

EIGHTEENTH DIVISION

[C.A.-G.R. SP NO. 03896, February 28, 2014]

**SPOUSES SILVENO ALEJANDRO AND MILAGROS OBARRA,
PETITIONERS, VS. LIGAYA VILLAR, RESPONDENT.**

D E C I S I O N

DIY, J.:

This is a Petition for Review under Rule 42 of the 1997 Rules of Civil Procedure which seeks to annul and set aside the Decision dated August 28, 2008 and the Order dated October 21, 2008 of Branch 20, Regional Trial Court (RTC) of Mambusao, Capiz in Civil Case No. M-08-0262-02(AP). The dispositive portion of the assailed Decision^[1] reads:

WHEREFORE, in view of all the foregoing, the Decision of the Court a quo is hereby REVERSED AND SET ASIDE. The case filed by the appellees is ordered DISMISSED for insufficiency of evidence.

COSTS against the appellees.

SO ORDERED.

On the other hand, the decretal portion of the assailed Order^[2] provides:

Wherefore, in view of the foregoing, the Motion for Reconsideration is Denied for lack of merit.

SO ORDERED.

The Antecedents

On October 2, 2003, herein petitioners, spouses Silveno Alejandro and Milagros Obarra, filed a Complaint^[3] for Reconveyance and Damages with the Municipal Circuit Trial Court (MCTC) of Sigma, Sapi-an and Jaminsan, Sigma, Capiz, involving Lot No. 1940, a 15,409-square meter parcel of land registered in respondent Ligaya Villar's name under Katibayan ng Orihinal na Titulo Blg. P-13342.^[4]

Petitioners claimed they are the lawful owners of a parcel of land identified as Lot No. 1940, with an area of 15,409, located in Damayan, Sapi-an, Capiz, covered by Katibayan ng Orihinal na Titulo Blg. P-13342. They claimed that the assessed value of the land is P9,090.00.

They alleged that the subject land used to form part of a bigger parcel of land formerly declared in the name of Juan Ofialda under Tax Declaration No. 2519, with the following technical description:

A parcel of land of irrigated Riceland with an area of 6,000 sq. m. more or less; coconut land with an area of 33,000 sq. m. more or less; banana land with an area of 23,740 sq. m. more or less; and cogonal with an area of 132,898 sq. m. more or less. Bounded on the N-Enrico Alayon or Leonardo Arboleda and Clemente Obligar; on the E-Clemente Obligar and Rodrigo Ore; on the S-Nonica Ofialda; and on the W-Nonica Ofialda, Consolacion Ofialda and T. Apercho.

The above-described parcel of land formerly belonged to spouses Bernardo Ofialda and Gualberta Onayan. Upon the death of the spouses, their heirs succeeded as owners of the subject land. Subsequently, on March 7, 1956, the heirs, namely, Juan Ofialda, Alejandro Ofialda, Anacleta Ofialda, Rodriguez Ochenta,^[5] Panfilo Ofialda, and Marcela Estibes,^[6] executed a document adjudicating a portion of the land in favor of Marcela Estibes. The parcel of land was described as follows:

A portion of land consisting of rice irrigated land with an area of 4,000 sq. m. more or less; and cogonal with an area of 20,000 sq. m. more or less, with improvements thereon existing; Bounded on the N-Juan Ofialda; E-Juan Ofialda; S-Juan Ofialda; W-Nonica Ofialda.

This portion of the land was subsequently identified as Lot Nos. 1940 and 1941 of the Cadastral Survey of Sapián. Afterwards, Tax Declaration No. 4805 was issued covering the portion of the land adjudicated to Marcela Estibes, allegedly referring to Lot Nos. 1940 and 1941, while the remaining undivided portion of the land was then issued Tax Declaration No. 4804.

On April 10, 1956, Marcela Estibes sold the subject property to petitioners. The contract of sale was embodied in a duly notarized Absolute Deed of Sale.

On December 10, 1963, the other heirs, namely, Juan Ofialda, Anacleta Ofialda, Eduardo Ochenta, Panfilo Ofialda, and Alejandro Ofialda, executed an Extrajudicial Partition over the remaining undivided portion of the land.

In the subject partition, Anacleta Ofialda was adjudicated with two (2) parcels of land which is more particularly described as follows:

A portion of the above-described parcel of land, bounded on the North by Telesforo Apercho; on the East by Maria Ofialda; on the South by Marcela Esteves; and on the West by Nonion Ofialda with an area of Twenty-eight thousand six hundred fifty-nine (26, 659) sq. meters more or less.

A portion of the above-described parcel of land bounded on the North by Juan Ofialda; East by Rodrigo Ore; South by Rodrigo Ore; and on the West by Isaac Ofialda with an area of 28,658 sq. ms., more or less.

This portion of land was subsequently identified as Lot No. 1947 of the Cadastral Survey of Sapián. For petitioners, the portions of the land adjudicated in favor of Marcela Estibes and Anacleta Ofialda are far and do not adjoin each other.

Sometime in 1980, respondent's mother, Anacleta Ofialda, borrowed the disputed lot (Lot No. 1940) from petitioners.

In November 2001, petitioners discovered that respondent had applied for the issuance of a free patent over Lot No. 1940 with the DENR.

Petitioners further alleged that respondent obtained the free patent through fraud and misrepresentation. It is claimed that respondent and her mother were not the true and lawful owners of Lot No. 1940.

Petitioners sent a demand upon respondent to return Lot No. 1940 to the former. However, the demand was unheeded. Respondent referred the case to the local barangay for mediation, but efforts to conciliate and reach an amicable settlement failed. Consequently, a corresponding certificate to file action was issued. Thus, the filing of the above-mentioned complaint.

Additionally, petitioners prayed for P50,000.00 as moral damages, P25,000.00 as attorney's fees, P10,000.00 as expenses of litigation, and costs of suit.

In respondent's Answer with Compulsory Counterclaim,^[7] she contended that on December 10, 1963, the subject lot was adjudicated in favor of Anacleta Ofialda, respondent's mother.

Sometime in 1965, respondent acquired the subject land from her mother. From then on, she had continuously occupied and cultivated said land.

In 1976, during the cadastral survey, respondent had the subject land surveyed in her name. Because of the survey, she also learned that the area of said lot is only 1.5409 hectares.

In 1994, respondent applied for the titling of the land. Consequently, in the same year, respondent was issued Katibayan ng Orihinal na Titulo Blg. P-13342 over Lot No. 1940. Respondent prayed that the complaint be dismissed for lack of cause of action. She likewise prayed for the award of moral damages as well as attorney's fees and costs of suit.

At the pre-trial conference, the following issues were presented by both parties for resolution:^[8]

1. Who is the lawful owner of lot 1940;
2. Whether or not plaintiffs are entitled for reconveyance of lot 1940;
3. Whether or not plaintiffs are entitled to recover possession of lot 1940;
4. Whether or not the prevailing party is entitled for [sic] damages; and
5. Whether or not lot no. 1940 is included in the title of the defendant.

In a Decision^[9] dated January 22, 2008, the Municipal Circuit Trial Court ruled in favor of petitioners. The dispositive portion of the decision reads: