



Republic of the Philippines  
Supreme Court  
Manila

THIRD DIVISION

HEIRS OF TEODORO TULAUAN, represented by  
TITO TULAUAN,  
*Petitioners,*

G.R. No. 248974

- versus -

Present:

MANUEL MATEO;  
MAGDALENA MATEO  
LORENZO, assisted by her  
husband, JAIME LORENZO;  
CAMELIA\*\* HOMES, owned  
and operated by  
COMMUNITIES ISABELA,  
INC.; and REGISTER OF  
DEEDS OF ILAGAN and  
SANTIAGO,

CAGUIOA, J., Chairperson,  
INTING,  
GAERLAN,  
DIMAAMPAO, and  
KHO, JR.,\*\*\* JJ.

Promulgated:

August 7, 2024

*Misael B. Bat*

*Respondents.*

X ----- X

RESOLUTION

INTING, J.:

This resolves the two separate Motions for Reconsideration filed by respondents Communities Isabela, Inc. (CII)<sup>1</sup> and Magdalena Mateo

\* In her Manifestation with Motion to Adopt the Comment of Communities Isabela, Inc. (Camella Homes), respondent Magdalena Mateo Lorenzo stated, among others, that her father, Manuel Mateo, is already dead, and that this was manifested before the trial court where the case was then pending. Said Manifestation with Motion was noted and granted by the Court in the Resolution dated August 24, 2020. *Rollo*, pp. 224–226 and 229, respectively.

\*\* Referred to as *Camella* in petitioners' Complaint and in the Answer of respondent Communities Isabela, Inc.; *id.* at 51 and 75, respectively.

\*\*\* Designated additional member *vice* Associate Justice Maria Filomena D. Singh per Raffle dated July 12, 2022.

<sup>1</sup> *Rollo*, pp. 259–264.

Lorenzo (Magdalena), assisted by her husband, Jaime Lorenzo,<sup>2</sup> both of which seek for reconsideration and setting aside of the Court's Decision<sup>3</sup> promulgated on September 7, 2022. The Court granted the Petition for Review on *Certiorari*<sup>4</sup> under Rule 45 of the Rules of Court and reversed and set aside the Decision<sup>5</sup> dated July 31, 2018, and the Resolution<sup>6</sup> dated July 15, 2019, of the Court of Appeals (CA) in CA-G.R. CV No. 107610 which, in turn, upheld the Orders dated September 16, 2014,<sup>7</sup> and June 20, 2016,<sup>8</sup> in Civil Case No. 36-3826 rendered by Branch 36, Regional Trial Court (RTC), Santiago City.

### *The Antecedents*

The present case stemmed from a Complaint<sup>9</sup> for Annulment of Documents, Reconveyance, and Damages, filed by the petitioners Heirs of Teodoro Tulauan (Heirs of Tulauan) against respondents Manuel Mateo (Manuel), Magdalena, Camella Homes, and the Registry of Deeds of Santiago City (collectively, respondents) before the RTC.

The Complaint alleged that Teodoro Tulauan (Teodoro) was the absolute and registered owner of a parcel of land covered by Original Certificate of Title (OCT) No. P-1080 and situated in Santiago, Isabela (now Santiago City) (subject property). Sometime in the early 1950s, Teodoro left Santiago City and resided in Tuguegarao, Cagayan, for security reasons after receiving death threats from armed men. Nonetheless, he continued to visit his property from time to time and still paid the real estate taxes due thereon.<sup>10</sup>

On May 4, 1953, the Registry of Deeds of Isabela (Registry of Deeds) issued Transfer Certificate of Title (TCT) No. T-4232 covering the subject property in the name of Manuel. The subject property was thereafter divided into four lots — Lot Nos. 938-A-1 to 938-A-4. Thereafter, Lot No. 938-A-4 was further subdivided into four more lots —

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<sup>2</sup> *Id.* at 266–273.

<sup>3</sup> *Id.* at 246–258.

