

# Republic of the Philippines Supreme Court Manila

# FIRST DIVISION

**REPUBLIC OF THE PHILIPPINES**, Petitioner,

G.R. No. 224076

- versus -

#### **Present:**

SUSAN DATUIN, EVELYN DAYOT, SKYLON REALTY CORPORATION, SYSTEMATIC REALTY INCORPORATED, BAGUIO PINES TOWER CORPORATION, GOLD LAND REALTY CORPORATION, GOOD HARVEST REALTY CORPORATION, PARKLAND REALTY AND DEVELOPMENT CORPORATION AND THE REGISTER OF DEEDS OF NASUGBU, BATANGAS, PERALTA, C.J., Chairperson, CAGUIOA, REYES, J., JR., LAZARO-JAVIER, and LOPEZ, JJ.

#### **Promulgated:**

JUL 2 8 2020 muum

Respondents.

X-----X

# DECISION

LAZARO-JAVIER, J.:

#### The Case

The petition assails the dispositions of the Court of Appeals in CA-G.R. SP No. 134394 entitled "*Republic of the Philippines v. Hon. Judge Rolando E. Silang, et al.*,"<sup>1</sup> viz.:

<sup>1</sup> Penned by Associate Justice Eduardo B. Peralta, Jr with the concurrences of Associate Justices Francisco P. Acosta and Florito S. Macalino.

1) Resolution<sup>2</sup> dated September 24, 2015, dismissing the petition for *certiorari* for supposedly being the improper remedy; and

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2) Resolution<sup>3</sup> dated April 11, 2016, denying the Republic's motion for reconsideration.

#### Antecedents

On May 13, 2010, petitioner Republic of the Philippines, represented by the Regional Executive Director of the Department of Environment and Natural Resources (DENR) Region IV-A, Calabarzon and the Office of the Solicitor General (OSG) filed a Complaint for cancellation and reversion against respondents Susan Datuin, Evelyn Dayot, Skylon Realty Corporation, Systemic Realty Incorporated, Parkland Realty & Development Corporation, Baguio Pines Tower Corporation, Goldland Realty Corporation, and Good Harvest Realty Corporation.<sup>4</sup> Petitioner specifically prayed for cancellation of Original Certificates of Title Nos. (OCTs) 921 to 926, Transfer of Certificates of Title Nos. (TCTs) TP 1937, TP 1938, TP 1939, TP 1950, TP 1951, and TP 1952, and reversion of the same to the government on ground that these lots are inalienable based on a final judgment in *Republic of the Philippines v*. *Ayala y Cia and/or Hacienda Calatagan, et al.*<sup>5</sup>

In its Complaint<sup>6</sup> dated May 4, 2010, petitioner essentially alleged that the lots are inalienable and cannot be acquired by private persons. Fraud and irregularities attended their transfer to respondents as illustrated below:

On July 27, 1987, then Secretary of Agriculture Carlos G. Dominguez issued Fishpond Lease Agreement (FLA) No. 4718 to Prudencia V. Conlu. The FLA authorized Conlu to operate for twenty-five (25) years a 298,688 square meter-public land situated in Barrio Calumbayan, Municipality of Calatagan, Batangas.<sup>7</sup>

On August 19, 1987, the land was subdivided into six (6) lots in favor of six (6) individuals excluding Conlu: Lucia Dizon, Amorando Dizon, Susan Datuin, Consolacion Dizon, Ruben Dizon and Consolacion Degollacion, pursuant to DENR Special Work Order (SWO) 04-001510-D.<sup>8</sup>

Consequently, Constante Q. Asuncion, Acting District Land Officer of the Land Management Bureau and Alexander Bonuan, Register of Deeds of Batangas issued the following OCTs:<sup>9</sup>

- <sup>6</sup> Rollo, 103-116.
- <sup>7</sup> Id. at 106.

<sup>&</sup>lt;sup>2</sup> Rollo, pp. 34-37.

<sup>&</sup>lt;sup>3</sup> Id. at 50-51.

<sup>&</sup>lt;sup>4</sup> Id. at 16; See also Complaint dated May 4, 2010, id. at 103-116.

<sup>&</sup>lt;sup>5</sup> 121 Phil. 1052-1057 (1965).

<sup>&</sup>lt;sup>8</sup> Id. at 107.

<sup>&</sup>lt;sup>9</sup> Id. at 107-108.

OCT P-921	Lucia Dizon	
OCT P-922	Amorando Dizon	
OCT P-923	Susan Datuin	
OCT P-924	Consolacion Dizon	
OCT P-925	Ruben Dizon	
OCT P-926	Consolacion Degollacion	

On March 12, 1992, for unknown reasons, the Register of Deeds of Nasugbu, Batangas issued Transfer Certificates of Title for the six (6) lots in the names of Susan Datuin and Evelyn Dayot only. TCT Nos. TP 834, TP 835, TP 836, TP 837, and TP 838 in the name of Susan Datuin, and TCT No. TP 833 in the name of Evelyn Dayot.<sup>10</sup>

In August 1996, Datuin, acting alone, sold the six (6) lots to the following six (6) corporations which were then issued their corresponding TCTs:<sup>11</sup>

