



SUPREME COURT OF THE PHILIPPINES  
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Republic of the Philippines  
Supreme Court  
Manila

FIRST DIVISION

**EMILIO CALMA,**

Petitioner,

**G.R. No. 222031**

Present:

SERENO, C.J.,

*Chairperson,*

LEONARDO-DE CASTRO,

DEL CASTILLO,

JARDELEZA, and

TIJAM, JJ.

- versus -

Promulgated:

**ATTY. JOSE M. LACHICA, JR.\*,**

Respondent.

**NOV 22 2017**

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**DECISION**

**TIJAM, J.:**

For Our resolution is a Petition for Review on *Certiorari*<sup>1</sup> under Rule 45, assailing the Decision<sup>2</sup> dated April 28, 2015 of the Court of Appeals (CA) in CA-G.R. CV No. 93329, which reversed and set aside the Decision<sup>3</sup> dated January 20, 2009 of the Regional Trial Court (RTC) of Cabanatuan City, Branch 30 in Civil Case No. 4355.

\*Sometimes referred to as Atty. Jose M. Lachica in other pleadings.

<sup>1</sup>*Rollo*, pp.53-93.

<sup>2</sup>Penned by CA Associate Justice Victoria Isabel A. Paredes with Justices Isaias P. Dicedican and Elihu A. Ybañez concurring.; id. at 117-130.

<sup>3</sup> Penned by Judge Virgilio G. Caballero; id. at 97-115.

*[Handwritten mark]*

### Factual Antecedents

Respondent Atty. Jose M. Lachica, Jr. filed a complaint for Annulment of Void Deeds of Sale, Annulment of Titles, Reconveyance, and Damages originally against Ricardo Tolentino (Ricardo) and petitioner Emilio Calma, and later on, Pablo Tumale (Pablo) was impleaded as additional defendant in a Second Amended Complaint.<sup>4</sup>

Subject of the said complaint was a 20,000-square meter parcel of land situated in Sumacabeste, Cabanatuan City covered by Transfer Certificate of Title (TCT) No. T-28380.<sup>5</sup>

Respondent, in his complaint, alleged that he was the absolute owner and actual physical possessor of the subject property, having acquired the same sometime in 1974 for PhP15,000 through sale from Ceferino Tolentino (Ceferino) married to Victoria Calderon, who are Ricardo's parents. Consequently, the subject property's title was delivered to respondent also in 1974. Allegedly, he and his tenant/helper Oscar Justo (Oscar) has been in actual physical possession and cultivation of the said land continuously since its acquisition up to present.<sup>6</sup>

Unfortunately, however, the 1974 Deed of Sale was allegedly lost. Hence, sometime in 1979, respondent and Ceferino agreed to execute another deed of sale. Spouses Tolentino allegedly took advantage of the situation and demanded an additional PhP15,000 from respondent to which the latter heeded. Thus, in the new Deed of Sale executed on April 29, 1979, the consideration for the sale of the subject property was increased to PhP30,000.<sup>7</sup>

After the notarization of the 1979 Deed of Sale on April 29, 1986, respondent requested Spouses Tolentino to execute an Affidavit of Non-Tenancy and other documents required by the Department of Agrarian Reform for the transfer of the title in respondent's name. Again, taking advantage of the situation, Ceferino and his son Ricardo allegedly requested respondent to allow them to cultivate the 5,000-square meter portion of the subject land. The father and son allegedly offered to process the transfer of the title to respondent's name to persuade the latter to grant their request. According to the respondent, because of the trust, confidence, love, and respect that his family had for Ceferino's family, he entrusted the notarized Deed of Sale, TCT No. T-28380, and the other documents on hand for the

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<sup>4</sup>Id. at 172-181.

<sup>5</sup>Id. at 98-99.

<sup>6</sup>Id.

<sup>7</sup>Id. at 99.

transfer of the title to his name and waited for the Tolentinos to make good on their promise.<sup>8</sup>

In the meantime, respondent, through Oscar, allegedly continued to possess the entire subject property.<sup>9</sup>

Respondent's employment in the government required him to travel to several distant places within the country.<sup>10</sup> Hence, on May 25, 1981, before leaving Nueva Ecija again and being assigned to a far-away province, respondent caused the annotation of a Notice of Adverse Claim on TCT No. T-28380 to protect his claimed rights and interest in the subject property.<sup>11</sup>

Due to respondent's employment and also because of an illness, he lost contact with the Tolentinos for a long period of time.<sup>12</sup>

