



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

JUANARIO G. CAMPIT,

Petitioner,

G.R. No. 195443

Present:

-versus-

CARPIO, J., Chairperson,
BRION,
DEL CASTILLO,
VILLARAMA, JR.,* and
LEONEN, JJ.

**ISIDRA B. GRIPA, PEDRO
BARDIAGA, and SEVERINO
BARDIAGA, represented by his son
ROLANDO BARDIAGA,**

Promulgated:

Respondents.

SEP 17 2014 *Ally Cabalag Perfecto*

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DECISION

BRION, J.:

We review in this petition for review on *certiorari*¹ the decision² dated May 13, 2010 and resolution³ dated January 27, 2011 of the Court of Appeals (CA) in CA-G.R. CV No. 92356. The CA dismissed the appeal filed by petitioner Juanario Campit to the decision⁴ of the Regional Trial Court (RTC), Branch 38, Lingayen, Pangasinan, which ordered him to surrender a Transfer Certificate of Title (TCT) that was found to have been fraudulently issued in his name.

Factual Antecedents

Subject of this case is a 2.7360-hectare agricultural land situated in Umangan, Mangatarem, Pangasinan, presently occupied by

* Designated as Acting Member in lieu of Associate Justice Jose C. Mendoza, per Special Order No. 1767 dated August 27, 2014.

¹ Under Rule 45 of the Rules of Court; *rollo*, pp. 11-22.

² Penned by CA Associate Justice Amelita G. Tolentino, with Associate Justices Normandie B. Pizarro and Ruben C. Ayson, concurring; *rollo*, pp. 24-35.

³ *Rollo*, pp. 37-41.

⁴ Dated August 13, 2008; *rollo*, pp. 42-46.

respondents Isidra B. Gripa, Pedro Bardiaga, and Severino Bardiaga, represented by his son Rolando Bardiaga, but covered by TCT No. 122237 issued in the petitioner's name.⁵ The petitioner claimed to have purchased the property from his father Jose Campit in 1977.⁶

On the other hand, respondents Isidra Gripa, Pedro Bardiaga and Severino Bardiaga (as represented by his son, Rolando Bardiaga) claimed to be the rightful owners of the subject property, as earlier adjudged by the court in Civil Case No. 11858 decided on June 12, 1961, and in Civil Case No. 15357 decided on August 8, 1978.⁷

The Court, in these cases, cancelled the titles of the petitioner and his father Jose because they were obtained through the misrepresentation of the petitioner's grandfather, Isidro Campit.⁸ The respondents further contended that they have long desired to divide the subject property among themselves, but the petitioner adamantly refused to surrender his title to the property to them, or to the Register of Deeds, despite their formal demand.⁹

Due to the petitioner's continued refusal to surrender the subject TCT, the respondents filed anew an action for annulment and cancellation of title with the RTC on August 15, 2003, docketed as Civil Case No. 18421.¹⁰

The petitioner opposed the respondents' action and argued that the August 8, 1978 decision in Civil Case No. 15357, which declared his title null and void, could no longer be enforced because its execution was already barred by the Statute of Limitations, as the said decision was never executed within 10 years from July 19, 1979 - the date of finality of the judgment.¹¹

Noting that the action filed by the respondents was not one for revival of judgment, the RTC proceeded to hear the case and, in a decision dated August 13, 2008, ruled in the respondents' favor, in this wise:

WHEREFORE, considering that the Transfer of Certificate of Title No. 122237 issued in the name of defendant Juanario Campit had earlier been declared null and void in the decision of the Court of First Instance of Pangasinan (*sic*) Civil Case No. 15357, judgment is hereby rendered in favor of the plaintiffs, as follows:

- a) Ordering the defendant Juanario Campit to surrender the said Transfer of Certificate of Title

⁵ Id. at 25

⁶ Id. at 26.

⁷ Id. at 25

⁸ Id. at 25-26.

⁹ Id. at 26 and 55.

¹⁰ Id. at 26.

¹¹ Id. at 44.

No. 122237 within a period of fifteen (15) days from finality of this decision to the Register of (*sic*) Pangasinan for its cancellation;

- b) Ordering the Register of Deeds of Pangasinan to cancel TCT No. 122237 in the event that Juanario Campit fails to surrender the same within the period given to him, and to revive the title issued in the name of Mariano Campit.

