

## NINTH DIVISION

[ CA–G.R. CV No. 102231, March 26, 2015 ]

**TERESITA D. PASCUAL-MAHARAJ AND RUEL PASCUAL, AS HEIR OF RAMON D. PASCUAL, PLAINTIFFS-APPELLANTS, VS. RICARDO D. PASCUAL, EVELYN PASCUAL, AS HEIR OF MACARIO D. PASCUAL, JR., NILO D. PASCUAL AND THE REGISTER OF DEEDS OF PARAÑAQUE CITY, DEFENDANTS-APPELLEES.**

### D E C I S I O N

**DICDICAN, J.:**

Before us is an appeal from the Decision<sup>[1]</sup> that was rendered by Judge Noemi J. Balitaan of Branch 258 of the Regional Trial Court of the National Capital Judicial Region in Parañaque City ("trial court") on January 10, 2014 in Civil Case No. 00-0315 which, *inter alia*, dismissed in part the complaint for cancellation, reconveyance and reconstitution of land titles that was filed by the plaintiffs-appellants against the defendants-appellees for lack of merit.

The material and relevant facts of the case, as culled from the record, are as follows:

The instant case stemmed from a Complaint<sup>[2]</sup> for cancellation, reconveyance and reconstitution of several land titles that was filed by herein plaintiff-appellant Teresita D. Pascual-Maharaj ("plaintiff-appellant Teresita"), Ramon D. Bautista and defendant-appellee Ricardo D. Pascual ("defendant-appellee Ricardo") against herein defendant-appellee Nilo Pascual ("defendant-appellee Nilo") and Macario Pascual, Jr. in the trial court on July 17, 2000. In the said complaint, the plaintiffs-appellants alleged that they, along with the defendants-appellees, were the heirs of the late Macario C. Pascual, Sr. ("Macario, Sr.") who died intestate on April 11, 1997. Macario, Sr. was likewise survived by his wife, Francisca D. Pascual ("Francisca").

Upon his death, the plaintiffs-appellants averred that Macario, Sr. left behind an undivided parcel of land located at San Dionisio, Parañaque City, with an area of Six Thousand Two Hundred Seventy Point Forty (6,270.40) square meters and covered by Transfer Certificate of Title No. (90278) 26439/T-133 ("subject property"). However, the plaintiffs-appellants alleged that, on June 1, 2000, they discovered that TCT No. (90278) 26439/T-133 had already been canceled and, in its place, the following land titles were issued, to wit:

1. TCT No. 142668<sup>[3]</sup> in the name of Macario Pascual, Sr.;
2. TCT No. 142669<sup>[4]</sup> in the name of Macario Pascual, Sr.;
3. TCT No. 142670<sup>[5]</sup> in the name of Macario Pascual, Sr.;
4. TCT No. 142671<sup>[6]</sup> in the name of Nilo D. Pascual; and
5. TCT No. 142672<sup>[7]</sup> in the name of Macario Pascual, Jr.;

Each of the aforesaid land titles covered an area of One Thousand Two Hundred Fifty Four (1,254) square meters. Upon further verification, the plaintiffs-appellants learned that Macario, Jr. and Nilo had obtained their respective land titles pursuant to a Deed of Donation<sup>[8]</sup> that was issued in their favor by Macario, Sr. dated December 8, 1984. In the said deed of donation, Macario, Sr. conveyed a portion of the subject property to his sons Macario, Jr. and Nilo each with an area of One Thousand Two Hundred Fifty Four Point Forty (1,254.40) square meters.

Nonetheless, the plaintiffs-appellants claimed that the aforesaid deed of donation contained misrepresentations and even falsifications that were perpetuated by their brothers Macario, Jr. and Nilo. The plaintiffs-appellants contended that, in June 2000, their mother, Francisca, executed three (3) Deeds of Assignment<sup>[9]</sup> in their favor whereby their mother assigned a portion of the subject property to them each with an area of One Thousand Two Hundred Fifty Four Point Forty (1,254.40) square meters.