Sometime in March 2001, respondent returned to Cabanatuan City and learned that Ceferino had already passed away. Ricardo, on the other hand, was nowhere to be located despite efforts to do so.<sup>13</sup> He also found Pablo to have been placed in possession of the 5,000-square meter portion of the subject property by the Tolentinos sometime in 1986.<sup>14</sup>

Upon checking with the Office of the Register of Deeds as regards to the processing of his title over the subject property, he discovered that the same was transferred under the name of Ricardo, which had been later on transferred to the petitioner upon Ricardo's sale thereof to the latter. In fine, TCT No. T-28380 under Ceferino's name was cancelled and replaced by TCT No. T-68769 under Ricardo's name, which was then also cancelled and replaced by TCT No. T-96168 now under petitioner's name.<sup>15</sup>

Respondent argued that the sale between Ceferino and Ricardo was null and void for being executed with fraud, deceit, breach of trust, and also for lack of lawful consideration. Respondent emphasized that not only was Ricardo in full knowledge of the sale of the subject property to him by Ceferino, but also his adverse claim was evidently annotated in the latter's title and carried over to Ricardo's title. Respondent also alleged that petitioner is an alien, a full-blooded Chinese citizen, hence, not qualified to own lands in the Philippines, and is likewise a buyer in bad faith.<sup>16</sup>

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<sup>8</sup>Id.

<sup>9</sup>Id.

<sup>10</sup>Id.

<sup>11</sup>Id. at 293.

<sup>12</sup>Id. at 99.

<sup>13</sup>Id.

<sup>14</sup>Id. at 61.

<sup>15</sup>Id. at 99-100.

<sup>16</sup>Id. at 100.



Respondent, thus, prayed for the annulment of the Deed of Sale between Ceferino and Ricardo, as well as the Deed of Sale between Ricardo and petitioner. TCT No. T-68769 under Ricardo's name and TCT No. T-96168 under petitioner's name were likewise sought to be annulled. Respondent further prayed for the ejectment of Pablo from the 5,000-square meter portion of the subject property and the reconveyance of the entire property to him. Exemplary damages, actual damages, litigation expenses and attorney's fees were also prayed for.<sup>17</sup>

To prove his case, respondent presented his testimony, the testimonies of Oscar Justo and Herminiano Tinio, Sr., and documentary evidence comprising of TCT No. T-28380 with the annotation of his Notice of Adverse Claim dated May 25, 1981, the April 29, 1979 Deed of Sale, TCT-T-68769 with the annotation of the same Notice of Adverse Claim and an entry regarding the cancellation thereof albeit the validity of such cancellation was challenged by the respondent, TCT No. T-96168 dated December 22, 1998, March 6, 1989 Deed of Absolute Sale, which he alleged to be certified copies thereof, and the alleged original copy of the certificate to file action.<sup>18</sup>

For their part, defendants before the trial court averred in their Amended Answer<sup>19</sup> that petitioner is a buyer in good faith and for value, having acquired the subject property on July 10, 1998 through sale from Ricardo. They argued, among others, that petitioner, despite merely relying on the correctness of Ricardo's TCT, is duly protected by the law. It was stated in Ricardo's title that respondent's adverse claim had already been cancelled more than four years before the sale or on April 26, 1994. Thus, defendants argued that petitioner had no notice of any defect in Ricardo's title before purchase of the subject property.<sup>20</sup>

Petitioner presented the July 10, 1998 Deed of Absolute Sale, TCT No. T-68769 with the annotation of the cancellation of respondent's adverse claim, TCT No. T-96168, to prove good faith in the acquisition of the subject property, and a copy of his passport, Marriage Certificate, and Certificate of Live Birth to prove his Filipino citizenship, contrary to respondent's allegation.<sup>21</sup>

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<sup>17</sup>Id. at 179-180.

<sup>18</sup>Id. at 256-260.

<sup>19</sup>Id. at 183-191.

<sup>20</sup>Id. at 100.

<sup>21</sup>Id. at 64, 66, and 68-69.

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### The RTC Ruling

The RTC ruled that petitioner is an innocent purchaser for value and that he had already acquired his indefeasible rights over the title. According to the trial court, while it may be true that respondent's adverse claim was annotated in Ricardo's title, the same title also shows that such adverse claim had already been cancelled more than four years before he bought the property. Moreover, the RTC ruled that respondent's cause of action had already prescribed.<sup>22</sup> The trial court also noted that respondent failed to present any evidence on the alleged fraud in the transfer of the title of subject property to petitioner.<sup>23</sup>

Ricardo was, however, held liable for the value of the property, damages, and attorney's fees in favor of respondent as, according to the RTC, Ricardo cannot claim good faith because of the existence of the adverse claim.<sup>24</sup>

Lastly, the RTC ruled that respondent has no recourse against Pablo, who is liable to petitioner as the lawful owner.

