



Republic of the Philippines  
**Supreme Court**  
 Manila

**SECOND DIVISION**

**AUGUSTO ONG TRINIDAD II,  
 AUGUSTO ONG TRINIDAD III**  
 for himself and representing  
**LEVY ONG TRINIDAD and  
 ROHMEL ONG TRINIDAD, MARY  
 ANN NEPOMUCENO TRINIDAD**  
 for herself and assisting her minor children  
**JOAQUIN GERARD N. TRINIDAD IV,  
 JACOB GABRIEL N. TRINIDAD, and  
 JERED GYAN N. TRINIDAD**  
*Petitioners,*

G.R. No. 203397

Present:

CARPIO, *Chairperson,*  
 DEL CASTILLO,  
 PEREZ,\*  
 MENDOZA, *and*  
 LEONEN, *JJ.*

- versus -

**SPOUSES BONIFACIO PALAD  
 and FELICIDAD KAUSAPIN,**  
*Respondents.*

Promulgated:

DEC 09 2015

*Atty. Carlos J. Reyes*

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**DECISION**

**DEL CASTILLO, J.:**

This Petition for Review on *Certiorari*<sup>1</sup> seeks to set aside the March 27, 2012 Decision<sup>2</sup> and August 24, 2012 Resolution<sup>3</sup> of the Court of Appeals (CA) in CA-G.R. CV No. 92118 which granted respondents' appeal and reversed the July 4, 2008 Decision<sup>4</sup> of the Regional Trial Court (RTC) of Lucena City, Branch 53 (RTC) in Civil Case No. 92-71.

***Factual Antecedents***

On July 23, 1985, respondents – spouses Bonifacio Palad and Felicidad

\* Per Special Order No. 2301 dated December 1, 2015.

<sup>1</sup> *Rollo*, pp. 3-19.

<sup>2</sup> *Id.* at 20-27; penned by Associate Justice Amy C. Lazaro-Javier and concurred in by Presiding Justice Andres B. Reyes, Jr. and Associate Justice Sesinando E. Villon.

<sup>3</sup> *Id.* at 28.

<sup>4</sup> *Id.* at 29-34; penned by Judge Guillermo R. Andaya.

*Mora*

Kausapin (Felicidad) – bought from Renato Ramos (Ramos) an eight-hectare parcel of land located within Lucena City, which was later registered as Transfer Certificate of Title No. (TCT) T-47318.<sup>5</sup>

Respondents later caused the subject property to be surveyed, and it was discovered that a two-hectare portion thereof (the subject property) was occupied by Augusto Trinidad (Augusto), who converted the same into a fishpond.

On May 29, 1992, respondents filed with the RTC of Lucena City a Complaint<sup>6</sup> for recovery of possession with damages against Augusto, which was docketed as Civil Case No. 92-71 and assigned to RTC Branch 53.

In his Answer,<sup>7</sup> Augusto claimed that respondents were not the owners of the subject property; that Felicidad secured her title through dubious means; that the subject property formed part of a five-hectare piece of property that was given to him by his father, Atty. Joaquin Trinidad (Atty. Trinidad); that this five-hectare property was acquired by his father from Genaro Kausapin (Genaro), who was his father's client; that said five-hectare property was declared for taxation purposes by his father; that since 1980, he (Augusto) has been in possession of the five-hectare property; that he filed criminal cases for falsification against Felicidad; and that Felicidad was motivated by greed and bad faith in filing the case. Augusto thus prayed that the complaint be dismissed; that Felicidad's TCT T-47318 be nullified; and that damages and attorney's fees be awarded to him.

During the proceedings, Augusto passed away and was substituted by his widow – herein petitioner Levy Ong Trinidad – and children – petitioners Augusto Ong Trinidad II, Augusto Ong Trinidad III, Rohmel Ong Trinidad, and Joaquin Ong Trinidad III.

### ***Ruling of the Regional Trial Court***

After trial, or on July 4, 2008, the RTC rendered its Decision,<sup>8</sup> pronouncing as follows:

This is a complaint for recovery of possession with damages filed by the spouses Bonifacio Palad and Felicidad Kausapin against Augusto Trinidad as the original defendant. In the course of the trial Augusto C. Trinidad died and his widow, Levy Ong Trinidad, and their children Rohmel Ong Trinidad, Augusto Ong Trinidad II, Augusto Ong Trinidad III and Joaquin Trinidad III were substituted as defendants.