TP 1937	Skylon Realty Corporation	
TP 1938	Systemic Realty Incorporated	
TP 1939	Parkland Realty & Development Corporation	
TP 1950	Baguio Pines Tower Corporation	
TP 1951	Goldland Realty Corporation	
TP 1952	Good Harvest Realty Corporation	

On September 18, 2003, the DENR verified that the land covered by SWO 04-001510-D on which OCTs 921 to 926 were issued, was not reflected in the projection map. The area covered by OCTs 921 to 926 overlapped with Lot 360, Psd-40891 covered by FLA No. 4718. Nathaniel Abad, Chief of the DENR-Projection Section formalized these findings in his Memorandum<sup>12</sup> addressed to Conlu, *viz*.:

Evaluation and observation of the technical description transcribed in the title covering S[WO] 04-001510[-D] is exactly identical to Lot 0360, Psd 40891 and the total area of the six (6) lots covering the said plan S[WO] 04-001510-D are TWO HUNDRED NINETY EIGHT THOUSAND AND S1X HUNDRED EIGHTY SIX (298,686) SQUARE METERS while Lot 360, Psd-10890 is TWO HUNDRED NINETY EIGHT [THOUSAND AND SIX HUNDRED EIGHTY EIGHT] (298,688) SQUARE METERS and resulting to similar polygon as appeared.

Plotting also of plan S[WO] 04-001510-D, Lots 1 to 6 overlapped (with) Lot 360, Psd-40891 when plotted using their respective lines.

Therefore, findings show that the area covered by Fishpond Lease Agreement (FLA) No. 4718, Lot 360, Psd-

<sup>&</sup>lt;sup>10</sup> Id. at 108; See also Annexes "F" to "F-5" of the Petition for Review, id. at 73-91.

<sup>&</sup>lt;sup>11</sup> Id. at 108.

<sup>12</sup> Id. at 109.

40891 in the name of Prudencia V. Conlu is the same area covered by plan SWO 04-001510-D.

On September 25, 2003, the DENR issued a certification to Conlu that SWO 04-001510-D was not on its official file.<sup>13</sup> On September 12, 2006, the DENR made second verification which yielded the same results.<sup>14</sup>

These fraudulent transfers allegedly caused Conlu's dispossession of the property she obtained by virtue of FLA No. 4718 dated July 27, 1987.<sup>15</sup>

Also, the Supreme Court already declared in Republic of the Philippines v. Ayala y Cia and/or Hacienda Calatagan, et al.<sup>16</sup> that Lot 360 of Psd 40891, the same land covered by FLA No. 4718, was inalienable and incapable of private appropriation.<sup>17</sup> Thus, all free patents, OCTs and subsequent TCTs issued in respondents' names should be cancelled and reverted back to the government.<sup>18</sup>

The case was raffled to the Regional Trial Court (RTC), Branch 11, Balayan, Batangas and docketed as Civil Case No. 4929.<sup>19</sup>

Corresponding notices and summonses were sent to respondents. But only Datuin and Dayot, Baguio Pines Tower Corporation and Systemic Realty, Inc. filed their answers to the complaint.<sup>20</sup>

Datuin and Dayot denied the allegations in the complaint, claiming that the OCTs and derivative TCTs were legally issued to them.<sup>21</sup>

Respondents Baguio Pines Tower Corporation and Systemic Realty, Inc.'s Answer

In their Answer<sup>22</sup> dated March 30, 2011, Baguio Pines and Systemic countered that as of May 14, 1969, the lots were already classified as alienable and disposable pursuant to Commonwealth Act No. 141 (CA 141) or the Public Land Act way before they brought the same from Datuin in 1996. Thus, these lots could not have been the subject of FLA No. 4718 in 1987 following

<sup>18</sup> Rollo, p. 112.

22 Id. at 122-135.

<sup>&</sup>lt;sup>13</sup> Id. at 110.

<sup>14</sup> Id. at 111.

<sup>15</sup> Id.

<sup>&</sup>lt;sup>16</sup> Supra note 5.

<sup>&</sup>lt;sup>17</sup> In Republic v. Ayala y Cia (Id.), the Court affirmed the CFI Decision declaring Lot 360 as part of navigable waters, or parts of the sea, beach and foreshores of the beach, thus, not capable of registration.

<sup>19</sup> Id. at 196. <sup>20</sup> Id. at 198.

<sup>21</sup> Id.

their classification as alienable and disposable as of May 14, 1969. No fraud attended the issuance of the titles and they purchased the lots for value.<sup>23</sup>

Baguio Pines and Systemic also traced back the history of the lots beginning from their first alleged awardee Consolacion D. Degollacion, *viz*.:

On January 25, 1968, Degollacion filed an Agricultural Sales Application No. (III-1) 502 involving a parcel of land with an area of 29.8688 hectares at Barrio Calumbayan, Municipality of Calatagan, Batangas.<sup>24</sup>

On May 14, 1969, the Bureau of Forestry declared that the area was within the unclassified public forest of Calatagan. Since the area was no longer needed for forest purposes, it was certified as such and released as alienable or disposable.<sup>25</sup>

The Chief of the Land Management Division of the Bureau of Lands directed the District Land Officer to convert Degollacion's Sales Application (III-1) 502 to Sales (Fishpond) Application.<sup>26</sup>