The RTC disposed, thus:

**WHEREFORE**, premises considered, judgment is hereby rendered:

1. In favor of [respondent] and against Defendant Ricardo Tolentino.

The latter is hereby ordered to pay:

a) Forty Thousand Pesos (P40,000.00), the estimated assessed value of the property formerly covered by TCT No. NT-68769 [sic], as actual damages;

b) One Hundred Thousand Pesos (P100,000.00) as moral damages;

c) Fifty Thousand Pesos (P50,000.00) as exemplary damages;

d) Eighty Thousand Pesos (P80,000.00) as attorney's fees and litigation expenses; and

2. Against [respondent] and in favor of the [petitioner] Emilio Calma and Pablo Tumale dismissing this complaint against them.

No evidence having been offered by Defendant's [sic] to prove their Counterclaim, the same is, as it is, **DISMISSED**.

SO ORDERED.<sup>25</sup>

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<sup>22</sup>Id. at 113.

<sup>23</sup>Id. at 114.

<sup>24</sup>Id.

<sup>25</sup>Id. at 114-115.

Respondent moved for the reconsideration of the said Decision, but the RTC denied the motion on March 24, 2009.<sup>26</sup>

Thus, respondent appealed before the CA.

### **The CA Ruling**

In its assailed Decision, the CA reversed the RTC's ruling, finding that both Ricardo and petitioner were in bad faith in their respective acquisitions of the subject property. Hence, both their titles should be annulled. While upholding the RTC's finding that the registration of title in Ricardo's name was null and void as he had prior knowledge of the sale between his father and respondent, the CA added that because of such bad faith, Ricardo's title must be annulled. Consequently, as Ricardo had no valid title to the subject property, he had nothing to convey to petitioner.<sup>27</sup>

The CA then proceeded to discuss its finding of bad faith against petitioner. The appellate court concluded that the investigation conducted by petitioner on the title of the subject property before purchase was not sufficient to consider him to be a buyer in good faith. The CA noted petitioner's knowledge of the annotation of an adverse claim on Ricardo's title and that his act of asking assurance from Ricardo, the Register of Deeds, and the bank where the subject property was mortgaged prior to the sale to petitioner cannot be considered as diligent efforts to protect his rights as a buyer.<sup>28</sup>

The CA explained that petitioner should not have just relied on the face of the title as the notice of adverse claim annotated on Ceferino's title carried over to Ricardo's title for a total of 13 years before its cancellation should have alerted him to conduct an actual inspection of the title.<sup>29</sup> If only petitioner had conducted an actual inspection of the property, the CA opined, petitioner would have readily found that Oscar, respondent's alleged tenant, had been occupying and tilling the land.<sup>30</sup> Thus, despite the fact that petitioner registered his acquisition of the subject property, since he was considered to be in bad faith, such registration did not confer any right upon him.<sup>31</sup> Applying the rule on double sale under Article 1544<sup>32</sup> of the Civil

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<sup>26</sup>Id. at 120.

<sup>27</sup>Id. at 122.

<sup>28</sup>Id. at 123.

<sup>29</sup>Id. at 124.

<sup>30</sup>Id. at 125.

<sup>31</sup>Id. at 122.

<sup>32</sup>Art. 1544. If the same thing should have been sold to different vendees, the ownership shall be transferred to the person who may have first taken possession thereof in good faith, if it should be movable property.

Should it be immovable property, the ownership shall belong to the person acquiring it who in good faith first recorded it in the Registry of Property.

