Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

NUMERIANO P. ABOBON, Petitioner,	**G.R. No. 155830**
	Present:
- *versus* -	CARPIO,* LEONARDO-DE CASTRO, *Acting Chairperson,* BERSAMIN, DEL CASTILLO, VILLARAMA, JR., *JJ.*
FELICITAS ABATA ABOBON and GELIMA ABATA ABOBON, Respondents.	Promulgated: 15 AUG 2012

x----------x

D E C I S I O N

BERSAMIN, *J.*:

The controversy involves the rightful possession of a parcel of registered land. The respondents, who were the registered owners, sued the petitioner, their first cousin, to recover the possession of the land in question, stating that they had only allowed the petitioner to use the land out of pure benevolence, but the petitioner asserted that the land belonged to him as owner by right of succession from his parents.

Antecedents

Respondents Felicitas and Gelima Abobon were the plaintiffs in this action for recovery of possession and damages brought against petitioner

---

* Vice Justice Estela M. Perlas-Bernabe, who is on leave, per Special Order No. 1284 issued on August 6, 2012.

Numeriano Abobon (Numeriano) in the 2nd Municipal Circuit Trial Court of Labrador-Sual in Pangasinan (MCTC). They averred that they were the registered owners of that parcel of unirrigated riceland with an area of 4,668 square meters, more or less, and situated in Poblacion, Labrador, Pangasinan, and covered by Transfer Certificate of Title (TCT) No. 201367 of the Registry of Deeds of Pangasinan (Exhibit A); that they had allowed Numeriano, their first cousin, the free use of the land out of benevolence; and that they now immediately needed the parcel of land for their own use and had accordingly demanded that Numeriano should vacate and return it to them but he had refused.

In his answer, Numeriano admitted being the first cousin of the respondents and the existence of TCT No. 201367 covering the land in question, and having received the demand for him to vacate. He alleged, however, that he did not vacate because he was the owner of the land in question. He asserted that if the land in question related to the unirrigated riceland with an area of 3,000 square meters that he was presently tilling and covered by tax declaration no. 2 in the name of his father, Rafael Abobon (Rafael), then the respondents did not have a valid cause of action against him because he had inherited that portion from his parents; that he and his predecessors-in-interest had also continuously, publicly and adversely and in the concept of owner possessed the parcel of land for more than 59 years; that in 1937, his grandfather Emilio Abobon (Emilio), the original owner, had granted that portion of 3,000 square meters to Rafael when he got married to his mother, Apolonia Pascua, by means of a donation *propter nuptias*; that since then his parents had possessed and tilled the land; that he himself had exclusively inherited the land from his parents in 1969 because his brother Jose had received his own inheritance from their parents; that the possession of his parents and his own had continued until the present; that assuming that the respondents were the true owners of the land, they were already estopped by laches from recovering the portion of 3,000 square meters from him.

On August 23, 2000, after due proceedings, the MCTC ruled in favor of the respondents,[1] finding that the respondents' parents Leodegario Abobon (Leodegario) and Macaria Abata (Macaria) had purchased the property on February 27, 1941 from Emilio with the conformity of Emilio's other children, including Rafael; that on February 4, 1954, Leodegario and Macaria had registered their title and ownership under TCT No. 15524; that on February 16, 1954, Leodegario and Macaria had sold the land to Juan Mamaril; that on February 25, 1954, Juan Mamaril had registered the land in his name under TCT No. 15678; that on November 13, 1970, Juan Mamaril had sold the land back to Leodegario, and TCT No. 87308 had been issued under the name of Leodegario; that on January 16, 1979, Leodegario had submitted a sworn statement as required by Presidential Decree No. 27 to the effect that his tenant on the land had been one Cornelio Magno; that on April 15, 1993, the respondents had inherited the land upon the death of Leodegario; that on October 22, 1994, the respondents had adjudicated the land unto themselves through a deed of extrajudicial settlement; that after due publication of the deed of extrajudicial settlement, the respondents had registered the land in their own names on December 20, 1994, resulting in the issuance of TCT No. 201367 to them; that after the 1989 *palay* harvest, the respondents had allowed the petitioner the free use of the land out of benevolence; that the respondents had started to verbally demand that the petitioner vacate the land on May 25, 1993; and that because the petitioner had refused to vacate, the respondents had then brought a complaint in the *barangay* on May 31, 1996, where mediation had failed to settle the dispute.

