

SIXTH DIVISION

[CA-G.R. CV NO. 99191, May 30, 2014]

HEIRS OF JULIAN CALIO-CALIO, REPRESENTED BY JOVITA CALIO-CALIO RAMOS, PLAINTIFFS-APPELLEES, V. CATALINA CALARAMO ALNAS, VICTORIA CALARAMO, AND SPS. ROGELIO MANGLICMOT AND PERPETUA CALARAMO-MANGLICMOT, DEFENDANTS-APPELLANTS.

D E C I S I O N

BARZA, J.:

On appeal before the Court is the decision^[1] dated July 3, 2012 rendered by the Regional Trial Court of Bangui, Ilocos Norte, Branch 19, which granted appellees' complaint^[2] for annulment of titles and reconveyance against defendants-appellants Catalina Calaramo Alnas, Victoria Calaramo and spouses Rogelio and Perpetua Manglicmot. The antecedent facts of the case as gleaned from the appealed decision are, as follows:

"The plaintiffs are the heirs of the late Julian Calio-Calio, (herein referred to as Julian for brevity). In their complaint, they alleged that Apolonio Calio-Calio is the only child of the spouses Julian and Florencia Calaramo. Apolonio was survived by his legal and mandatory heirs, namely: Jovita, Clarifina, Angeles, Mariano and Felicitas. They are the co-owners of an undivided parcel of land situated at Pagudpud No. 10, Bangui (now Brgy. 2, Poblacion, Pagudpud), Ilocos Norte now the first subject of this suit and more particularly described as follows:

'A parcel of land-HUERTA. Bounded on the North, by Julian Pante; on the East, by Pascual Garcia; on the South, by Lorenzo Abian; and on the West, by Fernando Reyes y Joaquin Cabasaan, containing an aggregate area of 4,664 sq.mts., more or less, covered with Tax Declaration No. 27756 with Assessed Value of Php 170.00 in the year 1921.'

On the said lot was a residential house which was built as early as 1930 by Julian and which up to this time is still existing with improvements. Sometime in the year 1950's, defendant Catalina Calaramo-Alnas asked permission to reside on the said house of Julian over a portion of a lot specifically described as follows:

'A parcel of land-HUERTA. Bounded on the North, by Vereda/Julian Pante; on the East, by Lorenzo Agullana Pascual Garcia; on the South, by Lorenzo Abian; and on the West, by Fernando Reyes y Joaquin Cabasaan, now containing an aggregate area of 3,879 sq.mts., more or less, covered with

Tax Declaration No. 014771 with Total Assessed Value of Php 190.00 in the year of 1949.'

While Catalina was allowed to stay on the said house, she executed an Affidavit dated April 29, 1961 alleging that she had acquired by inheritance from her alleged grandfather Julian Calio-Calio, the subject lot and desired to have it segregated from the bigger lot and be declared in the name of her sister Victoria Calaramo. By virtue of the affidavit, the tax declaration in the name of Julian was cancelled and a new one was issued as appearing in Tax Declaration No. 002410. Subsequently, a tax declaration was issued in the name of Catalina Calaramo and Victoria Calaramo over the other half of the lot with the following boundaries: on the North, by Julian Pante; on the East, by Lorenzo Abian; on the South, by Gerardo Manegdeg; and on the West, by Aquilino Ganoo, containing an area of 1,833 sq.mts. The other half of the property remained in the name of Julian as evidenced by Tax Declaration No. 012010 with an area of 1,813 square meters.

Despite the classification of the lot as residential, the defendants Catalina and Victoria were able to secure a Free Patent Title covering Lot No. 966, Cad 738-D containing an area of 541 square meters. Another Free Patent Title was also issued over Lot No. 964, Cad 738-D covering an area of 406 square meters Free Patent Title with Original Certificate of Title No. P-66106 in favor of Victoria Calaramo. Also Free Patent Title was issued covering Lot No. 967, Cad 738-D containing an area of 578 square meters was issued (sic) in the name of Victoria Calaramo.

Victoria Calaramo-Alnas (sic) then conveyed the three (3) parcels of land to her daughter and son-in-law, defendant spouses Rogelio and Perpetua Calaramo-Manglicmot. Transfer Certificates of Title No. (sic) TCT No. T-21218, T-21217 and T-21216 were issued in their favor.

During the meeting held before the Barangay Lupon, defendants are (sic) willing to surrender all the said parcels of land provided that they will be reimbursed of their expenses in the titling of the lots but failed to comply.

In their answer, they alleged that Catalina together with her sister Victoria as early as 1950 have occupied the lots in question in the concept of an owner, openly, continuously, exclusively and adversely and had it together with her sister formally declared in April 29, 1961. They denied having admitted before the Lupon to surrender the lots in question. Defendant spouses Manglicmot are innocent purchasers for value and the transfer certificates of title were issued in the year 2000 or almost seven (7) years have elapsed, hence the decree of registration becomes indefeasible after the lapse of one year from the date of entry."