In a Memorandum dated December 5, 1972, then Secretary of Agriculture and Natural Resources ordered the Director of Lands to continue the processing of pending sales (fishpond) applications prior to the effectivity of Presidential Decree No. 43 dated November 9, 1972.<sup>27</sup>

In 1987, OCTs P-921 to P-926 were issued to Lucia Dizon, Amorando Dizon, Susan Datuin, Consolacion Dizon, Ruben Dizon and Consolacion Degollacion.<sup>28</sup>

Subsequently, Datuin sold these six (6) lots to Skylon Realty Corporation, Systemic Realty Incorporated, Parkland Realty & Development Corporation, Baguio Pines Tower Corporation, Goldland Realty Corporation and Good Harvest Realty Corporation.<sup>29</sup> Thereafter, TCTs were issued to respondents.<sup>30</sup>

On March 5, 2012, Baguio Pines and Systemic personally served petitioner a Request for Admission of facts including the genuineness and authenticity of the attached documents thereto. Petitioner, however, failed to respond to the Request for Admission.<sup>31</sup>

Consequently, Baguio Pines and Systemic filed a Motion for Summary Judgment<sup>32</sup> dated February 26, 2013. They claimed that pursuant to Section 2

 $\frac{26}{16}$  Id. at 127

<sup>&</sup>lt;sup>23</sup> Id. at 131.

<sup>&</sup>lt;sup>24</sup> *Id.* at 126-127.
<sup>25</sup> *Id.* at 127.

 $<sup>^{27}</sup>$  Id. at 128-129.

<sup>&</sup>lt;sup>28</sup> *Id.* at 129.

<sup>&</sup>lt;sup>29</sup> Id.

<sup>&</sup>lt;sup>30</sup> Id.

<sup>&</sup>lt;sup>31</sup> Id. at 201.

<sup>&</sup>lt;sup>32</sup> Id. at 137-145.

of Rule 26, the facts as well as the genuineness and authenticity of the documents attached to their Request for Admission were deemed admitted for petitioner's failure to oppose the same.<sup>33</sup> Petitioner should also be deemed to have admitted DENR Certificate of Verification<sup>34</sup> dated February 20, 2013 issued by OIC Chief, Forest Resources Development Division Annalisa J. Junsay, declaring that the lots were verified to be agricultural (alienable and disposable) as of June 29, 1987.<sup>35</sup>

In their Comment<sup>36</sup> dated March 25, 2013, Datuin and Dayot adopted Baguio Pines and Systemic's motion for summary judgment.

For its part, petitioner opposed,<sup>37</sup> asserting there were genuine issues of fact requiring presentation of evidence in a full-blown trial.

Baguio Pines and Systemic replied<sup>38</sup> reiterating the arguments in their motion for summary judgment.

#### The Trial Court's Resolution

By Order<sup>39</sup> dated June 6, 2013, the trial court denied the motion for summary judgment, citing the parties' conflicting claims pertaining to whether fraud or irregularities attended the issuance of the titles in question and whether the lots were inalienable or otherwise. The trial court opined that these conflicting claims involving the very issues at hand required presentation of evidence. It cannot resolve these issues solely on the basis of the February 20, 2013 DENR Certificate of Verification.

Respondents sought a reconsideration.<sup>40</sup> This time, referring back to petitioner's failure to respond to their request for admission and its consequence under Section 2, Rule 26 of the Revised Rules of Court. Pursuant thereto, petitioner was deemed to have admitted all the allegations in the request for admission as well as the authenticity of relevant documents, *i.e.* February 20, 2013 DENR Certificate of Verification.

To this, petitioner filed its Opposition and Supplemental Comment,<sup>41</sup> claiming once again that there were clear genuine issues for resolution,

<sup>38</sup> Id. at 156-159.

40 Id. at 165-173.

41 Id. at 178-195.

<sup>&</sup>lt;sup>33</sup> SECTION 2. *Implied Admission.* — Each of the matters of which an admission is requested shall be deemed admitted unless, within a period designated in the request, which shall not be less than fifteen (15) days after service thereof, or within such further time as the court may allow on motion, the party to whom the request is directed files and serves upon the party requesting the admission a sworn statement either denying specifically the matters of which an admission is requested or setting forth in detail the reasons why he cannot truthfully either admit or deny those matters. (*Rules of Court, 1997 Rules of Civil Procedure as Amended, April 8, 1997*).

<sup>&</sup>lt;sup>34</sup> Rollo, p. 198.

<sup>35</sup> Id. at 202.

<sup>&</sup>lt;sup>36</sup> Id. at 147-149.

<sup>&</sup>lt;sup>37</sup> See Opposition dated April 24, 2013; *id.* at 150-155.

<sup>&</sup>lt;sup>39</sup> Penned by Judge Rolando F. Silang, *id.* at 161-164.

including the validity of the February 20, 2013 DENR Certificate of Verification which needed to be presented as evidence in the trial proper.

During the hearing on respondent's motion for reconsideration and opposition, the trial court, by single Order<sup>42</sup> dated September 3, 2013 granted the motion for reconsideration and simultaneously rendered therein a summary judgment dismissing the complaint. It sustained respondents' submission that petitioner was deemed to have admitted the material facts subject of the Request for Admission and the genuineness and due execution of the documents attached thereto.<sup>43</sup>

The trial court, thus, concluded that no controversy or genuine issue existed as to any material fact, and by virtue of petitioner's implied admissions, the requirements for issuance of title had also been complied.<sup>44</sup>

Petitioner's subsequent motion for reconsideration was denied under Order dated December 18, 2013.