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<sup>5</sup> Id. at 37.

<sup>6</sup> Records, pp. 1-6.

<sup>7</sup> Id. at 23-31.

<sup>8</sup> *Rollo*, pp. 29-34.

x x x x

The land subject of this case is a 2-hectare portion of the eight (8) hectares covered by Transfer Certificate of Title No. T-47318 now registered in the names of the spouses Bonifacio Palad and Felicidad Kausapin (Exhibit "A").

In their complaint, the plaintiffs merely emphasized the fact that as the registered owners of the parcel of land with an area of eight (8) hectares including the 2-hectare area in dispute, they are entitled to the possession of the disputed area which, despite their demands to the defendants to vacate, the defendants have not vacated the area consisting of a well-developed fishpond.

x x x x

For their part, the defendants posit as follows: During the lifetime of Genaro Kausapin, the father of complainant Felicidad Kausapin, Genaro Kausapin availed of the legal services of Atty. Joaquin Trinidad in a land dispute involving a 12-hectare property. For Atty. Trinidad's services, Genaro Kausapin and Atty. Trinidad executed on October 4, 1977 a document denominated Kasulatan ng Pagbabahagi whereby they partitioned between themselves the 12-hectare property composed of Lot 13-A, Lot 13-B and Lot 13-C of the Subdivision Plan, (LRC) PSD-254630 confirmed on December 19, 1976 by the Land Registration Commission. As his share in the partition Atty. Trinidad was given Lot 13-A (Exhibit "2").

In 1980 Atty. Trinidad gave to his son Augusto Trinidad the five (5) hectares given to him by Genaro Kausapin as attorney's fee. Augusto Trinidad developed a 2-hectare portion of the five hectares into a fishpond spending huge amount of money in the process.

x x x x

By whichever mode the plaintiffs had come to title the 8-hectare property including the 2-hectare portion in dispute, the Court, sifting through the evidence presented by the parties, finds:

1. By virtue of the Kasulatan ng Pagbabahagi dated October 4, 1977 Genaro Kausapin and Atty. Joaquin Trinidad partitioned between themselves the 12-hectare property composed of Lot 13-A, Lot 13-B and Lot 13-C of the Subdivision Plan (LRC) PSD-254630, Atty. Joaquin Trinidad getting Lot 13-A as his attorney's fee for legal services he rendered to Genaro Kausapin.
2. Atty. Joaquin Trinidad gave to his son Augusto Trinidad his 5-hectare share and Augusto Trinidad, beginning the year 1980, developed a portion of the area into a fishpond spending a huge amount of money in the process.
3. On July 23, 1985 the plaintiffs bought an 8-hectare property from Renato Ramos and they had the land titled in their names on September 11, 1985.
4. It was when the plaintiffs had the land they bought from Renato Ramos surveyed that they found out that the fishpond developed by

Augusto Trinidad was embraced in the area of the [land] Renato Ramos sold to them.

5. Renato Ramos did not know that the area developed by Augusto Trinidad into a fishpond was part of the land he (Ramos) sold to the plaintiffs. Otherwise, if Renato Ramos knew this, he would not have allowed Augusto Trinidad to occupy and transform the area into a fishpond and, much more, for him (Renato Ramos) to have sold the entire property to the plaintiffs for the measly sum of ₱8,000.00, given the size of the area and the improvements on the area in dispute. Likewise, it was only after the plaintiffs had caused the survey of the area they bought that they came to know that the 2-hectare [property] developed by Augusto Trinidad into a fishpond was within the area they bought.