Costs against the defendant.

SO ORDERED.

On appeal, the CA, in a decision dated May 13, 2010, affirmed the RTC and held that:

Not being the true owner of the subject property, the subsequent issuance of a certificate of title to the defendant-appellant does not vest him ownership over the subject land. Registration of real property under the Torrens System does not create or vest title because it is not a mode of acquiring ownership.

The petitioner moved to reconsider, but the CA denied his motion in a resolution dated January 27, 2011, hence, the filing of the present petition for review on *certiorari* with this Court.

The Petition

In his petition before this Court, the petitioner argues that his title to the subject property must prevail not only because the August 8, 1978 decision in Civil Case No. 15357, which declared his title null and void, was never executed, but also because, under the Torrens system of registration, a certificate of title is an indefeasible and incontrovertible proof of ownership of the person, in whose favor it was issued, over the land described therein. He now contends that he had acquired the property in good faith and for valuable consideration and, thus, entitled to own and possess the subject property.

Our Ruling

We find no merit in the petitioner's arguments.

The issue on the validity of the petitioner's title to the subject property has long been settled in Civil Case No. 15357, where the court, in its decision dated August 8, 1978, which became final and executory on July 19, 1979, had found and declared the petitioner's title null and void by reason of fraud and misrepresentation.

A matter adjudged with finality by a competent court having jurisdiction over the parties and the subject matter already constitutes *res judicata* in another action involving the same cause of action, parties and subject matter. The doctrine of *res judicata* provides that a final judgment on the merits rendered by a court of competent jurisdiction, is conclusive as to the rights of the parties and their privies and constitutes as an absolute bar to subsequent actions involving the same claim, demand, or cause of action.¹² **Thus, the validity of petitioner's title, having been settled with finality in Civil Case No. 15357, could no longer be reviewed in the present case.**

The August 8, 1978 decision in Civil Case No. 15357, however, was not executed or enforced within the time allowed under the law. Under Section 6, Rule 39 of the Rules of Court, a final and executory judgment may be executed by the prevailing party as a matter of right by mere motion within five (5) years from the entry of judgment, failing which the judgment is reduced to a mere right of action which must be enforced by the institution of a complaint in a regular court within ten (10) years from finality of the judgment.¹³

It appears that no motion or action to revive judgment was ever filed by the respondents - the prevailing party in Civil Case No. 15357, to execute and enforce the August 8, 1978 decision. The title to the subject property, therefore, remained registered under the petitioner's name. As the petitioner argued, his title had already become incontrovertible since the Torrens system of land registration provides for the indefeasibility of the decree of registration and the certificate of title issued upon the expiration of one (1) year from the date of entry of the registration decree.¹⁴

We cannot, however, allow the petitioner to maintain his title and benefit from the fruit of his and his predecessors' fraudulent acts at the expense of the respondents who are the rightful owners of the subject property. **The Torrens system of registration cannot be used to protect a usurper from the true owner, nor can it be used as a shield for the commission of fraud, or to permit one to enrich oneself at the expense of others.**¹⁵

Notwithstanding the indefeasibility of the Torrens title, the registered owner can still be compelled under the law to reconvey the property registered to the rightful owner¹⁶ under the principle that the property registered is deemed to be held in trust for the real owner by the

¹² *Taganas v. Emuslan*, 457 Phil. 305 (2003), citing *Allied Banking Corporation v. Court of Appeals*, G.R. No. 108089, January 10, 1994, 229 SCRA 252.

¹³ *Villeza v. German Management and Services, Inc.*, G.R. No. 182937, August 8, 2010, 627 SCRA 425, 431.

¹⁴ Section 32 of Presidential Decree No. 1529.

¹⁵ *Gustillo v. Maravilla*, 48 Phil. 442 (1925); *Sps. Lopez v. Sps. Lopez*, G.R. No. 161925, November 25, 2009, 605 SCRA 358.

¹⁶ *Amerol v. Bagumbaran*, L-33261, September 30, 1987, 154 SCRA 396, 406-407.

person in whose name it is registered.¹⁷ The party seeking to recover title to property wrongfully registered in another person's name must file an action for reconveyance within the allowed period of time.