#### The Court of Appeals' Ruling

On March 14, 2014,<sup>45</sup> petitioner went to the Court of Appeals *via* a petition for *certiorari* under Rule 65 of the Revised Rules of Court. Petitioner charged the trial court with grave abuse of discretion amounting to excess or lack of jurisdiction when in one and the same Order dated September 3, 2013, it both reconsidered the previous denial of the motion for summary judgment and rendered summary judgment in favor of respondents. In so doing, the trial court allegedly violated its right to due process.

On March 28, 2014, respondents filed a motion to dismiss the petition for *certiorari* for being purportedly an erroneous remedy. Citing Section 2 (c), Rule 41 of the Revised Rules of Court, they argued that petitioner should have instead filed with the Supreme Court a petition for review on *certiorari* under Rule 45.<sup>46</sup>

In its Resolution<sup>47</sup>dated September 24, 2015, the Court of Appeals dismissed the petition. It emphasized that a summary judgment may be corrected only by appeal or direct review, not by petition for *certiorari* under Rule 65.

Under Resolution<sup>48</sup> dated April 11, 2016, the Court of Appeals denied petitioner's motion for reconsideration.

<sup>43</sup> Id. <sup>44</sup> Id.

<sup>42</sup> Id. at 196-203.

<sup>&</sup>lt;sup>45</sup> CA *rollo*, pp. 2-17.

<sup>&</sup>lt;sup>46</sup> See Motion to Dismiss dated March 24, 2014; *id.* at 286-296.

<sup>&</sup>lt;sup>47</sup> *Rollo*, pp. 34-37.

<sup>&</sup>lt;sup>48</sup> *Id.* at 38.

### **The Present Petition**

Petitioner now seeks the Court's discretionary appellate jurisdiction to review and reverse the assailed dispositions of the Court of Appeals. Petitioner basically avers: (1) the Court of Appeals committed an error of law in dismissing the petition for *certiorari* based on mere technicality; (2) the trial court was ousted of its jurisdiction when it simultaneously and in a single Order reconsidered respondents' motion for summary judgment and rendered summary judgment dismissing the complaint, thus, violating petitioner's right to due process; and (3) the trial court's earlier Order denying the motion for summary judgment should not have been reconsidered as there were indeed genuine issues to be resolved.<sup>49</sup>

Respondents riposte in the main that: (1) a summary judgment may be challenged only through a petition for review on *certiorari* with the Supreme Court and not by petition for *certiorari* to the Court of Appeals; and (2) having failed to appeal the Order dated December 18, 2013 within the prescribed period, the same had become final.<sup>50</sup>

# **Core Issues**

## Ι

Did the Court of Appeals correctly dismiss the petition for *certiorari* for being allegedly an improper remedy against the trial court's summary judgment in respondents' favor?

#### Π

Did the trial court correctly deem the Republic to have admitted the matters raised in respondents' request for admission and based thereon, render a summary judgement against it?

#### Ruling

We will discuss and resolve these twin inseparable issues together. For to be able to determine whether the Republic correctly availed of the remedy of *certiorari* under Rule 65, we need to first determine whether the trial court did commit grave abuse of discretion when it issued its Orders<sup>51</sup> dated September 3, 2013 and December 18, 2013.

As a rule, the remedy of an adverse party in assailing the Regional Trial Court's summary judgment involving both questions of fact and law is

51 Id. at 196-203.

<sup>&</sup>lt;sup>49</sup> See Petition for Review dated May 17, 2016; *id.* at 11-24.

<sup>&</sup>lt;sup>50</sup> See Respondents' Comment dated November 22, 2016; *id.* at 253-269.

ordinary appeal to the Court of Appeals under Rule 41 of the Revised Rules of Court,<sup>52</sup> viz.:

RULE 41 - Section 2. Modes of appeal. ---

(a) Ordinary appeal. — The appeal to the Court of Appeals in cases decided by the Regional Trial Court in the exercise of its original jurisdiction shall be taken by filing a notice of appeal with the court which rendered the judgment or final order appealed from and serving a copy thereof upon the adverse party. No record on appeal shall be required except in special proceedings and other cases of multiple or separate appeals where law on these Rules so require. In such cases, the record on appeal shall be filed and served in like manner.

Here, the Republic did not avail of the remedy of ordinary appeal but resorted to Rule 65 *via* a special civil action for *certiorari*, thus:

RULE 65 - Section 1. *Petition for Certiorari.* — When any tribunal, board or officer exercising judicial or quasi-judicial functions has acted without or in excess of its or his jurisdiction, or with grave abuse of discretion amounting to lack or excess of jurisdiction, and there is no appeal, or any plain, speedy, and adequate remedy in the ordinary course of law, a person aggrieved thereby may file a verified petition in the proper court, alleging the facts with certainty and praying that judgment be rendered annulling or modifying the proceedings of such tribunal, board or officer, and granting such incidental reliefs as law and justice may require.