At the pre-trial of the case, the parties stipulated on the following facts:

1. That defendants Catalina Calaramo Alnas is not one of the heirs of Julian Calaramo;
2. The existence of the affidavit executed by defendant Catalina Calaramo Alnas with respect to the whole landholding in suit wherein she stated that she is one of the heirs of Julian Calio-Calio;

3. That the said affidavit was utilized in the issuance of a tax declaration over ½ of the property in suit in the name of defendant Catalina Calaramo Alnas and her sister defendant Victoria Calaramo;
4. That the said ½ portion of the lot was subdivided into three (3) lots which are applied for administrative titling at the DENR-Bangui despite their classification as residential landholdings;
5. That the DENR issued titles to the said three (3) lots;
6. That after the issuance of the titles by the DENR, defendant Victoria Calaramo conveyed the said properties to her daughter and son-in-law, herein defendants Rogelio Manglicmot and Perpetua Calaramo-Manglicmot;
7. That there was a conference or confrontation between the parties in the Barangay Lupon of Pob. No. 2, Pagudpud, Ilocos Norte;
8. That after the said conference, a written report of the proceedings was issued which was signed by defendant Victoria Calaramo;
9. That another meeting before the Barangay Lupon of the subject controversy was held on June 1, 2002 at 4:00 o'clock as indicated in a document, the existence of which was admitted by the defendants;
10. That the three lots in question are presently covered by TCT No. T-21216, T-21217 and T-21218;
11. That the said lots were previously registered in the name of Victoria Calaramo under OCT Nos. P-66104, P-66105 and P-66106, the existence of which are admitted by the defendants; and
12. That it was in 1993 that the lots were titled in the name of Victoria Calaramo.

The parties also stipulated on the following issues:

1. Whether or not there is any cause of action for the plaintiffs considering that it is already a titled property;
2. Whether or not the action for annulment of title has already prescribed;
3. Whether or not the defendants committed fraud in the titling of the subject landholding;
4. Whether or not plaintiffs are entitled to damages;
5. Granting that the defendants committed fraud, whether or not the present action for annulment of title is proper; and
6. Whether or not the administrative titling of the said landholding is proper.

During trial, the appellees presented as their witnesses Jovita Calio-Calio Ramos, Clarifina Abian and Horacio Garvida.

Jovita Calio-Calio Ramos testified that she is the granddaughter of Julian Calio-Calio. Julian owned a parcel of land situated in Brgy. 2, Poblacion, Pagudpud, Ilocos Norte, covered by a tax declaration in his name and on which her grandfather's house stood where she lived with her family and grandfather. When her family moved out, her elder sister Clarifina Abian stayed behind and the house was converted into a bungalow.

On cross examination, Jovita revealed that a portion of the lot owned by Julian were subdivided into three lots which were now covered by OCT Nos. P-66104,^[3] P-66105^[4] and P-66106^[5] all issued in the name of appellant Victoria Calaramo. The other half of Julian's property, however, remained in her grandfather's name. Jovita furthered that their side would pay taxes on the portion of the property they occupied while appellants paid taxes on the rest. As for any relation between her grandfather and appellants, Jovita said that appellants are not related at all to Julian. However, she admitted that her grandmother, Julian's wife, was named Florencia Calaramo but she denied that her family is related to appellants Catalina Calaramo Alnas and Victoria Calaramo.

Clarifina Abian, sister of Jovita, testified that she is presently staying at the house of her grandfather Julian, that she does not know appellants and that she was not aware if there was a partition made of the landholding which she is presently occupying.

Horacio Garvida was the chairman of the Lupon ng Tagapamayapa when appellees brought their case to the Lupon for mediation in 2002. He testified that the proceedings of the meeting between the parties before the Lupon were recorded. He identified the minutes of the said meeting in court.

On the other hand, appellant **Perpetua Manglicmot** was the sole witness for appellants. She testified that she has known the properties in dispute because her mother, appellant Catalina Calaramo Alnas and her aunt, appellant Victoria Calaramo have been in possession of the properties since 1962. She was only 11 years old at that time. She claimed to be the present owner of the three subdivided lots in question because the titles thereof have been transferred to her name after Victoria sold the said properties to her. She furthered that her grandmother Marciana Calaramo had a two-storey house constructed on one of the lots. According to Perpetua, Florencia Calaramo, grandmother of Jovita and Clarifina, is the sister of her (Perpetua) grandfather Felix Calaramo who is the husband of Marciana. Therefore, she is related to appellees.

On cross-examination, she admitted that she knew Clarifina Abian because she lived just within the vicinity of her (Perpetua) lot. She was also the one who facilitated the transfer of the lots in dispute to her name. She also admitted that at the time of sale of the lots between her and her aunt Victoria, the latter was already 84 years old, blind and senile. The sale was witnessed by her mother Catalina, who was already 74 years old and had poor eyesight and a weak body.

On July 3, 2012, the trial court rendered the appealed decision declaring TCT Nos. T-21216,^[6] T-21217^[7] and T-21218^[8] in the name of the spouses Rogelio and Perpetua Manglicmot null and void. The trial court found (1) that the lot in question is a private land and cannot be made subject of a free patent, thus, appellees had a cause of action against appellants because the free patent titles were null and void, (2) that the action commenced by appellees had not prescribed because the nullity