Should there be no inscription, the ownership shall pertain to the person who in good faith was first in the possession; and, in the absence thereof, to the person who presents the oldest title, provided

Code, as his registration is deemed to be no registration at all because of his bad faith, the buyer who took prior possession of the property in good faith shall be preferred.<sup>33</sup>

The CA then disposed of the appeal as follows:

**WHEREFORE**, the appeal is hereby **GRANTED**. The appealed Decision dated January 20, 2009 of the Regional Trial Court of Cabanatuan City, Branch 30, in Civil Case No. 4355 for *Annulment of Void Deeds of Sale, Cancellation of Titles, Reconveyance, and Damages* is hereby **REVERSED** and **SET ASIDE**, and a **NEW DECISION** is hereby entered to read, thus:

*“WHEREFORE, judgment is hereby rendered in favor of [respondent] Atty. Jose M. Lachica, Jr. and against x x x Ricardo Tolentino and [petitioner] Emilio Calma, declaring [respondent] as the rightful owner of the subject land covered under Transfer Certificate of Title No. T-96168 of the Registry of Deeds of Cabanatuan City, and ordering:*

*1) the annulment of the Deed of Sale between Ricardo Tolentino and Ceferino Tolentino;*

*2) the annulment of the Deed of Absolute Sale between Ricardo Tolentino and Emilio Calma dated July 10, 1998;*

*3) the Register of Deeds of Cabanatuan City to cancel Transfer Certificate of Title No. T-96168 and to issue a new one in the name of Jose M. Lachica, Jr. married to Warlita Ordonio;*

*4) x x x Ricardo Tolentino to pay [respondent] Atty. Jose M. Lachica, Jr. the amounts of One Hundred Thousand Pesos (P100,000.00) as moral damages and Fifty Thousand Pesos (P50,000.00) as exemplary damages, the monetary awards to earn interest at six percent (6%) per annum from finality of this Decision until fully paid; and*

*5) costs against x x x Ricardo Tolentino and Emilio Calma.”*

**SO ORDERED.**<sup>34</sup>

Hence, this petition.

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there is good faith.

<sup>33</sup>Rollo, p. 122.

<sup>34</sup>Id. at 128-129.

### The Issue

The resolution of the instant controversy boils down to who between the petitioner and the respondent has better right over the subject property.

### The Ruling of the Court

We rule for the petitioner.

Both the petitioner and the respondent claim ownership over the subject property by virtue of acquisition through sale. To resolve the present controversy, thus, it is necessary to look into the basis of each party's claimed rights.

#### *Sale from Ceferino to respondent*

Respondent's claimed right over the subject property is grounded upon his alleged acquisition of the same from Ceferino by sale.

Both the RTC and the CA were convinced that the sale of the subject property by Ceferino to respondent was valid and as such, the latter has a valid claim of right over the same. This can be gleaned from the RTC's Decision ordering Ricardo to pay respondent damages due to the former's bad faith in the acquisition of the subject property, recognizing thus the latter's interest and right over the same. The CA upheld respondent's rights over the subject property even more by ordering, among others, the cancellation of petitioner's title and the transfer thereof to respondent's name.

For this matter, thus, We adhere to the general rule of refraining to scrutinize further the factual findings of the trial court as affirmed by the appellate court.<sup>35</sup> Besides, it must be noted that Ricardo did not question the liability imposed against him by the RTC and the CA anymore as only petitioner came before Us in this petition. Hence, the question as to respondent's right or the lack thereof in connection with Ricardo's liability cannot be dealt with by this Court. Consequently, We are constrained to uphold respondent's claimed right over the subject property.

#### *Sale from Ricardo to petitioner*

Petitioner's claimed right over the subject property, on the other hand, is grounded upon his acquisition of the same from Ricardo by sale. Unlike

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<sup>35</sup>*Gepulle-Garbo v. Spouses Garbato*, 750 Phil. 846, 855 (2015).



the sale from Ceferino to respondent, the Deed of Sale in petitioner's favor was registered with the Registry of Deeds, giving rise to the issuance of a new certificate of title in the name of the petitioner.

However, in ruling that respondent is the rightful owner of the subject property, the CA ruled that no right was conferred upon the petitioner by such sale primarily due to his predecessor's bad faith in the acquisition of the subject property. The CA also found that petitioner, like his predecessor, cannot be considered as a buyer in good faith. These findings are grounded on the fact that respondent's Notice of Adverse Claim appears in Ceferino's title and carried over to Ricardo's title, which according to the CA is sufficient notice to both Ricardo and the petitioner of respondent's interests over the subject property. The CA opined that such adverse claim should have alerted petitioner to conduct an actual inspection of the property, otherwise, he cannot be considered to be a buyer in good faith.

We do not agree.