The petition shall be accompanied by a certified true copy of the judgment, order or resolution subject thereof, copies of all pleadings and documents relevant and pertinent thereto, and a sworn certification of non-forum shopping as provided in the paragraph of Section 3, Rule 46.<sup>53</sup>

To justify its availment of Rule 65, the Republic cited the trial court's violation of its right to due process amounting to grave abuse of discretion or excess of jurisdiction.

In several cases, the Court sustained as proper remedy a petition for *certiorari* where it was shown that the aggrieved party's right to due process was violated and the trial court was deemed to have been ousted of jurisdiction over the case.

The Court in *Paz v. Court of Appeals*,<sup>54</sup> ruled that Paz correctly elevated the case to the Court of Appeals through a petition for *certiorari* and not an ordinary appeal because his due process right was violated. The trial

<sup>&</sup>lt;sup>52</sup> Spouses Navarro v. Rural Bank of Tarlac, Inc., 790 Phil. 1-15 (2016).

<sup>&</sup>lt;sup>53</sup> Rules of Court, 1997 Rules of Civil Procedure as amended, April 8, 1997.

<sup>54 260</sup> Phil. 31-37 (1990).

court in the case failed to conduct a mandatory pre-trial hearing before rendering summary judgment under the old Rules of Court. The affidavits of witnesses and pleadings in the records also showed there were genuine factual issues which called for a full-blown trial.

In *Department of Education (DepED) v. Cuanan*,<sup>55</sup> Cuanan's recourse to a petition for *certiorari* was allowed instead of an appeal under Rule 43. Cuanan's right to due process was violated when he was not given copies of the DepED's Petition for Review/Reconsideration to the Civil Service Commission.

In *Spouses Leynes v. Court of Appeals*,<sup>56</sup> the Court of Appeals was found to have gravely abused its discretion when it erroneously dismissed Spouses Leynes' petition for *certiorari* under Rule 65 allegedly as a wrong remedy instead of an appeal under Rule 42. In that case, the MCTC unjustly declared Spouses Leynes in default for their failure to file an answer within the reglementary period, thus, depriving them of the opportunity to counter the complaint against them.

Here, the trial court deemed the Republic to have admitted all the affirmative defenses pleaded by respondents in their answer, including the genuineness and due execution of the very documents subject of the parties' conflicting claims, granted respondents' motion for summary judgment based thereon, and rendered the summary judgment itself altogether in its Order dated September 3, 2013 which it subsequently affirmed under Order dated December 18, 2013. As will be shown in the succeeding discussion, the trial court committed grave abuse of discretion, amounting to excess or lack of jurisdiction when it rendered its assailed dispositions.

*First*. Rule 26 of the Revised Rules of Court governs requests for admission, thus:

SECTION 1. *Request for Admission.*— At any time after issues have been joined, a party may file and serve upon any other party a written request for the admission by the latter of the genuineness of any material and relevant document described in and exhibited with the request or of the truth of any material and relevant matter of fact set forth in the request. Copies of the documents shall be delivered with the request unless copies have already been furnished.

SECTION 2. Implied Admission.— Each of the matters of which an admission is requested shall be deemed admitted unless, within a period designated in the request, which shall not be less than fifteen (15) days after service thereof, or within such further time as the court may allow on motion, the party to whom the request is directed files and serves upon the party requesting the admission a sworn statement either denying specifically the matters of which an admission is requested or setting forth

<sup>55 594</sup> Phil. 451, 458 (2008).

<sup>56 655</sup> Phil. 25, 36 (2011).

in detail the reasons why he cannot truthfully either admit or deny those matters.  $\mathbf{x}\mathbf{x}\mathbf{x}$ 

A request for admission seeks to obtain admissions from the adverse party regarding the genuineness of relevant documents or relevant matters to enable a party to discover the evidence of the adverse side and facilitate an amicable settlement of the case to expedite the trial of the same.<sup>57</sup> The key word is to **expedite proceedings**, hence, it should seek to clarify vague allegations of the opposing party and should not be a mere reiteration of allegations in the pleadings.

Here, respondents' Request for Admission refers to material facts already pleaded as defenses in their Answer. In fact, the allegations in the Request for Admission and the Answer, except for a few innocuous words are identical, *viz*.:

Respondents' Answer	Request for Admission
dated March 30, 2011	dated March 5, 2012
Affirmative Allegations and Defenses XXXXXX 17. On January 25, 1968, Consolacion D. Degollacion, the predecessor-in-interest of defendants Baguio Pines and Systemic, filed Agricultural Sales Application No. (III- 1) 502 involving a parcel of land with an area of 29.8688 hectares located at Barrio Barrio Calumbayan, Municipality of Calatagan, Province of Batangas. <sup>58</sup> xxx	<ul> <li>a) That, Ms. Consolacion D. Degollacion is among the predecessors-in-interest of defendants Baguio Pines and Systemic.<sup>59</sup></li> <li>b) That, by date of January 25, 1968, Ms. Consolacion D. Degollacion, filed Agricultural Sales Application No. (III-1) 502 involving a parcel of land with an area of 29.8688 hectares located at Barrio Calumbayan, Municipality of</li> </ul>
<ul> <li>18. Pursuant to the provisions of the Public Land Act, Agricultural Sales Application No. (III-1) 502 was addressed to the Director of the Bureau of Lands, an attached agency of the then Department of Agriculture and Natural Resources.<sup>61</sup> Xxx</li> <li>19. In a letter dated June 4, 1968,</li> </ul>	Calatagan, Province of Batangas. <sup>60</sup> c) That, pursuant to the provisions of the Public Land Act, Agricultural Sales Application No. (III-1) 502 was addressed to the Director of the Bureau of Lands, an attached agency of the then Department of Agriculture and Natural Resources. <sup>62</sup> d) That, by ( ) date of June 4,
Mrs. Degollacion wrote the then Bureau	1968, Ms. Degollacion wrote the
of Forestry specifically requesting for	Bureau of Forestry specifically
the classification and release of the	requesting for the classification and