<sup>4</sup> *Id.* at 13–30.

<sup>5</sup> *Id.* at 36–46. Penned by Associate Justice Maria Filomena D. Singh (now a Member of the Court) and concurred in by Associate Justices Sesinando E. Villon and Edwin D. Sorongon of the Tenth Division, Court of Appeals, Manila.

<sup>6</sup> *Id.* at 47–50. Penned by Associate Justice Maria Filomena D. Singh (now a Member of the Court) and concurred in by Associate Justices Sesinando E. Villon and Edwin D. Sorongon of the Former Tenth Division, Court of Appeals, Manila.

<sup>7</sup> *Id.* at 85–91. Penned by Presiding Judge Anastacio D. Anghad.

<sup>8</sup> *Id.* at 101–103. Penned by Presiding Judge Anastacio D. Anghad.

<sup>9</sup> *Id.* at 51–60.

<sup>10</sup> *Id.* at 53.



Lot Nos. 938-A-4-A to 938-A-4-D. Manuel then sold Lot Nos. 938-A-1, 938-A-2, 938-A-3, 938-A-4-B, and 938-A-4-C to different buyers.<sup>11</sup>

On May 30, 1979, the Registry of Deeds issued TCT No. 118858 covering Lot No. 938-A-4-D in the name of Magdalena.<sup>12</sup>

Later on, one of Teodoro's children discovered that the subject property was being developed by a real estate developer. The Heirs of Tulauan inquired with the Registry of Deeds and they discovered that the title to the subject property under the name of Teodoro was cancelled by virtue of a deed of conveyance, the copy of which was burned when the Registry of Deeds was gutted by fire. Upon verification with the Bureau of Lands, the Heirs further found out that sometime in 1981, a certain Lope H. Soriano presented a deed of conveyance transferring the title to the subject property under his name.<sup>13</sup>

The foregoing antecedents prompted the Heirs of Tulauan, represented by Tito Tulauan, to file the Complaint before the RTC averring that the titles under the names of Manuel and Magdalena were fraudulently issued because the transfers of the ownership of the subject property were based on inexistent documents.<sup>14</sup> They prayed, among others, that Magdalena and Mateo's titles and tax declarations covering the subject property be annulled for being fraudulently issued; that the deed of conveyance allegedly executed on May 4, 1953, be declared null and void; that the Heirs of Tulauan be declared as the true owners of the subject property; and that the corresponding title and tax declaration thereto be issued under their names.<sup>15</sup>

In their respective Answers with Counterclaims, Magdalena<sup>16</sup> and the owner of Camella Homes, CII,<sup>17</sup> both moved to dismiss the complaint on the ground that the Heirs of Tulauan have no cause of action against them. In addition, Magdalena raised the defense that the action for reconveyance was already barred by prescription and/or laches.<sup>18</sup>

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<sup>11</sup> *Id.* at 37.

<sup>12</sup> Referred to as Lot No. 938-A-4-A in the RTC Order; *id.* at 87.

<sup>13</sup> *Id.* at 53-54.

<sup>14</sup> *Id.* at 38.

<sup>15</sup> *Id.* at 59.

<sup>16</sup> *Id.* at 67-74.

<sup>17</sup> *Id.* at 75-82.

<sup>18</sup> *Id.* at 38.

*The Ruling of the RTC*

On September 16, 2014, the RTC issued an Order<sup>19</sup> dismissing the complaint for being barred by prescription and laches, for failure to state a cause of action, and for lack of merit.<sup>20</sup> The RTC ruled that an action for reconveyance prescribes in four years if based on fraud, and 10 years if based on an implied or constructive trust reckoned from the date of the issuance of the title. In the case, the claim of the Heirs of Tulauan involved a title that was canceled more than 60 years ago and had long been segregated into various titles registered in the names of different people. Thus, the action was already barred by prescription.<sup>21</sup>