The MCTC further found that the 3,000 square-meter land Numeriano referred to as donated to his parents was not the same as the land in question due to their boundaries being entirely different; that in the donation *propter nuptias* (Exhibit 11), Emilio had stated that the parcels of land thereby covered had not been registered under Act No. 496 or under the provisions of the Spanish Mortgage Law, whereas the land in question had already been registered; that even assuming that the 3,000 square-meter land was inside

[1] Records, pp. 244-253.

the land in question, his claim would still not prosper because the donation *propter nuptias* in his parents' favor had been invalid for not having been signed and accepted in writing by Rafael, his father; that the donation *propter nuptias* had also been cancelled or dissolved when his mother had signed as an instrumental witness and his father had given his consent to the sale of the land in question then covered by Original Certificate No. 28727 by Emilio to Leodegario; and that his parents' assent to the sale signified either that his parents had conformed to the dissolution of the donation *propter nuptias* in their favor, or that the land sold to Leodegario had been different from the land donated to them.

The MCTC held that the respondents were not guilty of laches because of their numerous acts and transactions from 1941 until 1996 involving the land in question, specifically: (*a*) the sale of the land to Juan Mamaril and its repurchase by Leodogario; (*b*) the registration of title and ownership; (*c*) the extrajudicial partition of the property by the heirs of Leodegario; (*d*) Numeriano's free use of the land from 1989 onwards upon being allowed to do so by the respondents; (*e*) the verbal demands from the respondents since 1993 for Numeriano to vacate the land; and (*f*) the commencement of the action to recover possession against Numeriano. It considered such acts and transactions as negating any notion of the respondents' abandonment of their right to assert ownership.[2]

The MCTC disposed thus:

> WHEREFORE, in view of all the foregoing, judgment is hereby rendered in favor of the plaintiffs and against the defendant as follows:
>
> 1. Declaring the plaintiffs as the true and lawful owner and possessor of the land in question;
>
> 2. Ordering the defendant to vacate the premises in question and to surrender its possession to the plaintiffs;

[2] Id., at 252.

> 3. Ordering the defendant to pay the plaintiffs the amount of ₱20,000.00 as moral damages and the amount of ₱5,000.00 as exemplary damages;
>
> 4. Ordering the defendant to pay the amount of ₱10,000.00 as and for attorney's fees;
>
> 5. Dismissing the counterclaim;
>
> 6. Ordering the defendant to pay the costs of the suit.
>
> SO ORDERED.[3]

Numeriano appealed to the Regional Trial Court in Lingayen City, Pangasinan (RTC), which, on April 16, 2001, upheld the MCTC,[4] *viz*:

> WHEREFORE, PREMISES well-considered, the appeal taken by defendant/appellant is hereby DISMISSED.
>
> SO ORDERED.

Citing the variance between the description of the land in question and the description of the land covered by the donation *propter nuptias*, as well as the failure of Numeriano to explain his parents' participation in the sale of the land in question in 1941 to Leodegario and Macaria, the RTC concluded that the land in question was really separate and distinct from the property donated to his parents in 1937;[5] and lent credence to the respondents' claim that they had allowed him to use the land only out of their benevolence.[6]

Still dissatisfied, Numeriano appealed *via* petition for review to the Court of Appeals (CA), submitting that he was the lawful owner and possessor of the 3,000 square meter parcel of land that he occupied and cultivated; and that the respondents' TCT was invalid.[7]

---

3 Id., at 252-253.
4 Id., at 289-295.
5 Id., at 293-294.
6 Id., at 295.
7 CA *rollo*, pp. 7-22.

On May 16, 2002, however, the CA rejected Numeriano's submissions and affirmed the RTC,[8] holding that the respondents were in possession of a certificate of title that enjoyed the conclusive presumption of validity, by virtue of which they were entitled to possess the land in question; that the parcel of land that he owned was different from the land in question; and that his impugning the validity of the respondents' TCT partook of the nature of an impermissible collateral attack against the TCT, considering that the validity of a Torrens title could be challenged only directly through an action instituted for that purpose.[9]

The CA, pointing out that the MCTC's declaration that the respondents were the true owners of the land in question went beyond the ambit of a possessory action that was limited to determining only the issue of physical possession,[10] deleted the declaration, and disposed as follows:

> WHEREFORE, the foregoing premises considered. The Decision under appeal is hereby AFFIRMED with the modification that the declaration by the Municipal Circuit Trial Court of respondents as to the owners of the subject parcel of land is deleted.
>
> SO ORDERED.