<sup>&</sup>lt;sup>57</sup> See Duque v. Court of Appeals, et al., 433 Phil. 33, 44 (2002).

<sup>&</sup>lt;sup>58</sup> *Rollo*, p. 126.

<sup>&</sup>lt;sup>59</sup> Id. at 198.

<sup>&</sup>lt;sup>60</sup> Id.

<sup>61</sup> Id. at 127.

<sup>62</sup> Id. at 198.

subject parcels of land as alienable and disposable. <sup>63</sup> xxx	release of the subject parcels of land as alienable and disposable. <sup>64</sup>
20. In a letter dated May 14, 1969, the Bureau of Forestry, through its Assistant Director J.L. Utleg replied to the letter-request of Mrs. Degollacion, pertinently stating in categorical terms that "the tracts of land, containing an aggregate area of 79.360 hectares, situated in Barrio Calabuyan, Calatagan, Batangas desired to be released for agricultural purposes by Dr. Consolacion D. Degollacion, et al. of Malabon, Rizal are within the unclassified public forest of Calatagan, Batangas. However, since the areas (the 79.360 hectares shown on Batangas PMD No. 104) are found no longer needed for forest purposes, the same are thus hereby certified as such and released as Alienable and Disposable for disposition under the Public Land Act. <sup>65</sup> xxx	e) That, by letter dated May 14, 1969, the Bureau of Forestry, through its Assistant Director J.L. Utleg decreed that the subject parcels of land "are found no longer needed for forest purposes, [and that] the same are thus [thereby] certified as such and released as (alienable or disposable) for disposition under the Public Land Act, as amended. <sup>66</sup>
21. On February 3, 1970, the Chief of the Land Management Division of the Bureau of Lands directed the District Land Officer to convert Sales Application No. (III-1) 502 to Sales (Fishpond) Application. <sup>67</sup> xxx	f) That, on February 3, 1970, the Chief of the Land Management Division of the Bureau of Lands directed the District Land Officer to convert Sales Application No. (III-1) 502 to Sales (Fishpond) Application. <sup>68</sup>
22. Thereafter, the Director of Lands duly endorsed the said application to all the concerned agencies for their respective comments and recommendations. <sup>69</sup> xxx	g) That, thereafter, the Director of Lands duly endorsed the said application to all the concerned agencies for their respective comments and recommendations. <sup>70</sup>
xxx xxx 24. In a reply to a similar request for advice, the then Department of Public Works and Communications stated that "[t]he lands subject of this case is suitable for the purpose to which it will be devoted," and recommended that "that the land be disposed of through sale or lease. <sup>71</sup> " xxx	h) That, the then Department of Public Works and Communications stated that the lands subject of this case was "suitable for the purpose to which it will be devoted," and that "[i]t is recommended that the land be disposed of through sale or lease. <sup>72</sup> "

- <sup>63</sup> *Id.* at 127.
  <sup>64</sup> *Id.* at 198.
  <sup>65</sup> *Id.* at 127.
  <sup>66</sup> *Id.* at 198.
  <sup>67</sup> *Id.* at 127.
  <sup>68</sup> *Id.* at 128.
  <sup>69</sup> *Id.* at 128.
  <sup>70</sup> *Id.* at 128.
  <sup>71</sup> *Id.* at 128.
  <sup>72</sup> *Id.* at 198.