Summons was thereafter served upon the defendants-appellees requiring the latter to file their answer to the complaint within fifteen (15) days from their receipt thereof. Thus, in their Answer<sup>[10]</sup> to the complaint that was filed against them, the defendants-appellees argued that the deed of donation that was executed by their late father in their favor was valid and binding as evidenced by the fact that the same was executed and notarized on December 8, 1984 or while their father was still alive. According to them, the requisites of valid donation are likewise present in this case, namely: the consent of the donor and the donees, the existence of the subject matter and the cause of the donation which was the love and affection of the donor to the donees.

Moreover, in order to bolster their claim, the defendants-appellees submitted a copy of the Sinumpaang Salaysay<sup>[11]</sup> that was executed by their mother Francisca dated July 28, 2000. In the said Sinumpaang Salaysay, Francisca denied that she executed a deed of assignment in favor of the plaintiffs-appellants covering a portion of the subject property. Likewise, Francisca affirmed therein that she and her late husband Macario, Sr. executed a deed of donation in favor of their sons Macario, Jr. and Nilo because of the love and affection which the latter had shown to her and Macario Sr.

Subsequently, on March 30, 2001, the parties entered into a Compromise Agreement<sup>[12]</sup> which was submitted to the trial court for the approval by the latter. Thus on April 2, 2001, a Decision<sup>[13]</sup> based on a compromise agreement was rendered by the trial court which provided, among others, that the portions of the subject property which were still registered in the name of Macario, Sr. (TCT Nos. 142668, 142669 and 142670) would be conveyed in favor of the plaintiffs-appellants.

However, on September 6, 2001, plaintiff-appellant Teresita filed a Motion to Set Aside Decision<sup>[14]</sup> on the ground that, during the time when the compromise agreement was entered into by the parties, she was then out of the country and she could not have possibly signed the same or consented thereto. Moreover, she evinced that the terms and conditions of the said compromise agreement were unacceptable to her. Thus, plaintiff-appellant Teresita insisted that the same should be declared as null and void, as well as the decision which was rendered in

accordance therewith.

This was followed by another Motion for Leave to File Supplemental Complaint<sup>[15]</sup> with attached Supplemental Complaint<sup>[16]</sup> that was likewise filed by plaintiff-appellant Teresita in the trial court on January 11, 2002. In the said supplemental complaint, plaintiff-appellant Teresita stated that she had just discovered that TCT Nos. 142668, 142669 and 142670 were all canceled and, in their place, TCT Nos. 150349<sup>[17]</sup>, 150393<sup>[18]</sup> and 150392<sup>[19]</sup>, respectively, were issued in the name of defendant-appellee Ricardo. According to plaintiff-appellant Teresita, the said transfer was pursuant to a falsified Deed of Transfer<sup>[20]</sup> that was purportedly executed by Macario, Sr. on April 4, 2000 or after the death of the latter. Plaintiff-appellant Teresita contended that it was defendant-appellee Ricardo and the latter's cohorts who authored the said falsification and facilitated the transfer of the three (3) land titles in the name of defendant-appellee Ricardo. Consequently, she prayed that TCT Nos. 150349, 150393 and 150392 be declared by the trial court as null and void.

In an Order<sup>[21]</sup> dated September 2, 2002, the trial court recalled and set aside its Decision dated April 2, 2001 on the ground that the compromise agreement upon which the said decision was based was null and void. The trial court gave credence to the claim of plaintiff-appellant Teresita that she was in Canada during the time when the compromise agreement was entered into by the parties and that she did not give her consent thereto. Nonetheless, in the same order, the trial court admitted the supplemental complaint that was filed by plaintiff-appellant Teresita against defendant-appellee Ricardo.