From the foregoing, it is clear that when Augusto Trinidad entered the property in dispute in 1980 and began to transform it into a fishpond, this was with the knowledge and consent of Genaro Kausapin, the father of the plaintiff. That what Augusto Trinidad occupied was Lot 13-C when it should have been Lot 13-A becomes immaterial when it is considered that while the lots were then designated as Lot 13-A, Lot 13-B and Lot 13-C, obviously Genaro Kausapin and Atty. Joaquin Trinidad and Augusto Trinidad were not fully aware of the exact metes and bounds of each lot. This was also the case when, before the area bought by the plaintiffs was surveyed, the vendor Renato Ramos and the plaintiffs as vendees did not know that the area developed by Augusto Trinidad as a fishpond was within the area sold to the plaintiffs.

Given that the possession by the defendants of the area in question antedates by five years the claim of the plaintiffs to the disputed property, and given that the parties who should have questioned the entry of the defendants into the property, namely, Genaro Kausapin or Renato Ramos, did not do so, and considering the valuable improvements made by the defendants in the area in dispute, the defendants have a better right to possess the disputed area, even as the area had been included in [the] title issued to the plaintiffs.

WHEREFORE, the complaint is ordered dismissed.

Defendants' counterclaim is likewise ordered dismissed.

SO ORDERED.<sup>9</sup>

### ***Ruling of the Court of Appeals***

Respondents filed an appeal before the CA, docketed as CA-G.R. CV No. 92118, arguing that as registered owners of the subject two-hectare property, they have a better right thereto; that petitioners' claim that the subject property was part of a 12-hectare piece of property owned by respondent Felicidad's father Genaro, five hectares of which was allegedly awarded by Genaro to petitioners' father Atty. Trinidad as the latter's attorney's fees in a case, has no basis, as there is no

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<sup>9</sup> Id. at 29-30, 32-34.

evidence on record to show that Genaro even owned a parcel of land; that in truth, Genaro was a mere tenant of the original owners of the 12-hectare property – Juliana Navarro (Navarro), Pedro Loyola, and Ramos; that eventually, Ramos sold an eight-hectare portion of the property to respondents, which is now the property covered by TCT T-47318 and claimed by petitioners to the extent of two hectares; that apart from a document denominated as “*Kasulatan ng Pagbabahagi*” supposedly executed by Genaro and Atty. Trinidad on October 4, 1977, petitioners have not presented any title or any other documentary proof, such as receipts showing payment of real property taxes, to prove their alleged ownership of the subject property; that respondents cannot be bound by the supposed agreement between Genaro and Atty. Trinidad because it is void since, being a mere tenant of the property, Genaro cannot award the same to Atty. Trinidad; that Genaro’s status as a mere tenant is known to Atty. Trinidad, since the latter was Genaro’s counsel in a claim involving the subject property docketed as CAR Case No. 585(62), which was eventually terminated by Genaro’s execution in 1963 of a “*Kasunduan*”, wherein he acknowledged before Ramos and Atty. Trinidad that he was a mere tenant of the Ramos family; that Augusto was a policeman during his lifetime, and he took over the disputed property by force, and respondents – fearing violence and bloodshed – opted to resort to court action instead; and that under the Civil Code,<sup>10</sup> they are protected as the registered owners, and petitioners should be considered intruders and builders in bad faith.

During the pendency of the appeal, Joaquin Ong Trinidad III died and was substituted by his widow and children – herein petitioners Mary Ann Nepomuceno Trinidad, Joaquin Gerard N. Trinidad IV, Jacob Gabriel N. Trinidad and Jered Gyan N. Trinidad.

On March 27, 2012, the CA rendered the assailed judgment, declaring as

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<sup>10</sup> Citing the following provisions of the Code:

Art. 428. The owner has the right to enjoy and dispose of a thing, without other limitations than those established by law.

The owner has also a right of action against the holder and possessor of the thing in order to recover it.

Art. 434. In an action to recover, the property must be identified, and the plaintiff must rely on the strength of his title and not on the weakness of the defendant's claim.

Art. 449. He who builds, plants or sows in bad faith on the land of another, loses what is built, planted or sown without right to indemnity.

Art. 536. In no case may possession be acquired through force or intimidation as long as there is a possessor who objects thereto. He who believes that he has an action or a right to deprive another of the holding of a thing, must invoke the aid of the competent court, if the holder should refuse to deliver the thing.

Art. 539. Every possessor has a right to be respected in his possession; and should he be disturbed therein he shall be protected in or restored to said possession by the means established by the laws and the Rules of Court.