Hence, this appeal, with Numeriano positing as follows:

> I.
> WHETHER OR NOT THE COURT OF APPEALS GRAVELY ERRED IN AWARDING POSSESSION OF SUBJECT PREMISES TO RESPONDENTS WITHOUT CITING ANY REASONS THEREFOR AND DESPITE THE FACT THAT EVIDENCE ON HAND SHOWS PETITIONER BECAME THE LAWFUL OWNER THEREOF PRIOR TO TIME RESPONDENTS ACQUIRED THE SAME.
>
> II.
> WHETHER OR NOT THE COURT OF APPEALS GRAVELY ERRED IN NOT HOLDING THAT THE LOT BEING CLAIMED BY RESPONDENTS IS DIFFERENT FROM THAT BEING CLAIMED BY PETITIONER.

---

8 *Rollo*, pp. 119-127; penned by Associate Justice Andres B. Reyes, Jr. (later Presiding Justice), and concurred in by then Associate Justice Conrado M. Vasquez, Jr. (later Presiding Justice) and Associate Justice Mario L. Guariña III (retired).

9 Id., at 125.

10 Id., at 126-127.

III.

WHETHER OR NOT THE COURT OF APPEALS GRAVELY ERRED IN HOLDING THAT PETITIONER SHOULD FILE A SEPARATE ACTION FOR ANNULMENT OF TITLE AS THERE IS NO NEED THEREFOR.

IV.

ASSUMING SANS ADMITTING THAT PETITIONER IS NOT THE LAWFUL OWNER OF SUBJECT PREMISES, WHETHER OR NOT THE COURT OF APPEALS GRAVELY ERRED IN AFFIRMING THE RTC'S AND MCTC'S DECISIONS ORDERING PETITIONER TO PAY DAMAGES, ATTORNEY'S FEES AND COSTS OF SUIT AND DISMISSING HIS COUNTERCLAIM.[11]

Ruling

The appeal lacks merit.

First of all, a fundamental principle in land registration under the Torrens system is that a certificate of title serves as evidence of an indefeasible and incontrovertible title to the property in favor of the person whose name appears therein.[12] The certificate of title thus becomes the best proof of ownership of a parcel of land;[13] hence, anyone who deals with property registered under the Torrens system may rely on the title and need not go beyond the title.[14] This reliance on the certificate of title rests on the doctrine of indefeasibility of the land title, which has long been well-settled in this jurisdiction. It is only when the acquisition of the title is attended with fraud or bad faith that the doctrine of indefeasibility finds no application.[15]

Accordingly, we rule for the respondents on the issue of the preferential right to the possession of the land in question. Their having preferential right conformed to the age-old rule that whoever held a Torrens

---

11 Id., at 13-14.

12 *Federated Realty Corporation v. Court of Appeals*, G.R. No. 127967, December 14, 2005, 477 SCRA 707, 716-717; *Clemente v. Razo*, G.R. No. 151245, March 4, 2005, 452 SCRA 768, 778; *Vda. de Retuerto v. Barz*, G.R. No. 148180, December 19, 2001, 372 SCRA 712, 719.

13 *Halili v. Court of Industrial Relations*, G.R. No. 24864, May 30, 1996, 257 SCRA 174, 183.

14 *Sandoval v. Court of Appeals*, G.R. No. 106657, August 1, 1996, 260 SCRA 283, 295; *Lopez v. Court of Appeals*, G.R. No. 49739, January 20, 1989, 169 SCRA 271, 276.

15 *Sacdalan v. Court of Appeals*, G.R. No. 128967, May 20, 2004, 428 SCRA 586; *Alfredo v. Borras*, G.R. No. 144225, June 17, 2003, 404 SCRA 145, 169; *Heirs of Pedro Lopez v. De Castro*, G.R. No. 112905, February 3, 2000, 324 SCRA 591, 617; *Bornales v. Intermediate Appellate Court*, No. L-75336, October 18, 1998, 166 SCRA 519, 524-525.

title in his name is entitled to the possession of the land covered by the title.[16] Indeed, possession, which is the holding of a thing or the enjoyment of a right,[17] was but an attribute of their registered ownership.

It is beyond question under the law that the owner has not only the right to enjoy and dispose of a thing without other limitations than those established by law, but also the right of action against the holder and possessor of the thing in order to recover it.[18] He may exclude any person from the enjoyment and disposal of the thing, and, for this purpose, he may use such force as may be reasonably necessary to repel or prevent an actual or threatened unlawful physical invasion or usurpation of his property.[19]

Secondly, Numeriano denies to the respondents the right to rely on their TCT, insisting that he had become the legal owner of the land in question even before the respondents had acquired it by succession from their parents, and that he had acted in good faith in possessing the land in question since then. He argues that he did not need to file a separate direct action to annul the respondents' title because "by proving that they are owners thereof, said title may be annulled as an incidental result."[20]

Numeriano's argument lacks legal basis. In order for him to properly assail the validity of the respondents' TCT, he must himself bring an action for *that* purpose. Instead of bringing that direct action, he mounted his attack as a merely defensive allegation herein. Such manner of attack against the TCT was a collateral one, which was disallowed by Section 48 of Presidential Decree No. 1529 (*The Property Registration Decree*), *viz*:

---

16 *Spouses Esmaquel and Sordevilla v. Coprada*, G.R. No. 152423, December 15, 2010, 638 SCRA 428, 439; *Javelosa v. Court of Appeals*, G.R. No. 124297, December 10, 1996, 265 SCRA 493, 504-505; *Pangilinan v. Aguilar*, G.R. No. L-29275, January 31, 1972, 43 SCRA 136.