25. In a Certification dated May 20, 1970, the Mayor of the Municipality of Calatagan, Batangas likewise certified that "the lands applied for by MRS. ZENAIDA D. SIOSON, MRS. ADELAIDA D. REYES, MRS. CONCOLACION D. DEGOLLACION and MR. ANTONINO DIZON will not be needed by the Municipal Government of Calatagan now or in the future." <sup>73</sup> xxx	i) That, in a Certification dated May 20, 1970, the municipality of Calatagan likewise certified that the parcels of land subject of Ms. Degollacion's application was "not needed by the Municipal Government of Calatagan now or in the future. <sup>74</sup> "
26. In a Memorandum dated December 5, 1972, the then Secretary of Agriculture and Natural Resources directed the Director of Lands to continue the processing of all pending sales (fishpond) applications filed prior to the effectivity of Presidential Decree No. 43 dated November 9, 1972. <sup>75</sup> xxx	j) That, on December 5, 1972, the then Secretary of Agriculture and Natural Resources categorically directed the Director of Lands to continue the processing of all pending sales (fishpond) applications filed prior to the effectivity of Presidential Decree No. 43 dated November 9, 1972. <sup>76</sup>
xxx xxx 32. Plaintiff admits that OCT Nos. P-925 and P-21 were issued as early as 1987. <sup>77</sup> xxx	k) That, the patents were thereafter issued in 1987. <sup>78</sup>
xxx xxx 34. The predecessors in interest of defendants Baguio Pines and Systemic occupied and possessed the subject lands as of 1968. <sup>79</sup> xxx	<ul> <li>1) That, at the latest, the predecessors in interest of defendants</li> <li>Baguio Pines and Systemic occupied and possessed the subject lands as of 1968.<sup>80</sup></li> <li>m) That, defendants Baguio Pines</li> </ul>
35. Herein defendants purchased the subject parcels of land from defendant Susan Datuin. At the time of purchase, the said parcels of land were registered in the name of defendant Datuin as	and Systemic have themselves possessed the subject land as early as August 1996. <sup>81</sup>
shown by TCT Nos. TP-834 and TP-835 and there was no encumbrance, annotation or notice of any kind appearing on said titles that would indicate that said titles were flawed in any way. Relying on the integrity of said titles and the pertinent provisions of the Property Registration Decree, herein	n) That, plaintiff has accepted since August 1996 and it continues to accept realty tax payments for the subject parcels of land from both defendants Baguio Pines and Systemic. <sup>82</sup>

- <sup>73</sup> Id. at 128.
  <sup>74</sup> Id. at 198.
  <sup>75</sup> Id. at 128-129.
  <sup>76</sup> Id. at 200.
  <sup>77</sup> Id. at 130.
  <sup>78</sup> Id. at 200.
  <sup>79</sup> Id. at 131.
  <sup>80</sup> Id. at 200.
  <sup>81</sup> Id.
  <sup>82</sup> Id.

defendants paid value for the subject lands and caused their registration in their names.	o) That, defendants Baguio Pines and Systemic purchased the subject parcels of land from defendant Datuin. <sup>83</sup>
	p) That, at the time of purchase, the said parcels of land were registered in the name of defendant Datuin as shown by TCT Nos. TP-834 and TP- 835. <sup>84</sup>
	q) That, defendants Baguio Pines and Systemic rightfully relied on the titles registered under the name of defendant Datuin. <sup>85</sup>
XXX XXX	
Cross-claim	
40. Defendant Baguio Pines purchased the land now registered in its name under TCT NO. TP 1950 from defendant Susan Datuin on August 15, 1996 and paid the latter the amount of Seven Million Four Hundred Sixty- Seven Thousand and One Hundred Fifty Pesos (P7,467,150.00). <sup>86</sup> xxx	s) That, defendants Baguio Pines paid the amount of P 7,467,150.00 to defendant Datuin as and by way of consideration for the purchase of land covered by TCT No. TP-835. <sup>87</sup>
41. Defendant Systemic also purchased the land now registered in its name under TCT No. TP 1938 from defendant Susan Datuin on August 2, 1996 and paid the latter the amount of Five Million Pesos (P5,000,000.00). <sup>88</sup> xxx	t) Defendant Systemic paid the amount of P5,000,000.00 to defendant Datuin as and by way of consideration for the purchase of land covered by TCT No. TP-834. <sup>89</sup> xxx xxx

Clearly, what respondents sought for admission referred to the very subject matter of the complaint, hence, beyond the context of Rule 26. As held in *Concrete Aggregates Corporation v. Court of Appeals*,<sup>90</sup> it is a delaying tactic and unjustified maneuvering, nay illogical if not preposterous, thus:

The Request for Admission of petitioner does not fall under Rule 26 of the Rules of Court. As we held in *Pov. Court of Appeals* and *Briboneria v. Court of Appeals*, Rule 26 as a mode of discovery contemplates of

<sup>83</sup> Id.

<sup>85</sup> Id.

<sup>&</sup>lt;sup>84</sup> Id.

<sup>&</sup>lt;sup>86</sup> Id. at 132.

<sup>&</sup>lt;sup>87</sup> Id. at 200.

<sup>88</sup> Id. at 132.

<sup>89</sup> Id. at 200.

<sup>&</sup>lt;sup>90</sup> 334 Phil. 77, 80 (1997); citing Po v. Court of Appeals, 247 Phil. 637-640 (1988), Briboneria v. Court of Appeals, 290-A Phil. 396-409 (1992), and Uy Chao v. De la Rama Steamship Co. Inc., 116 Phil. 392-397 (1962).

interrogatories that would clarify and tend to shed light on the truth or falsity of the allegations in a pleading. That is its primary function. It does not refer to a mere reiteration of what has already been alleged in the pleadings. xxx

As we held in Po v. CA, petitioner's request constitutes an utter redundancy and a useless, pointless process which the respondent should not be subjected to. In the first place, what the petitioner seeks to be admitted by private respondent is the very subject matter of the complaint. In effect, petitioner would want private respondent to deny her allegations in her verified Complaint and admit the allegations in the Answer of petitioner (Manifestation and Reply to Request for Admission). Plainly, this is illogical if not preposterous.