A possessor deprived of his possession through forcible entry may within ten days from the filing of the complaint present a motion to secure from the competent court, in the action for forcible entry, a writ of preliminary mandatory injunction to restore him in his possession. The court shall decide the motion within thirty (30) days from the filing thereof.

follows:

In this appeal, Spouses Palad assert their Transfer Certificate of Title No. T-47318 which undoubtedly covers appellees' two-hectare fishpond found within the former's eight-hectare lot. They argue that appellees' predecessors-in-interest, Genaro Kausapin and Atty. Joaquin Trinidad, were never owners of the eight-hectare lot, including the subject realty, as the property was owned by Renato Ramos who sold it to them.

On the other hand, appellees reiterate in their brief that their father possessed the fishpond long before Spouses Palad bought the eight-hectare lot. They also posit that a certificate of title by itself alone does not vest ownership in any person.

We grant the appeal.

Appellants are owners of the eight-hectare lot, including the two-hectare fishpond, by virtue of their Transfer Certificate of Title No. T-47318. *Spouses Esmaquel v. Coprada*, explains why:

On the other hand, it is undisputed that the subject property is covered by Transfer Certificate of Title No. T-93542, registered in the name of the petitioners. As against the respondent's unproven claim that she acquired a portion of the property from the petitioners by virtue of an oral sale, **the Torrens title of petitioners must prevail. Petitioners' title over the subject property is evidence of their ownership thereof. It is a fundamental principle in land registration that the certificate of title serves as evidence of an indefeasible and incontrovertible title to the property in favor of the person whose name appears therein. Moreover, the age-old rule is that the person who has a Torrens title over a land is entitled to possession thereof.**

As a rule, a certificate of title cannot be attacked collaterally. At any rate, in *Spouses Sarmiento et al. v. Court of Appeals et al.*, a counterclaim assailing a certificate of title is deemed a direct attack. x x x

x x x x

The burden of proof is on appellees to establish by clear and convincing evidence the ground or grounds for annulling a certificate of title. In *Lasquite et al. v. Victory Hills*:

The established legal principle **in actions for annulment or reconveyance of title is that a party seeking it should establish not merely by a preponderance of evidence but by clear and convincing evidence that the land sought to be reconveyed is his.** It is rather obvious from the foregoing disquisition that respondent failed to dispense such burden. Indeed, the records are replete with proof that respondent declared the lots comprising Lot No. 3050 for taxation purposes only after it had instituted the present case in court. This is not to

say of course that tax receipts are evidence of ownership, since they are not, albeit they are good indicia of possession in the concept of owner, for no one would ordinarily be paying taxes for a property not in his actual or at least constructive possession.

x x x

Here, appellees offered no evidence, much less, clear and convincing evidence, that Spouses Palad's transfer certificate of title should be annulled. In fact, it is on record that appellees' documents pertain to Lot 13-A, but they occupied Lot 13-C. As the trial court determined, appellees' only basis for claiming the fishpond was their occupation thereof, though mistakenly and the absence of the boundaries of Lots 13-A, 13-B and 13-C. But these matters do not and cannot annul Spouses Palad's transfer certificate of title. They actually imply admission of appellees' intrusion into Lot 13-C under Transfer Certificate of Title No. T-47318 without any right to own or possess it. Truth to tell, the trial court correctly did not set aside the transfer certificate of title. Hence, it remains valid and binding with all its legal effects.

**ACCORDINGLY**, the appeal is **GRANTED**. The *Decision* dated July 4, 2008 of the Regional Trial Court, Branch 53, Lucena City, in Civil Case No. 92-71 is **REVERSED AND SET ASIDE**. Defendants-appellees Levy Ong Trinidad, Joaquin Trinidad III, Augusto Trinidad II, Augusto Trinidad III and Rohmel Trinidad, their successors-in-interest, privies and heirs are **ordered to vacate the two-hectare fishpond occupied by them in Lot 13-C under Transfer Certificate of Title No. T-47318**. No costs.