An action for reconveyance based on an implied or constructive trust prescribes in ten (10) years from the issuance of the Torrens title over the property.¹⁸ There is, however, an exception to this rule where the filing of such action does not prescribe, *i.e.* **when the plaintiff is in possession of the subject property, the action, being in effect that of quieting of title to the property, does not prescribe.**¹⁹

In the present case, the respondents, who are the plaintiffs in Civil Case No. 18421 (the action for annulment and cancellation of title filed in 2013), have always been in possession of the subject property. Worth noting are the CA's findings on this respect:

xxx Of course, the defendant-appellant (*petitioner herein*) has a certificate of title in his favor. But it cannot be denied that he has never been in possession of the subject property. Neither did he exercise acts of ownership over the said land since the time he allegedly purchased it from his father in 1977. Similarly, the defendant-appellant was not able to show that his predecessor-in-interest, Jose Campit, claimed ownership or was ever in possession of the said land. The defendant-appellant has admitted that he has paid realty tax covering the subject land only once when he applied for the issuance of title in his favor.

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On the other hand, **the continuous possession of the subject premises by the plaintiffs-appellees has not been denied or disputed by the defendants-appellants (*sic*)**. The possession in the concept of an owner by the plaintiffs-appellees has also been confirmed by witness Charlie Martin.²⁰ (Emphasis ours)

Considering that the action for annulment and cancellation of title filed by the respondents is substantially in the nature of an action for reconveyance based on an implied or constructive trust, combined with the fact that the respondents have always been in possession of the subject property, we shall treat Civil Case No. 18421 as an action to quiet title, the filing of which does not prescribe. Thus, we find the respondents' filing of Civil Case No. 18421 to be proper and not barred by the time limitations set forth under the Rules of Court in enforcing or executing a final and executory judgment.

¹⁷ Id.

¹⁸ *Walstrom v. Mapa, Jr.*, G.R. No. L-38387, January 29, 1990, 181 SCRA 431, 442.

¹⁹ *Heirs of Domingo Valientes v. Hon. Ramas*, G.R. No. 157852, December 15, 2010, 638 SCRA 444.

²⁰ *Rollo*, pp. 31-33.

WHEREFORE, premises considered, we **DENY** the present petition for review on *certiorari* and consequently **AFFIRM** the decision dated May 13, 2010 and resolution dated January 27, 2011 of the Court of Appeals in CA-G.R. CV No. 92356.

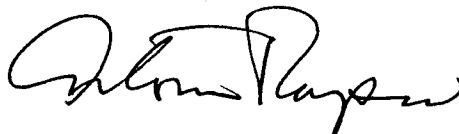
Costs against petitioner Juanario G. Campit.

SO ORDERED.



ARTURO D. BRION
Associate Justice


WE CONCUR:



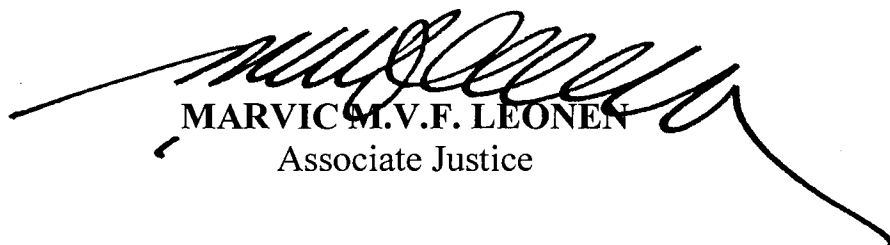
ANTONIO T. CARPIO
Associate Justice
Chairperson



MARIANO C. DEL CASTILLO
Associate Justice



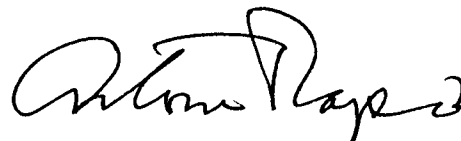
MARTIN S. VILLARAMA, JR.
Associate Justice



MARVIC M.V.F. LEONEN
Associate Justice

A T T E S T A T I O N

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.



ANTONIO T. CARPIO
Associate Justice
Chairperson, Second Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, and the Division 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.

**MARIA LOURDES P. A. SERENO**

Chief Justice