17 Article 523, *Civil Code*.

18 Article 428, *Civil Code*.

19 Article 429, *Civil Code*.

20 *Rollo*, p. 23.

> Section 48. *Certificate not Subject to Collateral attack.* — A certificate of title shall not be subject to collateral attack. It cannot be altered, modified, or cancelled except in a direct proceeding in accordance with law.

Thirdly, the core issue in an action for the recovery of possession of realty like this one concerned only the priority right to the possession of the realty.[21] As such, Numeriano's assertion of ownership in his own right could not be finally and substantively determined herein, for it was axiomatic that the adjudication of the question of ownership in an action for the recovery of possession of realty would only be provisional and would not even be a bar to an action between the same parties involving the ownership of the same property.[22]

Fourthly, Numeriano insists that the land he occupied had been donated to his parents and was different from the land in question.

His insistence was bereft of factual support. All the lower courts uniformly found that his evidence related to a parcel of land *entirely different* from the land in question. According to the MCTC, "the land for which he has presented evidence to support his claim of ownership is entirely different from the land the plaintiffs are claiming."[23] On its part, the RTC held that "the land, subject matter of this controversy is all of 4668 sq. meters and bearing different boundaries from that of the donated property and was already registered under OCT No. 28727 as early as 1926," such that "the subject property is separate and distinct from that property donated to the defendant's parents in 1937."[24] Agreeing with both lower courts, the CA declared: "(i)n fine, what these decisions are saying is that petitioner may have evidence that he owns a parcel of land but, based on the evidence he had presented, the said parcel of land is different from the one he is presently occupying."[25]

---

21 *Acosta v. Enriquez*, G.R. No. 140967. June 26, 2003, 405 SCRA 55, 60.
22 *Madrid v. Mapoy* , G.R. No. 150887, August 14, 2009, 596 SCRA 14, 24.
23 Records, p. 248.
24 Id., at 294.
25 *Rollo*, p. 126.

We sustain the lower courts. The findings of fact of lower courts, particularly when affirmed by the CA, are final and conclusive upon the Court. In this as well as in other appeals, the Court, not being a trier of facts, does not review their findings, especially when they are supported by the records or based on substantial evidence.[26] It is not the function of the Court to analyze or weigh evidence all over again, unless there is a showing that the findings of the lower courts are absolutely devoid of support or are glaringly erroneous as to constitute palpable error or grave abuse of discretion.[27] There has been no such showing made by Numeriano herein.

Lastly, the Court must undo the awards of moral and exemplary damages and attorney's fees.

To be recoverable, moral damages must be capable of proof and must be actually proved with a reasonable degree of certainty. Courts cannot simply rely on speculation, conjecture or guesswork in determining the fact and amount of damages.[28] Yet, nothing was adduced here to justify the grant of moral damages. What we have was only the allegation on moral damages, with the complaint stating that the respondents had been forced to litigate, and that they had suffered mental anguish, serious anxiety and wounded feelings from the petitioner's refusal to restore the possession of the land in question to them.[29] The allegation did not suffice, for allegation was not proof of the facts alleged.

The Court cannot also affirm the exemplary damages granted in favor of the respondents. Exemplary damages were proper only if the respondents, as the plaintiffs, showed their entitlement to moral, temperate or

---

[26] *FGU Insurance Corporation v. Court of Appeals*, G.R. No. 137775, March 31, 2005, 454 SCRA 337, 348.
[27] Id., at 349.
[28] *Fidel v. Court of Appeals*, G.R. No. 168263, July 21, 2008, 559 SCRA 186, 196.
[29] Id.

compensatory damages.[30] Yet, they did not establish their entitlement to such other damages.