The Torrens system was adopted to "obviate possible conflicts of title by giving the public the right to rely upon the face of the Torrens certificate and to dispense, as a rule, with the necessity of inquiring further."<sup>36</sup> From this sprung the doctrinal rule that every person dealing with registered land may safely rely on the correctness of the certificate of title issued therefor and is in no way obliged to go beyond the certificate to determine the condition of the property.<sup>37</sup> To be sure, this Court is not unaware of the recognized exceptions to this rule, to wit: (1.) when the party has actual knowledge of facts and circumstances that would impel a reasonably cautious man to make further inquiry; (2.) when the buyer has knowledge of a defect or the lack of title in his vendor;<sup>38</sup> or (3.) when the buyer/mortgagee is a bank or an institution of similar nature as they are enjoined to exert a higher degree of diligence, care, and prudence than individuals in handling real estate transactions.<sup>39</sup>

Complementing this doctrinal rule is the concept of an innocent purchaser for value, which refers to someone who buys the property of another without notice that some other person has a right to or interest in it, and who pays in full and fair the price at the time of the purchase or without receiving any notice of another person's claim.<sup>40</sup>

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<sup>36</sup>*Leong, et al. v. See*, 749 Phil. 314, 323 (2014).

<sup>37</sup>*Locsin v. Hizon, et al.*, 743 Phil. 420, 429-430 (2014).

<sup>38</sup>*Id.* at 430.

<sup>39</sup>*Arguelles, et al. v. Malarayat Rural Bank, Inc.*, 730 Phil. 226, 237 (2014).

<sup>40</sup>*Leong, et al. v. See, supra* note 36, at 324-325.

Section 44 of Presidential Decree No. 1529 or the Property Registration Decree<sup>41</sup> recognizes innocent purchasers for value and their right to rely on a clean title:

Section 44. *Statutory liens affecting title.* – Every registered owner receiving certificate of title in pursuance of a decree of registration, and **every subsequent purchaser of registered land taking a certificate of title for value and good faith, shall hold the same free from all encumbrances except those noted in said certificate** and any of the following encumbrances which may be subsisting, namely:

First. Liens, claims or rights arising or existing under the laws and Constitution of the Philippines which are not by law required to appear of record in the Registry of Deeds in order to be valid against subsequent purchasers or encumbrances of record.

Second. Unpaid real estate taxes levied and assessed within two years immediately preceding the acquisition of any right over the land by an innocent purchaser for value, without prejudice to the right of the government to collect taxes payable before that period from the delinquent taxpayer alone.

Third. Any public highway or private way established or recognized by law, or any government irrigation canal or lateral thereof, if the certificate of title does not state that the boundaries of such highway or irrigation canal or lateral thereof have been determined.

Fourth. Any disposition of the property or limitation on the use thereof by virtue of, or pursuant to, Presidential Decree No. 27 or any other law or regulations on agrarian reform. (emphasis supplied)

Guided by the foregoing, We find that the circumstances obtaining in this case show that petitioner is an innocent purchaser for value who exercised the necessary diligence in purchasing the property, contrary to the CA's findings.

The following facts are clear and undisputed: (1) petitioner acquired the subject property through sale from Ricardo as evidenced by a Deed of Absolute Sale dated July 10, 1998, duly notarized on even date; (2) said sale was registered in the Registry of Deeds, Cabanatuan City on December 22, 1998 as evidenced by TCT No. T-96168; (3) petitioner made inquiries with the Register of Deeds and the bank where the subject property was mortgaged by Ricardo as regards the authenticity and the status of Ricardo's title before proceeding with the purchase thereof; and (4) petitioner was able to ascertain that Ricardo's title was clean and free from any lien and encumbrance as the said title, together with his inquiries, showed that the

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<sup>41</sup>Effective June 11, 1978.

14

only annotations in the said title were respondent's 1981 adverse claim and its cancellation in 1994.

From the foregoing factual backdrop, there was no *indicia* that could have aroused questions in the petitioner's mind regarding the title of the subject property. Hence, We do not find any cogent reason not to apply the general rule allowing the petitioner to rely on the face of the title.

For one, it is clearly manifest in the records that while respondent's adverse claim appears in Ricardo's title, it also appears therein that the said adverse claim had already been cancelled on April 26, 1994 or more than four years before petitioner purchased the subject property. As correctly found by the RTC, thus, Ricardo's title is already clean on its face, way before petitioner purchased the same.

