masangya, and which sale was confirmed later by the heirs of the said Presentacion Relado.

The Certificate of Sale over delinquent real property to the then province of Capiz where the real property is situated is evidenced by a certified xerox copy from the original on file at the provincial assessor's office marked Exhibit "A," dated May 29, 1937, and which shows on its face (1) the delinquent taxpayer, Luis Masangya (Exh. "A-1"), (2) the location at Candelaria, (3) the area as 12,680 square meters (Exh. "A-2") and (4) its adjoining owners, to wit: North - Cornelio Bautista; East - Rico Ambito; South - Alejandro Magbiro; and West - Aquilina Masangya.

Exhibit "B," dated August 20, 1949, is a confirmation of the delinquent sale mentioned in Exhibit "A" and which is a certified xerox copy of the original on file at the provincial assessor's office in which Municipal Treasurer (sic) Benjamin Masangkay of New Washington, Capiz requested in his own handwriting chief Deputy Assessor Deogracias Rubrico of Capiz, Capiz to issue the final bill of sale to "bearer Presentacion Relado . . . who bought the land at public auction before the war and her papers incident to the transfer of the property to her were lost during the war except only the certificate of sale."

From the foregoing evidence the Court finds that the identity of the land in question has been established by the plaintiff and that the said Presentacion Relado is the very person to whom the Province of Capiz through its provincial treasurer sold the land in question after said province had previously consolidated its ownership over said land in question.

The obtention of Exhibits "A" and "B" above referred to is evidenced by the official receipt (Exh. "C") for the payment of the certification from the office of the provincial assessor of Aklan (Aklan having been carved out of the province of Capiz in or about 1956).

It is duly established that the said Presentacion Relado had previously declared for taxation purposes the land in question in her name as evidenced by Tax Declaration No. 6482 (Exh. "I") in 1945 which shows at the back thereof that said tax declaration cancels old Tax Declaration No.

24538 of primitive owner Luis Masangya (Exh. "I-1").

It is shown that Isidro Masangya, brother of plaintiff Rosita Masangya, while possessing the land along with the latter after the death of their father Luis Masangya had x x x pursuant to their verbal agreement declared the land for taxation purposes in his name, to wit: Tax Declaration No. 682 (Exh. "F"), Tax Declaration No. 13126 (Exh. "G") and Tax Declaration No. 6806 (Exh. "H"). And Exhibit "H" which was executed in 1951 shows at the back thereof that this cancels Tax Declaration No. 6482 in the name of Presentacion Relado to whom the land in question was previously sold by the province of Capiz.

In view of the loss or non-availability of the final deed of sale in the provincial assessor's office at Aklan, after the records were transferred from Capiz to the new province of Aklan, in favor of the said Presentacion Relado herein plaintiff secured from the heirs of Presentacion Relado a Confirmation of Sale of Unregistered Land, marked Exhibit "M," duly signed by Presentacion's husband Primo Balledos (Exh. "M-1"), duly notarized and which shows among others the area: 12,680 square meters (Exh. "M-2").

It is in addition established that the heirs of Pedro Masangya executed later a Joint Affidavit of Waiver and Quitclaim (Exh. "D") over the land in question (Exh. "D-1") showing the area: 12,680 square meters (Exh. "D-2").

Subsequently, plaintiff Rosita Masangya has (sic) then declared the land in question in her name under Tax Declaration No. 10032 (Exh. "E") and Tax Declaration No. 812 (Exh. "L"), with the area shown as 12,688 square meters (Exh. "L-1"). Plaintiff has (sic) paid the transfer tax (Exh. "J"), as well as the taxes thereon as evidenced by receipts of tax payments (Exh. K, K-1, K-2, K-3, K-4, K-5, K-6, K-7) and she had executed a sworn statement of the true current and fair market value (Exh. "O" and "O-1") of the land in question, as required by P.D. No. 464. She likewise has a survey notification card (Exh. "N" and "N-1"), it appearing said land was cadastrally surveyed twice, 1976 and 1984.

From the foregoing established facts and it appearing that the actual and physical possession in concept of owner of the land in question by plaintiff and her predecessors-in-interest lasted for more than ten (10) years -- commencing during the effectivity of the old Code of Civil Procedure and which lasted after the New Civil Code took effect on August 1, 1950 -- the Court finds and holds that plaintiff has long consolidated her ownership over the land in question when defendants usurped the possession in October, 1973. (pp. 3-6, Decision)."

After trial on the merits, the court a quo rendered judgment in favor of private respondent Rosita Masangya. The dispositive portion of the Decision reads as follows:

"WHEREFORE, judgment is hereby rendered in favor of plaintiff [herein private respondent] and against the defendants as follows: