

SPECIAL NINETEENTH DIVISION

[C.A.-G.R. CEB-C.V. No. 04347, March 28, 2014]

HEIRS OF LEONCIO VILLANUEVA, NAMELY, CONSORCIA VILLANUEVA, JOSE VILLANUEVA,^[1] JOINED BY HIS WIFE, REGINA VILLANUEVA; ANTONIO VILLANUEVA; DAVID VILLANUEVA, JOINED BY HIS WIFE PACENCIA VILLANUEVA; WILFREDO GOLEZ;^[2] LYDIA GOLEZ; NESTOR NONATO, JOINED BY HIS WIFE, MARILOU NONATO; MYRNA NONATO; AND LILIBETH QUIMBA, JOINED BY HER HUSBAND, MARIANO QUIMBA, PLAINTIFFS-APPELLANTS, VS. ANGEL OLANDIO, JOINED BY HIS WIFE MERCEDES OLANDIO; DELSON DELA CRUZ, JOINED BY HIS WIFE, GINALYN DELA CRUZ; RICARDO SORIANO, JR., JOINED BY HIS WIFE, ELIZABETH SORIANO; GREGORIO VIDAL, JOINED BY HIS WIFE, ELENA VIDAL; GERVACIO LAGSA, JOINED BY HIS WIFE, ELIZABETH LAGSA; MILAGROS LIBETA; AND ELEUTERIO SORIO, JOINED BY HIS WIFE, VIOLETA SORIO, DEFENDANTS-APPELLEES.

MANUEL LIBETA, REPRESENTED BY HIS ATTORNEY-IN-FACT, ELEUTERIO SORIO, PLAINTIFF-APPELLEE, VS. HEIRS OF LEONCIO VILLANUEVA, NAMELY, CONSORCIA VALENCIA; SPS. JOSE VILLANUEVA AND REGINA VILLANUEVA; ANTONIO VILLANUEVA; SPS. DAVID VILLANUEVA AND TRINIDAD VILLANUEVA; SPS. GODOFREDO VILLANUEVA AND PACIENCIA VILLANUEVA; WILFREDO GOLEZ; LYDIA GOLEZ; SPS. NESTOR NONATO AND MARILOU NONATO; MYRNA NONATO AND SPS. LIBERTAD QUIMBA AND MARIANO QUIMBA, DEFENDANTS-APPELLANTS.

DECISION

HERNANDO, J:

Before Us is an appeal interposed by appellants Heirs of Leoncio Villanueva from the *Decision*^[4] dated January 30, 2012 of the Regional Trial Court (RTC), Branch 20 of Mambusao, Capiz in the consolidated cases of Civil Case No. M-03-0107-07 for *Recovery of Possession and Damages* entitled *Heirs of Leoncio Villanueva, et al. versus Angel Olandio, et al.*, and Civil Case No. M-06-0207-03 for *Annulment of Title, Reconveyance, Quieting of Title and Damages* entitled *Manuel Libeta, et al. versus Heirs of Leoncio Villanueva, et al.* The RTC dismissed the Complaint in Civil Case No. M-03-0107-07 on the basis that Manuel Libeta,^[5] Eleuterio Sorio and Gregorio Vidal, as well as the other appellees, duly proved that they were the owners of the property under litigation.

The Facts

The Heirs of Leoncio Villanueva, appellants in this case, alleged that they are the lawful owners of Lot No. 6175, Psc-27,C-1, situated in Sitio Minor, Brgy. Bula, Mambusao, Capiz, consisting of 97,350 square meters. The property is covered by Original Certificate of Title (OCT) No. P-6699 in the name of the Heirs of Leoncio Villanueva. Since 1942, the Heirs of Leoncio Villanueva had been in peaceful, continuous, public and adverse possession of Lot No. 6175 and planted on the land coconuts, bananas, corn, rice, bamboo and other useful plants. Their ownership of the property was confirmed by the government when OCT No. P-6699 was issued to them in 1979.^[6]

Appellants further alleged that in 1993, appellees Angel Olandio, Delson dela Cruz, Ricardo Soriano, Jr., Elizabeth Soriano, Gregorio Vidal, Gervacio Lacs, Milagros Libeta and Eleuterio Sorio entered Lot No. 6175. Angel Olandio, Delson dela Cruz and Ricardo Soriano, Jr. occupied a 3.5-hectare portion of the land and planted it to corn and rice and gathered the coconuts growing on the land. On the other hand, appellees Gregorio Vidal and Gervacio Lagsa occupied a two-hectare portion of the land which they planted to rice, corn, squash, camote and mongo; they also gathered the coconuts on the land. Another set of appellees, Eleuterio and Milagros Libeta, occupied a 4.5-hectare portion of the property which they planted also to squash, mongo, rice and corn; they gathered the bamboo and coconuts growing on the property.^[7]