**SO ORDERED.**<sup>11</sup> (Emphasis in the original).

Petitioners filed their Motion for Reconsideration,<sup>12</sup> which was denied in the assailed August 24, 2012 Resolution. Hence, the instant Petition.

In a January 27, 2014 Resolution,<sup>13</sup> this Court resolved to give due course to the Petition.

### Issues

Petitioners claim that the CA erred:

1. In its ruling that the respondents have a better right of possession over the disputed 2-hectare portion of the 8-hectare property by the mere fact that said disputed portion is covered by a certificate of title in their names;
2. In its ruling that the petitioners offered no evidence that spouses Palad's transfer certificate of title should be annulled, and therefore remains valid and binding with all its legal effects, as it failed to consider evidence showing otherwise;

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<sup>11</sup> *Rollo*, pp. 23-27.

<sup>12</sup> *CA rollo*, pp. 107-115.

<sup>13</sup> *Rollo*, pp. 73-74.

3. In its ruling that the petitioners should vacate the 2-hectare fishpond, as it failed to consider that the respondents have no right or cause of action against the petitioners to seek the latter's ejectment from the property in question.<sup>14</sup>

### ***Petitioners' Arguments***

In their Petition and Reply<sup>15</sup> seeking reversal of the assailed CA dispositions and reinstatement of the RTC's July 4, 2008 Decision dismissing Civil Case No. 92-71, petitioners essentially argue that respondents may not claim ownership of the subject property just because it is embraced within their title, TCT T-47318; that TCT T-47318 is null and void since it is the result of a June 5, 1985 deed of extrajudicial settlement<sup>16</sup> and September 9, 1985 segregation agreement<sup>17</sup> and not a sale between respondents and Ramos; that since respondent Felicidad was not an heir of one of the original owners of the property – Navarro – as erroneously stated in the deeds of extrajudicial settlement and segregation agreement, said documents are therefore null and void, and could not be the bases for the issuance of TCT T-47318; that the subject property was not included in the July 23, 1985 sale between respondents and Ramos because its inclusion in TCT T-47318 was discovered only after a survey was conducted after the sale; that since respondents are not the owners of the subject property, they have no cause of action against petitioners; and that in their answer with counterclaim, they sought to annul TCT T-47318, claiming that respondents secured same through Felicidad's claim that she is an heir of Navarro – thus, said allegation made through a valid counterclaim constitutes a direct attack upon the validity of TCT T-47318 which is allowed by law.

### ***Respondents' Arguments***

In their Comment<sup>18</sup> seeking denial of the Petition, respondents argue that the CA correctly held that TCT T-47318 serves as incontrovertible proof of their indefeasible title to the subject property, as well as their right to possession thereof; that petitioners' claim that their title is void as it arose out of void agreements constitutes a prohibited collateral attack on TCT T-47318; that the issue of validity or nullity of TCT T-47318 cannot be raised, as said issue was not touched upon by the RTC; that TCT T-47318 may not be annulled because petitioners' supposed claim of ownership specifically refers to Lot 13-A, while they wrongly occupied Lot 13-C, which is the subject of TCT T-47318; and that with the finding on record that petitioners wrongly occupied Lot 13-C, they must be ordered to vacate the same and surrender possession to respondents who are the registered owners thereof.

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<sup>14</sup> Id. at 11-12.

<sup>15</sup> Id. at 64-70.

<sup>16</sup> Id. at 40.

<sup>17</sup> Id. at 41.

<sup>18</sup> Id. at 47-53.



## Our Ruling

The Court denies the Petition.

The fact is undisputed that the subject two-hectare property lies within Lot 13-C which is registered in the name of respondents as TCT T-47318.

The evidence on record also suggests that contrary to petitioners' claim, the subject property constitutes a portion of an eight-hectare parcel of land acquired by respondents from Ramos by purchase in 1985, and was not the result of a June 5, 1985 deed of extrajudicial settlement and September 9, 1985 segregation agreement between the original owners and respondent Felicidad. This is a finding of fact arrived at by both the RTC and the CA – and this is admitted by petitioners in their Petition, which specifically adopted the findings of fact of the RTC on this score.<sup>19</sup>

By adopting the findings of fact of the trial court, petitioners are precluded from further arguing that TCT T-47318 is void on the ground that it was obtained through a simulated extrajudicial settlement agreement; and as far as this Court is concerned, the fact is settled that respondents acquired the property covered by TCT T-47318 by purchase from Ramos. If indeed Felicidad was an heir of any of the original owners of the property, then there would have been no need for her to purchase the same. Besides, the evidence further points to the fact that Felicidad's father Genaro was a mere tenant of the Ramos family and could not have owned the property in question; and this is precisely why, to own it, she had to purchase the same from Ramos.