The RTC further ruled that the action for reconveyance was barred by laches. When the complaint was filed in 2013, more than 60 years had already lapsed from the time when the title was registered in the name of Manuel, and more than 34 years since the title was transferred in the name of Magdalena. For more than six decades, the Heirs of Tulauan made no effort to check the status of their purported title, or even the condition of the subject property. Thus, they were already precluded from asserting their supposed rights against the respondents because of their inaction and neglect for an unreasonable length of time.<sup>22</sup> In any case, the action for reconveyance was no longer available as a remedy because the property had already passed to innocent purchasers for value and in good faith.<sup>23</sup>

The Heirs of Tulauan sought for a reconsideration,<sup>24</sup> but the RTC denied it in its subsequent Order dated June 20, 2016.<sup>25</sup> The RTC added that the Heirs did not allege in the complaint the ultimate facts on how and when the supposed fraud was committed. Thus, for want of factual allegation regarding the commission of fraud, the presumption of regularity laid in favor of the execution of the deed of conveyance remains undisputed, it appears that the questioned titles were issued pursuant thereto.<sup>26</sup>

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<sup>19</sup> *Id.* at 85–91.

<sup>20</sup> *Id.* at 91.

<sup>21</sup> *Id.* at 88–89.

<sup>22</sup> *Id.* at 89–90.

<sup>23</sup> *Id.* at 91.

<sup>24</sup> *Id.* at 92–100, *see* Motion for Reconsideration dated October 2, 2014.

<sup>25</sup> *Id.* at 101–103.

<sup>26</sup> *Id.* at 102.

The Heirs of Tulauan appealed to the CA.<sup>27</sup>

*The Ruling of the CA*

The CA affirmed the RTC in a Decision<sup>28</sup> dated July 31, 2018. The CA agreed with the RTC that the action for reconveyance filed by the Heirs of Tulauan was premised on the purported fraudulent transfer of the title to the subject property; hence, it prescribes in 10 years. Considering that the complaint was filed more than 60 years since the title was registered in the name of Manuel and more than 34 years since the title was transferred in the name of Magdalena, the action for reconveyance had already prescribed when the Heirs of Tulauan filed it in 2013.<sup>29</sup>

The CA also agreed with the RTC that the complaint did not state a cause of action.<sup>30</sup> Despite repeatedly alleging the inexistence of a deed of conveyance and the acquisition by Manuel and Magdalena of the subject property through fraudulent means, the Heirs of Tulauan failed to establish the factual circumstances and present evidence to support their claims.<sup>31</sup>

The Heirs filed a Motion for Reconsideration,<sup>32</sup> but the CA denied it in a Resolution<sup>33</sup> dated July 15, 2019.

Hence, the Petition<sup>34</sup> before the Court.

*The Ruling of the Court*

In the Decision<sup>35</sup> dated September 7, 2022, the Court granted the petition as follows:

WHEREFORE, the petition is GRANTED. The Decision dated July 31, 2018[,] and the Resolution dated July 15, 2019[,] of the Court of Appeals in CA-G.R. CV No. 107610 are REVERSED and SET ASIDE.

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<sup>27</sup> *Id.* at 36.

<sup>28</sup> *Id.* at 36–46.

<sup>29</sup> *Id.* at 102.

<sup>30</sup> *Id.* at 44.

<sup>31</sup> *Id.* at 45.

<sup>32</sup> *Id.* at 175–180.

<sup>33</sup> *Id.* at 47–50.

<sup>34</sup> *Id.* at 13–30.

<sup>35</sup> *Id.* at 246–258.

Let the records of this case be REMANDED to Branch 36, Regional Trial Court (RTC) of Santiago City. The RTC is ordered to continue with the proceedings and decide the case with dispatch.