In the meantime, Ramon D. Pascual, one of the plaintiffs in the case a quo, died on June 24, 2004. He was then substituted by his heirs, his wife Nora Pascual and his son Ruel Pascual, in the instant action.<sup>[22]</sup> Thereafter, Macario Pascual, Jr. died on March 7, 2005 and he was substituted in the case by his wife, Evelyn Pascual.<sup>[23]</sup> Not long thereafter, Nora Pascual died on October 12, 2006, leaving Ruel Pascual as the only heir who substituted Ramon Pascual in the case.<sup>[24]</sup>

Subsequently, on June 29, 2007, defendant-appellee Ricardo filed his Answer<sup>[25]</sup> to the supplemental complaint that was filed against him by plaintiff-appellant Teresita. In the said answer, the former denied the allegations that were hurled against him by the latter. According to defendant-appellee Ricardo, the three (3) parcels of land that were previously covered by TCT Nos. 142668, 142669 and 142670 were donated to him by his father Macario, Sr. when the latter was still alive. In order to prove his claim, he presented a copy of the Deed of Donation<sup>[26]</sup> that was purportedly executed by his father in his favor dated December 29, 1996 covering the aforesaid parcels of land.

However, defendant-appellee Ricardo claimed that he entrusted the said deed of donation to one Gaudencia P. Zaplan ("Zaplan") who facilitated the transfer of the land titles in his name. Nonetheless, defendant-appellee Ricardo claimed that Zaplan was able to secure the new land titles in his name without the use of the said deed of donation. Instead, he averred that Zaplan caused the execution of a "deed of transfer" without his knowledge and authority in order to save on taxes. Consequently, defendant-appellee Ricardo maintained that he was not responsible

for any falsification or irregularity which may have attended the transfer of the land titles in his name. At any rate, defendant-appellee Ricardo insisted that there was legal basis to transfer the three (3) land titles in his name even without the said deed of transfer.

A pre-trial was then conducted by the trial court whereby both parties entered into stipulations of facts and submitted the issues for the resolution of the trial court.<sup>[27]</sup> Trial on the merits of the case ensued thereafter.

On January 10, 2014, the trial court rendered the assailed decision the dispositive portion of which reads:

"WHEREFORE, based on the foregoing, the prayer for the Cancellation of TCT Nos. 142668, 142669, 142670, 142671 and 142672 and the Reconveyance and Reconstitution of TCT No. 90278 T-428 from which the aforesaid TCTs were derived is DENIED.

"As regards TCT Nos.150392, 150393 and 150394 all in the name of Ricardo D. Pascual the same having been obtained thru fraud, are hereby CANCELLED. The Register of Deeds of Parañaque City is hereby directed to reconvey the same to the former TCT Nos. 142668, 142669 and 142670.

"No pronouncement as to costs.

"SO ORDERED."

Undaunted by the foregoing disquisition of the trial court, the plaintiffs-appellants filed their appeal in this Court raising the following errors which were purportedly committed by the trial court, to wit:

I.

THE TRIAL COURT COMMITTED A REVERSIBLE ERROR IN SUSTAINING THE VALIDITY OF THE CANCELLATION OF TCT NO. 90278 IN THE NAME OF MACARIO, SR. ON THE BASIS OF THE DEED OF DONATION, PARTITION AGREEMENT AND SUBDIVISION PLAN THAT WERE SUBMITTED IN EVIDENCE BY THE DEFENDANTS-APPELLEES IN THE TRIAL COURT.

II.

THE TRIAL COURT COMMITTED A REVERSIBLE ERROR IN NOT CANCELING TCT NOS. 142668, 142669, 142670, 142671 and 142672 IN THE NAMES OF MACARIO, JR. AND DEFENDANT-APPELLEE NILO AND IN NOT ORDERING THEIR RECONVEYANCE OR REVERSION TO TCT NO. 90278 IN THE NAME OF MACARIO, SR. THE ISSUANCE OF THE FIVE (5) NEW LAND TITLES WAS VOID IN THAT THE TRANSFER WAS BASED ON FRAUDULENT, SPURIOUS, FICTITIOUS AND DEFECTIVE DOCUMENTS.

III.