As to attorney's fees, the general rule is that such fees cannot be recovered by a successful litigant as part of the damages to be assessed against the losing party because of the policy that no premium should be placed on the right to litigate.[31] Indeed, prior to the effectivity of the present *Civil Code*, such fees could be recovered only when there was a stipulation to that effect. It was only under the present *Civil Code* that the right to collect attorney's fees in the cases mentioned in Article 2208[32] of the *Civil Code* came to be recognized.[33] Such fees are now included in the concept of actual damages.[34]

Even so, whenever attorney's fees are proper in a case, the decision rendered therein should still expressly state the *factual* basis and *legal* justification for granting them.[35] Granting them in the dispositive portion of

---

30 The *Civil Code* provides:

Article 2234. While the amount of the exemplary damages need not be proved, the plaintiff must show that he is entitled to moral, temperate or compensatory damages before the court may consider the question of whether or not exemplary damages should be awarded. In case liquidated damages have been agreed upon, although no proof of loss is necessary in order that such liquidated damages may be recovered, nevertheless, before the court may consider the question of granting exemplary in addition to the liquidated damages, the plaintiff must show that he would be entitled to moral, temperate or compensatory damages were it not for the stipulation for liquidated damages.

31 *Firestone Tire & Rubber Co. of the Phil. v. Ines Chaves & Co., Ltd*., No. L-17106, October 19, 1996, 18 SCRA 356, 358; *Heirs of Justiva vs. Gustilo*, L-16396, January 31, 1963, 7 SCRA 72.

32 Article 2208. In the absence of stipulation, attorney's fees and expenses of litigation, other than judicial costs, cannot be recovered, except:

(1) When exemplary damages are awarded;

(2) When the defendant's act or omission has compelled the plaintiff to litigate with third persons or to incur expenses to protect his interest;

(3) In criminal cases of malicious prosecution against the plaintiff;

(4) In case of a clearly unfounded civil action or proceeding against the plaintiff;

(5) Where the defendant acted in gross and evident bad faith in refusing to satisfy the plaintiff's plainly valid, just and demandable claim;

(6) In actions for legal support;

(7) In actions for the recovery of wages of household helpers, laborers and skilled workers;

(8) In actions for indemnity under workmen's compensation and employer's liability laws;

(9) In a separate civil action to recover civil liability arising from a crime;

(10) When at least double judicial costs are awarded;

(11) In any other case where the court deems it just and equitable that attorney's fees and expenses of litigation should be recovered.

In all cases, the attorney's fees and expenses of litigation must be reasonable.

33 See *Reyes v. Yatco*, 100 Phil. 964 (1957); *Tan Ti v. Alvear*, 26 Phil. 566 (1914); *Castueras v. Bayona*, 106 Phil., 340.

34 *Fores v. Miranda*, 105 Phil. 266 (1959).

35 *Buduhan v. Pakurao*, G.R. No. 168237, February 22, 2006, 483 SCRA 116.

the judgment is not enough;[36] a discussion of the *factual* basis and *legal* justification for them must be laid out in the body of the decision.[37] Considering that the award of attorney's fees in favor of the respondents fell short of this requirement, the Court disallows the award for want of the factual and legal premises in the body of the decision.[38] The requirement for express findings of fact and law has been set in order to bring the case within the exception and justify the award of the attorney's fees. Otherwise, the award is a conclusion without a premise, its basis being improperly left to speculation and conjecture.[39]

WHEREFORE, the Court **AFFIRMS** the decision promulgated on May 16, 2002 by the Court of Appeals, with the **MODIFICATION** that the awards of moral damages, exemplary damages and attorney's fees are **DELETED.**

The petitioner shall pay the costs of suit.

SO ORDERED.

LUCAS P. BERSAMIN
Associate Justice

WE CONCUR:

ANTONIO T. CARPIO
Senior Associate Justice

---

[36] *Gloria v. De Guzman, Jr.*, G.R. No. 116183, October 6, 1995, 249 SCRA 126.
[37] *Policarpio v. Court of Appeals*, G.R. No. 94563, March 5, 1991, 194 SCRA 129.
[38] *Koa v. Court of Appeals*, G.R. No. 84847, March 5, 1993, 219 SCRA 541, 549; *Central Azucarera de Bais v. Court of Appeals*, G.R. No. 87597, August 3, 1990, 188 SCRA 328, 340.
[39] *Ballesteros v. Abion*, G.R. No. 143361, February 9, 2006, 482 SCRA 23.

TERESITA J. LEONARDO-DE CASTRO
Associate Justice
Acting Chairperson, First Division

MARIANO C. DEL CASTILLO
Associate Justice

MARTIN S. VILLARAMA, JR.
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

TERESITA J. LEONARDO-DE CASTRO
Associate Justice
Acting Chairperson, First Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Acting Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division

ANTONIO T. CARPIO
Senior Associate Justice
(Per Section 12, R.A. 296,
The Judiciary Act of 1948, as amended)