SO ORDERED.<sup>36</sup>

The Court ruled that while the Heirs of Tulauan used the word “fraudulent” in their complaint, a reading of the allegations therein as a whole would show that the action was indeed based on a purported inexistent document. Corollary thereto, following Article 1410 of the New Civil Code which states that the action or defense for the declaration of the inexistence of a contract does not prescribe, the action for reconveyance filed by the Heirs of Tulauan is imprescriptible.<sup>37</sup>

Accordingly, the Court ordered that the case be remanded to the RTC for the conduct of a full-blown trial to settle the factual issues of laches and whether the respondents are innocent purchasers for value and in good faith. Ultimately, these will determine whether an action for reconveyance is still available as a remedy to the Heirs of Tulauan.<sup>38</sup>

#### *The Motions for Reconsideration*

Both CII and Magdalena filed their respective motions for the reconsideration of the Court’s Decision.

In its motion for reconsideration,<sup>39</sup> CII submits that the action for reconveyance had already prescribed. It points out the allegations of the Heirs of Tulauan in their complaint and in their petition before the Court that the deed of conveyance *exists*, but it was only destroyed by fire that gutted the Registry of Deeds of Isabela. That the deed of conveyance was an inexistent document, falsified, or dubious, are mere conclusions of law and are devoid of factual or legal basis.<sup>40</sup>

Corollarily, CII maintains that an action for reconveyance prescribes in four years if based on fraud, and in 10 years if based on an implied or constructive trust. Here, the action filed by the Heirs of Tulauan had already prescribed because it was filed more than 60 years since the title was registered in the name of Manuel and more than 34 years since it

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<sup>36</sup> *Id.* at 257.

<sup>37</sup> *Id.* at 254–255.

<sup>38</sup> *Id.* at 256.

<sup>39</sup> *Id.* at 259–264.

<sup>40</sup> *Id.* at 261.

was transferred in the name of Magdalena.<sup>41</sup>

For her part, Magdalena insists in her motion for reconsideration<sup>42</sup> that the complaint before the RTC failed to state a cause of action. The Heirs of Tulauan who filed the action did not provide any evidence or proof that they had legal right over the subject property. They merely attached a copy of a certification issued by the Bureau of Lands certifying that the land was registered under OCT No. P-1080 under Teodoro's name; however, title thereto was already transferred in favor of one Lope H. Soriano. Moreover, while the Heirs of Tulauan alleged forgery in their complaint, they did not attach a copy of the supposed forged document.<sup>43</sup>

Magdalena likewise points out that it is unlikely that the title to the subject property can be transferred without the submission of the deed of conveyance before the Registry of Deeds. Also, the Heirs of Tulauan did not even possess the owner's duplicate copy of OCT No. P-1080 which leads to the logical conclusion that the subject property was sold to Manuel who, in turn, submitted the owner's duplicate title to the Registry of Deeds when he transferred the title under his name.<sup>44</sup>

In their Comment<sup>45</sup> to the motions for reconsideration, the Heirs of Tulauan counter that their complaint stated a cause of action in that they alleged that they are the heirs of Teodoro Tulauan who was the registered owner of the subject property; that Manuel and Magdalena have the obligation to respect their ownership thereof; and that by using fictitious deeds of conveyance and fraudulent means, Manuel and Magdalena successfully transferred the title to the subject property under their names.<sup>46</sup>

The Heirs of Tulauan further submit that the complaint sufficiently alleged the absence of their predecessor-in-interest's consent to the alleged deed of conveyance. As such, their cause of action is not based on fraud, but on the inexistence of the contract; thus, it is imprescriptible.<sup>47</sup>

### *The Issue*

The issue before the Court is whether there are grounds to grant the

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<sup>41</sup> *Id.* at 262.

<sup>42</sup> *Id.* at 266–273.

<sup>43</sup> *Id.* at 268.

<sup>44</sup> *Id.* at 269.

<sup>45</sup> *Id.* at 277–282.

<sup>46</sup> *Id.* at 278.

<sup>47</sup> *Id.* at 280–281.





motions for reconsideration filed by CII and Magdalena.

*The Ruling of the Court on the  
Motions for Reconsideration*

The Court finds merit in the motions for reconsideration.

