

2018 (Case Brief / Digest)
Title: Elvira T. Arangote vs. Sps. Martin Maglunob and Lourdes S. Maglunob, and
Romeo Salido

Facts:

Elvira T. Arangote, the petitioner, is the registered owner of a property in Maloco, Ibajay, Aklan, based on OCT No. CLOA-1748, acquired from Esperanza Maglunob-Dailisan, from whom she allegedly inherited the property. Arangote's acquisition stemmed from a notarized Partition Agreement and an Affidavit where Esperanza renounced her rights in favor of Arangote. The respondents, the Maglunobs and Romeo Salido, contested the ownership, claiming co-ownership inherited from their mutual ancestor, Martin Maglunob I.

Arangote initiated a Complaint for Quieting of Title, Declaration of Ownership and Possession, and other reliefs against respondents who countered with their claim and questioned the validity of the notarized documents favoring Arangote.

The case progressed from the 7th Municipal Circuit Trial Court (MCTC) to the Regional Trial Court (RTC), and eventually to the Court of Appeals (CA), which declared the respondents as the lawful owners and possessors of the subject property. Arangote's appeal to the Supreme Court (SC) brought into question the decisions of the lower courts, particularly focusing on property ownership, validity of documents and good faith possession rights.

Issues:

1. Whether the lower courts erred in declaring OCT No. CLOA-1748 null and void.
2. The validity of Esperanza's Affidavit renouncing her rights to the subject property in favor of Arangote, and its consideration as a deed of donation.
3. Whether Arangote can be considered a possessor in good faith, entitled to the protection of Articles 448 and 546 of the Civil Code.

Court's Decision:

The SC affirmed the decisions of the RTC and the CA, holding that:

- Esperanza's Affidavit acted as a deed of donation, which failed to meet the legal requirements for the transfer of real property, rendering it null and void.
- OCT No. CLOA-1748, despite being a Torrens title, was correctly challenged through the counterclaim in the civil case, which served as a direct attack on the title's validity.
- Arangote could not be considered a builder or possessor in good faith as the property acquisition and subsequent actions were based on flawed legal instruments and

understanding.

Doctrine:

1. ****Donation of Real Property****: Must meet specific requisites under Article 749 of the Civil Code, including execution in a public document and acceptance by the donee to be valid.
2. ****Challenge to Torrens Title****: A Torrens title can be attacked in a direct proceeding, such as a counterclaim in a civil action, where the case directly challenges the title's validity.
3. ****Possession and Good Faith****: Good faith possession ends when the possessor becomes aware of a challenge or defect in their title or mode of acquisition.

Class Notes:

- ****Donation of Immovable Property****: Requires public document manifestation, clear acceptance, and donor notification.
- ****Torrens System****: Protects registered land titles but allows for direct legal challenges.
- ****Good Faith in Possession****: Determined by awareness of the legal standing and ownership right validity at the acquisition time. Lapses upon notification of any title defect or legal challenge.

Historical Background:

This case delves into the complexities of land ownership, inheritance, and title legitimacy in the Philippines. It also illustrates how the Torrens system operates within Philippine jurisprudence, highlighting the protection it offers and the conditions under which a title may be challenged. The resolution of disputes involving deeds of donation, specifically regarding immovable property, underscores the importance of compliance with statutory requirements for such transactions.