

## **SPECIAL ELEVENTH DIVISION**

**[ CA-G.R. CV No. 92628, November 25, 2014 ]**

**SPOUSES NATHANIEL BUNYI AND FELICIDAD BUNYI,  
PLAINTIFFS-APPELLEES, VS. SPOUSES MINIANO B. DELA CRUZ  
AND LETA DELA CRUZ, SAMSON G. DE LEON, ROMEO C. CADANO  
AND THE REGISTRY OF DEEDS FOR THE PROVINCE OF RIZAL,  
DEFENDANTS-APPELLANTS,**

### **DECISION**

**PAREDES, J.:[\*]**

### **THE CASE**

THIS IS ON THE APPEAL filed by defendants-appellants Spouses Miniano B. Dela Cruz and Leta Dela Cruz assailing the Decision<sup>[1]</sup> dated August 19, 2008 of the Regional Trial Court (RTC), Branch 71, Antipolo City, in Civil Case No. 99-5354 for *Review, Reconveyance, Cancellation of Title and Damages with prayer for Writ of Preliminary Injunction*.

### **THE ANTECEDENTS**

Spouses Nathaniel Bunyi and Felicidad Bunyi (individually referred to by their first names; collectively, as "Spouses Bunyi") filed an Amended Complaint<sup>[2]</sup> for *Review, Reconveyance, Declaration of Nullity of Title and Damages* against Spouses Miniano B. Dela Cruz and Leta Dela Cruz (individually referred to by their first names; collectively, as "defendants-appellants"), Samson De Leon (De Leon) of the Provincial Environment and Natural Resources Office (PENRO), DENR, Region IV, Romeo Cadano (Cadano) and Ruben Cabrera (Cabrera), the latter two of the Community Environment and Natural Resources Office (CENRO), DENR, Region IV, the Registry of Deeds for the Province of Rizal, and Ramon Ramos (Ramos) before the RTC alleging, *inter alia*, that:

Spouses Bunyi are the owners of a parcel of land (Lot 3064, Cad-688-D, Taytay-Cainta Cadastre) situated in Barangay San Juan, Taytay, Rizal, containing an area of Three Thousand Four Hundred Eighty Seven (3,487) square meters. The said property was a portion of the parcel of land they purchased from their parents Gavino Dominguez and Celia Dominguez on May 20, 1970 by virtue of a document known as "*Bilihan ng Apat na Pirasong Palayan*". They declared the property for taxation purposes, evidenced by Tax Declaration Nos. 135965, 8691, 04-4827 and 04-5619. In fact, the late Gavino Dominguez already declared the property for taxation purposes as early as December 15, 1948 until they sold the property to Spouses Bunyi<sup>[3]</sup>.

Spouses Bunyi engaged the services of Geodetic Engineer Norberto Mendoza who resurveyed the property on July 20, 1997. It turned out that the parcel of land

purchased from Spouses Dominguez was divided into two (2) parcels of land identified as Lot No. 3064 and Lot No. 3065. Thus, Spouses Bunyi caused the cancellation of Tax Declaration No. 04-5619 and the issuance of Tax Declaration No. 004-18238 for the smaller lot and Tax Declaration No. 004-18239 for the bigger lot<sup>[4]</sup>.

As early as September 1987, they had applied for the issuance of a free patent with CENRO. However, Cabrera, the land investigator of CENRO, advised them to submit a letter request withdrawing the application to give way to the early approval of the advance plan. Accordingly, Spouses Bunyi prepared and submitted the letter dated September 1, 1997. On December 16, 1997, the plan was approved. Thus, on November 27, 1998, Spouses Bunyi filed their application for registration of title before the Municipal Trial Court. However, when they were required to secure from CENRO a certification that the property (Lot No. 3064) is not covered by any application, they discovered that Lot No. 3064 has now been covered by FPA No. 045813-154 in the name of defendant-appellant Miniano<sup>[5]</sup>.

They went to the PENRO and discovered the existence of the following documents: (1) application for free patent no. 045813-154 filed by defendant-appellant Miniano which was received by CENRO on March 31, 1998; (2) defendant-appellant Miniano's affidavit, dated March 31, 1999, was subscribed before Cadano; (3) joint affidavit dated March 31, 1998 of Cristy Francisco and Romeo Aguirre, also subscribed before Cadano; (4) notice of application for free patent with undertakings executed by defendant-appellant Miniano and subscribed before Cadano; (5) BL Form No. V-37 Lot 3064 showing the sketch of the property; (6) letter of Cadano dated June 19, 1998 to the Clerk of Court; (7) Order dated July 1, 1998 approving the application for issuance of patent issued by De Leon; (8) letter of transmittal dated July 2, 1998 from de Leon addressed to the Registry of Deeds, Pasig City; and (9) certification dated June 25, 1998 executed by Ramos to the effect that defendant-appellant Miniano is the actual occupant of Lot 3064 located at Brgy. San Juan, Taytay, Rizal with improvements thereon. They also discovered, at the Office of the Registry of Deeds, that Original Certificate of Title No. 1679 (OCT 1679) was registered in the names of defendants-appellants on July 2, 1998<sup>[6]</sup>.