An action for reconveyance is a remedy available to the rightful owner of land which has been wrongly or erroneously registered in the name of another for the purpose of compelling the latter to transfer or reconvey the land to him.<sup>48</sup> In an action for reconveyance, the decree of registration is respected as incontrovertible. What is sought instead is the transfer of the property, which has been wrongfully or erroneously registered in another person's name, to its rightful and legal owner, or to one with a better right.<sup>49</sup>

In ruling in favor of the Heirs of Tulauan, the Decision of the Court dated September 7, 2022, dwelt on their allegations in the Complaint filed before the RTC where they referred to an *inexistent* deed of conveyance which paved the way for the transfer of the subject property under the name of Manuel in 1953. Because the action for reconveyance was based on a purported *inexistent* document, the Court held that it is imprescriptible pursuant to Article 1410 of the New Civil Code. Nonetheless, the Court now reconsiders its conclusion because a careful review of the Complaint reveals that it consists of mere conclusions of law and fails to state a cause of action.

A cause of action is defined as an act or omission by which a party violates a right of another. It is settled that a complaint states a cause of action if it sufficiently avers the existence of the three essential elements, namely: (a) a right in favor of the plaintiff by whatever means and under whatever law it arises or is created; (b) an obligation on the part of the named defendant to respect or not to violate such right; and (c) an act or omission on the part of the named defendant violative of the right of the plaintiff or constituting a breach of the obligation of defendant to the plaintiff for which the latter may maintain an action for recovery of damages.<sup>50</sup>

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<sup>48</sup> See *Toledo v. Court of Appeals*, 765 Phil. 649, 658 (2015).

<sup>49</sup> See *Uy v. Court of Appeals*, 769 Phil. 705, 718–719 (2015), citing *Walston v. Mapa*, 260 Phil. 456, 468 (1990). See also *Amerol v. Bagumbaran*, 238 Phil. 397, 406 (1987).

<sup>50</sup> See *Roa v. Sps. Sy*, 910 Phil. 219, 228 (2021).



In resolving whether the complaint states a cause of action, only the facts alleged in the complaint are considered. The test is whether the court can render a valid judgment on the complaint based on the facts alleged and the prayer asked for. Only ultimate facts, *not legal conclusions or evidentiary facts*, are considered for purposes of applying the test.<sup>51</sup> Relevantly, general allegations that a contract is valid or legal, or is just, fair and reasonable, are mere conclusions of law. Likewise, allegations that a contract is void, voidable, invalid, illegal, *ultra vires*, or against public policy, without stating facts showing its invalidity, are mere conclusions of law.<sup>52</sup> If the complaint does not provide an *explanation or narration of facts* stating with *particularity* the circumstances constituting fraud, the bare allegation of “fraud” would be deemed an unfounded conclusion of law.<sup>53</sup>

Thus, in *Cañete v. Genuino Ice Co., Inc.*,<sup>54</sup> the Court affirmed the dismissal of a complaint for cancellation of certificates of title because it merely alleged that: (1) there was “no record” in any government agency on how the titles were issued; and (2) the titles were supposedly “issued under mysterious circumstances.” The Court found the complaint’s allegations to be *unfounded conclusions of law* and violative of the procedural requirement for the complaint to state with particularity the circumstances constituting fraud. In the absence of such specific averments, the complaint was *defective* and must be dismissed as it presented no basis upon which the courts should act:

The Second Amended Complaint alleged the following causes of action, as well as the remedy sought to be obtained, thus:

....

6. That transfer certificates of title allegedly having originated or derived from Original Certificate of Title No. 614 were issued by the Register of Deeds of Quezon City, which transfer certificates of title are in truth and in fact fictitious, spurious and null and void, for the following reasons: (a) that *no record of any agency of the government shows as to how and in what manner was OCT 614 issued*, (b) that *no record of any proceedings whatsoever, whether judicial or administrative, can support defendants’ claim that the above-described property originated from OCT 614*; and (c) that the transfer certificates of title over the above-described property were

<sup>51</sup> See *Macaslang v. Spouses Zamora*, 664 Phil. 337, 351 (2011).