The CA is therefore correct in its pronouncement – citing *Spouses Esmaquel and Sordevilla v. Coprada*<sup>20</sup> – that TCT T-47318 constitutes evidence of respondents' ownership over the subject property, which lies within the area covered by said title; that TCT T-47318 serves as evidence of indefeasible and incontrovertible title to the property in favor of respondents, whose names appear therein; and that as registered owners, they are entitled to possession of the subject property. As against possession claimed by the petitioners, respondents' certificate of title prevails. “[M]ere possession cannot defeat the title of a holder of a registered [T]orrens title x x x.”<sup>21</sup>

On the other hand, petitioners' claim – their main defense in the suit – is that their predecessor Augusto was the owner of the subject property. But such claim rests on very shaky ground. First, they claim that the subject property was

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<sup>19</sup> Id. at 9.

<sup>20</sup> 653 Phil. 96, 105 (2010).

<sup>21</sup> *Spouses Eduarte v. Court of Appeals*, 323 Phil. 462, 475 (1996).

awarded as attorney's fees in 1977 to Augusto by Genaro. However, in seeking the annulment of respondents' title, they claim at the same time that the property was acquired by Felicidad through inheritance from Navarro, who happens to be the grandmother of Ramos.<sup>22</sup> And yet, at the appeal stage before the CA, they adopt without question the RTC's finding that the subject property was purchased by Felicidad from Ramos. Such a conflicting and flip-flopping stance deserves no serious consideration. Genaro may not dispose of the property which does not belong to him although he may have executed a document awarding the same to Augusto. No one can give that which he does not own – *nemo dat quod non habet*. Finally, petitioners acknowledge that what Genaro supposedly gave Augusto as the latter's attorney's fees was Lot 13-A, while it turned out that what Augusto occupied was Lot 13-C, which is registered in respondents' favor as TCT T-47318. Evidently, Augusto had no right over Lot 13-C which he wrongly occupied; consequently, petitioners, as Augusto's successors-in-interest, have no viable defense to respondents' claim in Civil Case No. 92-71.

Indeed, the only reason why petitioners won their case in the RTC is that in the court's July 4, 2008 Decision it assumed and concluded that Genaro was the owner of the subject property which he awarded to Augusto *via* the supposed October 4, 1977 "*Kasulatan ng Pagbabahagi*" between Genaro and Augusto – when the evidence points to the fact that the property was acquired by respondents through purchase from its original owner, Ramos.

Thus, as the CA correctly held, petitioners are mere intruders with respect to the subject property; they have no right to own or possess the same. On the other hand, as registered owners of the subject property, respondents have the right to exercise all attributes of ownership including possession which they cannot do while petitioners remain there.

**WHEREFORE**, the Petition is **DENIED**. The March 27, 2012 Decision and August 24, 2012 Resolution of the Court of Appeals in CA-G.R. CV No. 92118 are **AFFIRMED IN TOTO**. Petitioners and their heirs, successors-in-interest and privies are ordered to **VACATE** the two-hectare fishpond as well as any other portion of the property covered by Transfer Certificate of Title No. T-47318.

**SO ORDERED.**

  
MARIANO C. DEL CASTILLO  
Associate Justice

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<sup>22</sup> Rollo, p. 40.

WE CONCUR:



**ANTONIO T. CARPIO**  
*Associate Justice*  
*Chairperson*



**JOSE PORTUGAL PEREZ**  
*Associate Justice*



**JOSE CATRAL MENDOZA**  
*Associate Justice*



**MARVIC M.V.F. LEONEN**  
*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.



**ANTONIO T. CARPIO**  
*Associate Justice*  
*Chairperson*



## 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*