Further, respondent's allegation of fraud and petitioner's knowledge of the transaction between him and Ceferino are not supported by any evidence except bare allegations. It is basic that an allegation of fraud must be substantiated.<sup>42</sup> Section 5<sup>43</sup>, Rule 8 provides that in all averments of fraud, the circumstances constituting the same must be stated with particularity. Moreover, fraud is a question of fact which must be proved by clear and convincing evidence.<sup>44</sup>

At any rate, contrary to the CA's ruling, petitioner was never remiss in his duty of ensuring that the property that he was going to purchase had a clean title. Despite Ricardo's title being clean on its face, petitioner still conducted an investigation of his own by proceeding to the Register of Deeds, as well as to the bank where said title was mortgaged, to check on the authenticity and the status of the title. Thus, petitioner was proven to be in good faith when he dealt with Ricardo and relied on the title presented and authenticated to him by the Register of Deeds and confirmed by the mortgagee-bank. Respondent, on the other hand, failed to proffer evidence to prove otherwise.

Notably, the CA's conclusions to the contrary are merely based on assumptions and conjectures, such as that the bank's advice for petitioner to buy the subject property was meant only for the protection of the bank's interest; and that the annotation of the adverse claim on Ceferino's title and carried over to Ricardo's title for a total of 13 years before it was cancelled should have aroused suspicion.<sup>45</sup> These conclusions have no factual or legal basis. What is essential on the matter of petitioner's good faith in the

<sup>42</sup>*Leong, et al. v. See, supra* note 36, at 328.

<sup>43</sup>SEC. 5. Fraud, mistake, condition of the mind. – In all averments of fraud or mistake, the circumstances constituting fraud or mistake must be stated with particularity. Malice intent, knowledge or other condition of the mind of a person may be averred generally.

<sup>44</sup>*ECE Realty and Development, Inc. v. Mandap*, 742 Phil. 164, 170 (2014).

<sup>45</sup>*Rollo*, pp. 124.

acquisition of the subject property is the cancellation of such adverse claim, which clearly appears on the face of Ricardo's title.

As the fact that petitioner is an innocent purchaser for value had been established, the validity and efficacy of the registration, as well as the cancellation, of respondent's adverse claim is immaterial in this case. What matters is that the petitioner had no knowledge of any defect in the title of the property that he was going to purchase and that the same was clean and free of any lien and encumbrance on its face by virtue of the entry on the cancellation of adverse claim therein. Thus, petitioner may safely rely on the correctness of the entries in the title.

Even the defect in Ricardo's title due to his bad faith in the acquisition of the subject property, as found by both the RTC and the CA, should not affect petitioner's rights as an innocent purchaser for value. The CA patently erred in ruling that since Ricardo had no valid title on the subject property due to his bad faith, he had nothing to convey to the petitioner. It is settled that a defective title may still be the source of a completely legal and valid title in the hands of an innocent purchaser for value.<sup>46</sup>

*Petitioner has a better  
right of ownership over  
the subject property*

Applying now the rule on double sale under Article 1544 of the Civil Code, petitioner's right as an innocent purchaser for value who was able to register his acquisition of the subject property should prevail over the unregistered sale of the same to the respondent. Article 1544 states:

**If the same thing should have been sold to different vendees,** the ownership shall be transferred to the person who may have first taken possession thereof in good faith, if it should be movable property.

**Should it be immovable property, the ownership shall belong to the person acquiring it who in good faith first recorded it in the Registry of Property.**

Should there be no inscription, the ownership shall pertain to the person who in good faith was first in the possession; and, in the absence thereof, to the person who presents the oldest title, provided there is good faith. *(emphasis supplied)*

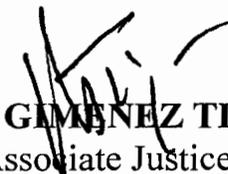
With that, We find no necessity to belabor on the other issues raised in the petition.

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<sup>46</sup>*Leong, et al. v. See, supra* note 36, at 328.

**WHEREFORE**, premises considered, the Decision dated April 28, 2015 of the Court of Appeals is **REVERSED and SET ASIDE**. Accordingly, the Decision dated January 20, 2009 of the Regional Trial Court of Cabanatuan City, Branch 30, is hereby **REINSTATED**.

**SO ORDERED.**

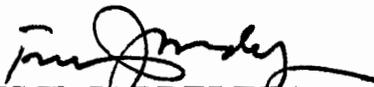
  
**NOEL GIMENEZ TIJAM**  
Associate Justice

**WE CONCUR:**

  
**MARIA LOURDES P. A. SERENO**  
Chief Justice  
Chairperson

  
**TERESITA J. LEONARDO-DE CASTRO**  
Associate Justice

  
**MARIANO C. DEL CASTILLO**  
Associate Justice

  
**FRANCIS H. JARDELEZA**  
Associate Justice

## CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, 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