<sup>52</sup> See *Abad v. Court of First Instance of Pangasinan, Branch VIII*, 283 Phil. 500, 516 (1992).

<sup>53</sup> See *Sps. Fernandez v. Smart Communications, Inc.*, 857 Phil. 15, 32 (2019).

<sup>54</sup> 566 Phil. 204 (2008).

*issued under mysterious circumstances* for the above-named defendants and their so-called predecessors-in-interest never had any actual, adverse, physical possession of the said property, thus, not allowed to acquire title over the property in litigation pursuant to the Friar Lands Act.

....

Petitioners' Second Amended Complaint betrays no more than an incomplete narration of facts unsupported by documentary or other exhibits; *the allegations therein partake of conclusions of law* unsupported by a particular averment of circumstances that will show why or how such inferences or conclusions were arrived at. It is replete with sweeping generalizations and inferences derived from facts that are not found therein. *While there are allegations of fraud upon the claim that the subject titles were fictitious, spurious and obtained under "mysterious circumstances," the same are not specific to bring the controversy within the trial court's jurisdiction. There is no explanation or narration of facts as would show why said titles are claimed to be fictitious or spurious, contrary to the requirement of the Rules that the circumstances constituting fraud must be stated with particularity;* otherwise, the allegation of fraud would simply be an unfounded conclusion of law. *In the absence of specific averments, the complaint is defective, for it presents no basis upon which the court should act, or for the defendant to meet it with an intelligent answer.*<sup>55</sup> (Emphasis supplied)

In the present case, a scrutiny of the complaint filed before the RTC would show that the Heirs of Tulauan stated as follows:

....

11. That the possession of the plaintiff's predecessor's-in-interest was never disturbed except when Paul Tulauan, one of the children of the Teodoro Tulauan, while in the Philippines for a vacation, saw the land being developed by a real estate developer;
12. That immediately thereafter, the plaintiff verified the records with the Registry of Deeds of Ilagan and Santiago and found out that the title of the plaintiff's predecessor-in-interest was already cancelled. It was also discovered that *the deed of conveyance supporting the cancellation was one of those documents that were burned* when the Registry of Deeds of Isabela was gutted by fire;
13. That *the plaintiff then exerted effort to verify the authenticity of the alleged conveyance* by checking the records with the Bureau of Lands in Ilagan[,] Isabela. While at the said office, it was found

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<sup>55</sup> *Id.* at 220.

out that sometime in 1981, a certain Lope H. Soriano presented a deed of conveyance transferring the property covered with OCT P 1080 under his name;

....

18. TCT-(T-118858) SC-46663 was *fraudulently issued* because it was based on inexistent document. Its nullification is justified.

....

22. Similarly, since the basis of the issuance of Tax Declarations ARP No. 175-0022-01336 issued under the name of Magdalena Mateo is a *falsified (sic)* then the conveyance used therein should be cancelled and a new one reflecting only the name of the Teodoro Tulauan (*sic*) or that of his heirs as owner be issued.

23. Teodoro Tulauan could not have executed *the dubious [d]eed of conveyance* on 4<sup>th</sup> of May 1953 that effected the transfer it [*sic*] in favor of defendant Manuel Mateo for there was no such document showing any mode of transfer in his favor.

....

25. That the subsequent transfers of the said title in favor [*sic*] Magdalena Mateo is a *product of forgery* hence void ab initio;

....