On July 17, 1998, defendant-appellant Miniano requested the Registry of Deeds to separate the two (2) parcels of land appearing in OCT 1679. Thereafter, Transfer Certificate of Title (TCT) Nos. 646183 and 646184 for Lot Nos. 2769 and 3064, respectively, were issued<sup>[7]</sup>.

Spouses Bunyi also averred that the allegation of Miniano in his application for free patent and affidavit is concocted and without factual and legal basis since the subject property is being tilled by their tenants, namely: (1) 77-year old Pablo Cruz who started working in the farm in 1970; and (2) Romulo Leonardo who inherited the job from his deceased father who started cultivating the property before the war in 1941. Further, the statement of De Leon and Cadano in the Order/Approval of Application and Issuance of Patent dated July 1, 1998, that defendants-appellants are the ones occupying and cultivating the subject property is not true<sup>[8]</sup>. Thus, the order and title issued to defendants-appellants were obtained through fraud, misrepresentation and malicious manipulation or maneuver at the CENRO<sup>[9]</sup>.

In his Answer<sup>[10]</sup>, Cadano claimed that he accepted the free patent application of defendants-appellants on March 31, 1999 and that all the information and statements set forth therein were submitted and executed by defendant-appellant Miniano under oath. Moreover, the free patent application was processed and went through the normal standard operating procedure under the Free Patent Law.

Defendants-appellants adopted their original Answer with Compulsory Counterclaim as their answer to the Amended Complaint<sup>[11]</sup> while Spouses Bunyi adopted their Answer to Defendants' Counterclaim as their Reply to Defendants' Answer with Compulsory Counterclaim<sup>[12]</sup>. Thereafter, the parties submitted their respective pre-trial briefs<sup>[13]</sup>.

Spouses Bunyi presented the following witnesses on the stand: Felicidad<sup>[14]</sup>, Andres Efren Cruz, Jr.<sup>[15]</sup>, Pablo Cruz<sup>[16]</sup>, Emilia Aquino<sup>[17]</sup>, Henry Talag<sup>[18]</sup> and Lorisa Aldeano<sup>[19]</sup>. On November 26, 2001, they filed their Formal Offer of Evidence<sup>[20]</sup>.

On January 22, 2002, defendants-appellants filed a Demurrer to Evidence<sup>[21]</sup> which was denied by the RTC in the Order<sup>[22]</sup> dated March 22, 2002. According to the RTC, it would rather have the complete facts and evidence of the parties upon which to reach a decision than to prematurely go into it based only on the facts and evidence of Spouses Bunyi. Defendants-appellants moved<sup>[23]</sup> for reconsideration but the same was denied in the Order<sup>[24]</sup> dated July 30, 2002.

On June 9, 2003, defendants-appellants filed a Motion to Dismiss with Reservation to File Criminal Charges and (an) Administrative Complaint<sup>[25]</sup>. However, in the Order<sup>[26]</sup> dated July 7, 2003, the RTC denied the same because the grounds relied upon by defendants-appellants are not the grounds that the court should take into consideration as provided by the Rules of Court.

On July 18, 2003, defendants-appellants moved<sup>[27]</sup> for the resetting of the hearing scheduled on that day. The RTC, on the same day, granted said motion and reset the hearing to September 1, 2003<sup>[28]</sup>. On the said hearing date, upon motion of counsel for defendants-appellants, they were given fifteen (15) days to file a Motion to Dismiss on the issue of jurisdiction<sup>[29]</sup>.

On September 12, 2003, defendants-appellants filed a Motion to Dismiss for Lack of Jurisdiction<sup>[30]</sup> on the following grounds: (1) they are the lawful patentees; (2) spouses Bunyi falsely claim that they own the subject property; (3) the complaint is void; (4) the decision dated July 12, 1999 of MTC, Taytay, Rizal is void; (5) the Republic of the Philippines appealed the MTC Decision to this Court; (6) the RTC has no jurisdiction over the case.

In the Order<sup>[31]</sup> dated October 9, 2003, the RTC denied the motion for lack of merit. The RTC also set the reception of defendants-appellants' evidence on November 28, 2003. However, on the said date, defendant-appellant Atty. Miniano, who also acted as counsel, manifested<sup>[32]</sup> that he was indisposed. Since counsel for spouses Bunyi was also indisposed, the RTC reset the hearing to January 30, 2004<sup>[33]</sup>. However,

the reception of evidence did not proceed, again, because the witnesses for defendants-appellants were not sent subpoenas<sup>[34]</sup>. The April 23, 2004 hearing was reset to June 11, 2004 considering the judge was indisposed<sup>[35]</sup>, while the hearing on December 10, 2004 was likewise postponed on the request of counsel for defendants-appellants<sup>[36]</sup>.