Appellants demanded appellees Olandio, et al. to return the possession of the property to them. The case was brought under the proceedings of the Barangay Justice System but no settlement was reached since the said appellees did not want to vacate the subject land. The refusal to vacate left appellants with no choice but to institute before the RTC on July 3, 2003 a *Complaint*, docketed as Civil Case No. M-03-0107-07, to enforce their rights as owners and recover the possession of Lot 6175.^[8]

Appellees Olandio, et al. filed their *Answer*.^[9] They asserted that Angel Olandio was previously a tenant of Lot No. 6175 starting in 1960 when he tilled the land for its previous owner Opinas, from whom he bought the property in 1993. Olandio was in possession of the property continuously, from the moment he was instituted as a tenant, purchased the property, and until the filing of this case against them. On the other hand, Gregorio Vidal likewise asserted that he bought a portion of the property from the previous owners. The other appellees are tenants of Angel and Gregorio.

Appellee Manuel Libeta,^[10] filed separately an *Answer in Intervention*.^[11] He also filed Civil Case No. M-06-0207-03 for *Annulment of Title, Reconveyance, Quieting of Title and Damages* against the Heirs of Leoncio Villanueva. In both cases, he set up the same defenses and claims that he is the owner of Lot No. 6175-part over an area of 32,595 as described under Tax Declaration No. 08011-0095. Further, he claimed that he acquired the property by purchase from Jose Ortencio. Jose Ortencio declared the property for taxation purposes in 1938 after buying the property from Rodrigo Luching who, in turn, inherited it from his father Emeterio Luching. Emeterio Luching purchased the property in 1934 from Apolinar Denate who was the declarant of the property for taxation purposes in 1928. It was Milagros Libeta who administers the property while Eleuterio Sorio is Manuel's tenant. Manuel asserts that the Villanuevas procured OCT No. 6699 through fraud and misrepresentation.

During the pre-trial, the parties admitted the following facts:

1. The lot subject matter of the two cases is Lot No. 6175, Psc-27-C-1 situated in Bula, Mambusao, Capiz;
2. The existence of OCT No. P-6699 in the name of the Heirs of Leoncio Villanueva over Lot No. 6175;
3. The existence of a *Decision* dated December 17, 2004 issued by the Regional Executive Director, DENR, Region VI for the cancellation and reversion of the Certificate of Title issued on the land. The Decision is pending appeal with the Department of Environment and Natural Resources Secretary; and,
4. The defendants in Civil Case No. M-03-0107-07 are presently in possession of Lot No. 6175.

The trial court then received the parties' evidence.

The Ruling of the RTC

By *Decision* rendered on January 30, 2012, the RTC held that the *Complaint* filed by the Heirs of Leoncio Villanueva in Civil Case No. M-03-0107-07 lacked merit and thus, proceeded to dismiss it and declared Manuel Libeta as the lawful owner of Lot No. 6175-A. The court further opined that the Certificate of Title in the name of Leoncio Villanueva, OCT No. P-6699, issued on October 11, 1979, and the tax declarations over the property also under the name Leoncio Villanueva, cannot serve as bases of their claim of ownership since there was a ruling by DENR Executive Director Vicente Paragas that such patent title was secured through fraud and misrepresentation. It thereby gave credence to the claim of appellees that they own the property having bought the portions that they each occupied from the previous putative owners, thus:

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From the evidence presented, it was clearly established that the defendants in Civil Case No. M-03-0107 are in possession of Lot 6175, Psc-27, C-1, situated in Barangay Bula, Mambusao, Capiz. Defendant Angel Olandio claims to own a portion of the land in question by virtue of a Deed of Absolute Sale executed on August 17, 1993. Defendant Gregorio Vidal likewise asserts his right as owner of a portion of the litigated land after he acquired the same from Rosario Opina in a Deed of Absolute Sale dated February 15, 1985 (Exhibit "7", Civil Case No. M-03-0107-07). Manuel Libeta on the other hand likewise maintains his ownership of a portion of the land after he acquired it from its previous owner Jose Ortencio in 1963 by virtue of a Deed of Absolute Sale (Exhibit "D", Civil Case No. M-06-0207-03). Ortencio, from whom Libeta acquired the land in turn bought portion of the land from Rodrigo Luching after the latter acquired the land from Apolinar Denate on August 17, 1934.

For their part, the Heirs of Leoncio Villanueva based their claim of ownership of the land in question on Original Certificate of Title No. P-6699 issued on October 11, 1979 and on the Tax Declarations issued to them. However, in a subsequent decision, the Department of Environment and Natural Resources through Regional Executive Director