26. By reason of the malevolent acts of defendants in effecting *fraudulent transfers* by using void and inexistent documents that resulted to the cancellation of plaintiff's predecessors-in-interest[']s title caused [*sic*] the plaintiff to suffer sleepless nights, wounded feelings, moral shock, mental anguish, serious anxieties, besmirched reputation, social humiliation and feelings of similar nature. Plaintiff is entitled to, by way of moral damage, the amount of P100,000.00.<sup>56</sup>

Evidently, the Heirs of Tulauan simply averred in their complaint that the subject property was originally registered under the name of Teodoro who left his property in the 1950s, and that they were surprised to learn later that Teodoro supposedly executed a deed of conveyance which served as the basis for the transfer of the title under the name of Manuel. However, they could not obtain a copy thereof because the Register of Deeds was gutted by fire. Still, because they do not have any knowledge of the details thereof, they simply concluded that the transfer of the subject property to Manuel was without Teodoro's consent; hence,

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<sup>56</sup> *Rollo*, pp. 53-57.



it was a product of fraud. However, the Heirs of Tulauan did not even state in the complaint how fraud attended the transfer of the subject property to Manuel.

The subject complaint is similar to *Cañete*, in that it consists of a conjecture that Manuel's certificate of title is dubious or fraudulent as the Register of Deeds of Isabela has no record of the deed of conveyance supporting the title. By merely stating a *legal conclusion* that Manuel's title was fraudulently issued because it was based on an inexistent document, without stating the particular circumstances that would show how the fraud was committed and how the conclusion was arrived at, and without even providing any detail regarding the supposedly "dubious" deeds of conveyance in favor of Manuel and Magdalena, the allegations in the complaint for reconveyance were clearly not sufficient for the RTC to grant the reliefs prayed for by the Heirs of Tulauan. The subject complaint is patently *defective* as it presents no basis upon which the trial court should act, or for the respondents to meet it with an intelligent answer.

It bears stressing that under the Revised Rules on Evidence, Rule 131, Section 3(m),<sup>57</sup> the legal requirements for the cancellation and issuance of certificates of titles are presumed to have been followed;<sup>58</sup> hence, the presumption is that the title in the name of Teodoro could not have been cancelled and a new one could not have been issued in the name of Manuel without the presentation of the underlying deed of conveyance to the Register of Deeds.<sup>59</sup> The mere fact that the deed of conveyance can no longer be produced after the Register of Deeds of Isabela was gutted by fire does not automatically mean that the document is spurious or that it never existed.<sup>60</sup>

Furthermore, on several occasions, the Court relied on the strong presumption in favor of the validity of Torrens titles and ordered the dismissal of actions for their nullification because they were based on alleged irregularities in land registration proceedings, whose records have already been destroyed or are no longer available.<sup>61</sup> The Court stressed

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<sup>57</sup> Revised Rules on Evidence, Rule 131, sec. 3(m) provides the disputable presumption that official duty has been regularly performed.

<sup>58</sup> See *Skunac Corp. v. Sylianteng*, 734 Phil. 310, 326 (2014); *Spouses Carpo v. Ayala Land, Inc.*, 625 Phil. 277 (2010); *China Banking Corp. v. Co.*, 587 Phil. 380 (2008), and *Tichangco v. Enriquez*, 477 Phil. 379 (2004).

<sup>59</sup> See *Kung v. Tan*, G.R. No. 243245, April 1, 2019 [Notice].

<sup>60</sup> *Id.*

<sup>61</sup> See *Republic v. Heirs of Sta. Ana*, 899 Phil. 316, 326–327 (2021); *Tichangco v. Enriquez*, 477 Phil. 379, 392–393 (2004).

that parties cannot be held hostage or punished by reason of the plain scarcity of records on file with the government agencies concerned.<sup>62</sup> Given the strong presumption of validity in favor of respondents' certificates of title and the presumption that the legal requirements for their issuance have been complied with, it was all the more incumbent upon the Heirs of Tulauan to sufficiently aver in their complaint the particular circumstances that would render respondents' titles fraudulent or void. A bare allegation in the complaint regarding the absence of a record of the deed of conveyance with the Register of Deeds of Isabela is insufficient.