On September 25, 2005, trial was reset for the last time to November 21, 2005 since no witness was present. The RTC warned defendants-appellants that if they failed to present their evidence, their right to do so would be deemed waived<sup>[37]</sup>.

On October 13, 2005, defendants-appellants filed a Second Demurrer to Evidence<sup>[38]</sup> anchored on two (2) grounds, to wit: (1) Spouses Bunyi had no cause of action; and (2) Spouses Bunyi had no legal personality to sue.

In view of the Second Demurrer, the scheduled presentation of defendants-appellants' evidence on November 21, 2005 was postponed over the vehement objection of the counsel for Spouses Bunyi<sup>[39]</sup>.

In the Order<sup>[40]</sup> dated March 17, 2006, the RTC denied the Second Demurrer to Evidence and directed defendants-appellants to present their witness/evidence at the next scheduled hearing on May 15, 2006. However, on said date, only the counsel for Spouses Bunyi appeared; the record indicated that the notice sent to defendants-appellants was returned to sender for the reason, insufficient address. Thus, the latter was given one last chance to present evidence on June 27, 2006<sup>[41]</sup>. Unsurprisingly, on the scheduled hearing, no one appeared for defendants-appellants. Hence, the RTC granted the prayer of counsel for Spouses Bunyi that defendants-appellants be considered to have waived their right to present evidence<sup>[42]</sup>.

On September 6, 2006, Spouses Bunyi filed their Memorandum<sup>[43]</sup>. Thereafter, the case was submitted for decision<sup>[44]</sup>. Defendants-appellants then filed a Motion to Inhibit<sup>[45]</sup>, which was granted in the Order<sup>[46]</sup> dated September 26, 2006. The case was then re-raffled from Branch 73 to Branch 71 of the RTC<sup>[47]</sup>.

On August 19, 2008, the RTC rendered the assailed Decision<sup>[48]</sup>, the dispositive portion of which reads:

**WHEREFORE,** the Court hereby rules in favor of plaintiffs and against herein defendants as follows:

1. Declaring as null and void Transfer Certificate of Title No. 646184, a derivative title of Original Certificate of Title No. 1679 (Lot No. 3064 with an area of 3,487 square meters, more or less situated in San Juan, Taytay, Rizal);
2. Ordering the Registry of Deeds for the Province of Rizal, Pasig City, to cancel Transfer Certificate of Title No. 646184, a derivative title of Original Certificate of Title No. 1679, registered in the name of

Miniano B. Dela Cruz married to Leta L. Dela Cruz;

3. Ordering defendants Miniano B. Dela Cruz married to Leta Dela Cruz, jointly and severally to pay plaintiffs Nathaniel Bunyi and Felicidad D. Bunyi moral damages in the amount of P50,000.00; exemplary damages in the amount of P50,000.00 and attorney's fees in the amount of P50,000.00;
4. Ordering defendants to pay the costs.

**SO ORDERED.**<sup>[49]</sup>

Hence, this Appeal.

### **ISSUE**

Defendants-appellants come before Us, raising the lone issue of:

WHETHER OR NOT THE TRIAL COURT ERRED IN RENDERING JUDGMENT  
BASED ON THE EVIDENCE PRESENTED BY THE PLAINTIFFS-APPELLEES.  
<sup>[50]</sup>

### **THE COURT'S RULING**

***The appeal is bereft of merit.***

Defendants-appellants claim<sup>[51]</sup> that the RTC erred in rendering judgment based on the evidence presented by Spouses Bunyi. Defendants-appellants posit<sup>[52]</sup> that while they failed to present evidence, Spouses Bunyi presented insufficient evidence to destroy their ownership of the subject property by virtue of a title which, under the Torrens system, is conclusive and indefeasible. *We do not agree.*

Placing a parcel of land under the mantle of the Torrens system does not mean that ownership thereof can no longer be disputed<sup>[53]</sup>. Ownership should not be confused with a certificate of title<sup>[54]</sup>. Registering land under the Torrens System does not create or vest title, because registration is not a mode of acquiring ownership. A certificate of title is merely an evidence of ownership or title over the particular property described therein<sup>[55]</sup>. That defendants-appellants were able to secure a title in their name did not operate to vest ownership upon them of the subject property<sup>[56]</sup>.

Defendants-appellants cannot rely solely on the fact that they were the ones who hold and possess a certificate of title over the subject property when, after trial, Spouses Bunyi sufficiently established that they are the ones who have title or ownership. To emphasize, the title refers to the ownership of the property covered by the transfer certificate of title while the transfer certificate of title merely evidences that ownership<sup>[57]</sup>.