At all events, for an action for reconveyance based on fraud to prosper, the plaintiff must prove by clear and convincing evidence not only his or her title to the property, but also the fact of fraud. Fraud is never presumed;<sup>63</sup> mere allegations of fraud are not enough. Intentional acts to deceive and deprive another of his or her right, or in some manner, injure him or her, must be specifically *alleged* and proved.<sup>64</sup> The foregoing was reiterated by the Court in the case of *Flores v. Bagaoisan*<sup>65</sup> as follows:

In order that an action for reconveyance based on fraud may prosper, it is essential for the party seeking reconveyance to prove, by clear and convincing evidence, his title to the property and the fact of fraud.

Respondent did not allege in his complaint or prove during the trial that fraud attended the registration of the subject property in petitioners' names. In fact, there was no allegation as to how petitioners were able to secure title to the property despite the alleged ownership of respondent's predecessor.<sup>66</sup>

At this point, it must be underscored that the Heirs of Tulauan did not even allege that they have in their possession the owner's duplicate copy of OCT No. P-1080. In fact, they admitted in their complaint that as early as in the 1950s, Teodoro already left Santiago, Isabela, and resided in Tuguegarao for security reasons. Purportedly, it was only when one of his children, who was abroad, went for a vacation in the Philippines that they discovered the land being developed by a real estate developer.<sup>67</sup> Nonetheless, the complaint did not even specify the time when such

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<sup>62</sup> *Id.*

<sup>63</sup> *See Heirs of Hermosilla v. Spouses Remoquillo*, 542 Phil. 390, 399 (2007).

<sup>64</sup> *See Barrera v. Court of Appeals*, 423 Phil. 559, 566 (2001), citing *Heirs of Mariano v. Court of Appeals*, 372 Phil. 47, 58 (1999).

<sup>65</sup> 632 Phil. 333 (2010).

<sup>66</sup> *Id.* at 341, citing *Abejaron v. Nabasa*, 411 Phil. 552, 565 (2001).

<sup>67</sup> *Rollo*, p. 53.



alleged discovery took place. Also, it did not even state what happened to Teodoro after leaving Santiago City and the impossibility of him voluntarily executing a deed of conveyance covering the subject property.

Verily, the mere fact that the Heirs of Tulauan were unaware of any conveyance made by their predecessor-in-interest does not automatically lead to the conclusion that any document executed in relation to the subject property is dubious, fraudulent, or a forgery.

**FOR THESE REASONS**, the Motions for Reconsideration filed by respondents Communities Isabelita, Inc. and Magdalena Mateo Lorenzo are **GRANTED**. The Decision of the Court promulgated on September 7, 2022, is hereby **SET ASIDE**. The Decision dated July 31, 2018, and the Resolution dated July 15, 2019, of the Court of Appeals in CA-G.R. CV No. 107610 are **AFFIRMED**. The complaint for reconveyance filed by petitioners Heirs of Teodoro Tulauan in Civil Case No. 36-3826 filed before Branch 36, Regional Trial Court, Santiago City is **DISMISSED** for failure to state a cause of action.

**SO ORDERED.**



**HENRI JEAN PAUL B. INTING**  
*Associate Justice*

WE CONCUR:



**ALFREDO BENJAMIN S. CAGUIOA**  
*Associate Justice*



**SAMUEL H. GAERLAN**  
*Associate Justice*

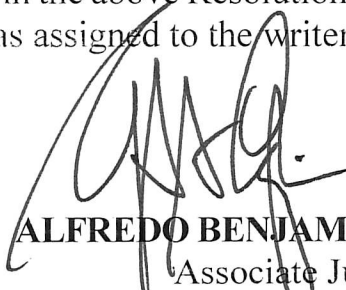


**JAFAR B. DIMAAMPAO**  
*Associate Justice*

  
**ANTONIO T. KHO, JR.**  
*Associate Justice*

**ATTESTATION**

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

  
**ALFREDO BENJAMIN S. CAGUIOA**  
*Associate Justice*  
*Chairperson, Third Division*

**CERTIFICATION**

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

  
**ALEXANDER G. GESMUNDO**  
*Chief Justice*