XXX XXX XXX

Clearly, therefore, private respondent need not reply to the Request for Admission because her Complaint itself controverts the matters set forth in the Answer of petitioner which were merely reproduced in the request. In Uy Chao v. De la Rama Steamship we observed that the purpose of the rule governing requests for admission of facts and genuineness of documents is to expedite trial and to relieve parties of the costs of proving facts which will not be disputed on trial and the truth of which can be ascertained by reasonable inquiry.<sup>91</sup>

Verily, petitioner need not reply to respondents' request for admission because as stated, the facts requested to be admitted are already the subject of the parties' respective pleadings by which the issues had already been joined.

As **Duque v. Spouses**  $Yu^{92}$  ruled, if the matters in a request for admission have already been admitted or denied in previous pleadings by the requested party, "**the latter cannot be compelled to admit or deny them anew**." In turn, the requesting party cannot reasonably expect a response to the request and, thereafter, assume or even demand the application of the implied admission rule in Section 2, Rule 26.

Second. Summary judgment is embraced under Rule 35 of the 1997 Rules of Civil Procedure, *viz*.:

SECTION 1. Summary Judgment for claimant. - A party seeking to recover upon a claim, counterclaim, or cross-claim or to obtain a declaratory relief may, at any time after the pleading in answer thereto has been served, move with supporting affidavits, depositions or admissions for a summary judgment in his favor upon all or any part thereof.

SECTION 2. Summary judgment for defending party. — A party against whom a claim, counterclaim, or cross-claim is asserted or a declaratory relief is sought may, at any time, move with supporting affidavits, depositions or admissions for a summary judgment in his favor as to all or any part thereof.

<sup>&</sup>lt;sup>91</sup> Italics and emphasis supplied.

<sup>&</sup>lt;sup>92</sup> G.R. No. 226130, February 19, 2018, 856 SCRA 97, 103.

SECTION 3. Motion and proceedings thereon. — The motion shall be served at least ten (10) days before the time specified for the hearing. The adverse party may serve opposing affidavits, depositions, or admissions at least three (3) days before the hearing. After the hearing, the judgment sought shall be rendered forthwith if the pleadings, supporting affidavits, depositions, and admissions on file, show that, except as to the amount of damages, there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.

Summary judgment may be validly rendered when these twin elements are present: (a) there must be no *genuine issue* as to any material fact, except for the amount of damages; and (b) the party presenting the motion for summary judgment must be entitled to a judgment as a matter of law.<sup>93</sup>

A *genuine issue* means an issue of fact which calls for presentation of evidence as distinguished from an issue which is sham, fictitious, contrived, set up in bad faith, and patently unsubstantial so as not to constitute a genuine issue for trial.<sup>94</sup>

In the complaint, the Republic claimed that the subject lots are "inalienable" and OCTs P-921 to P-926 and derivative titles were fraudulently issued thereon.<sup>95</sup> Respondents, on the other hand, countered that the lots had already been classified as "alienable" as early as May 14, 1969, thus, OCTs P-921 to P-926 and its subsequent TCTs were validly issued.<sup>96</sup>

Undoubtedly, these are genuine issues pertaining to the actual classification of the lots in question and the consequent validity or invalidity of the titles issued thereon.

These genuine issues subsist and have not ceased to be. Hence, the trial court gravely abused its discretion amounting to excess or lack of jurisdiction when it deemed the same to be no longer existing based on its erroneous conclusion that the Republic had impliedly admitted the material facts to which they related.

The Court has time and again pronounced that where the facts pleaded by the parties are disputed or contested, the proceedings for a summary judgment cannot take the place of a trial.<sup>97</sup>

*Third.* Under its Order dated September 3, 2013<sup>98</sup> the trial court altogether, in one sweeping stroke, granted respondents' motion for reconsideration dated July 16, 2013,<sup>99</sup> granted their motion for summary

<sup>93</sup> Puyat v. Zabarte, 405 Phil. 413, 426-427 (2001).

<sup>94</sup> Supra note 54.

<sup>95</sup> See Complaint dated May 4, 2010; rollo, pp. 103-116

<sup>&</sup>lt;sup>96</sup> See Answer dated March 30, 2011; *id.* at 122-135.

<sup>&</sup>lt;sup>97</sup> Loreno v. Estenzo, 165 Phil. 610, 615 (1976), citing Singleton v. Phil. Trust, 99 Phil. 91-99 (1956).

<sup>98</sup> CA rollo, pp. 190-197.

<sup>99</sup> Id. at 169-177.

#### Decision

judgment dated February 26, 2013,<sup>100</sup> and rendered the summary judgment itself in respondents' favor. In so doing, the trial court deprived petitioner of the opportunity before judgment was rendered, to first seek a reconsideration of the grant of respondent's motion for reconsideration and the grant of respondent's motion for summary judgment. This is grave abuse of discretion, amounting to excess or lack of jurisdiction.

*Narciso v. Garcia*<sup>101</sup> is analogously applicable to this case. There, the Court decreed that the trial court committed serious error when it simultaneously denied Narciso's motion to dismiss and at the same time declared her in default in one order. It deprived Narciso of the opportunity to seek reconsideration of the order denying her motion to dismiss, thus:

But apart from opposing defendant's motion to dismiss, plaintiff Garcia asked the trial court to declare Narciso in default for not filing an answer, altogether disregarding the suspension of the running of the period for filing such an answer during the pendency of the motion to dismiss that she filed in the case. Consequently, when the trial court granted Garcia's prayer and simultaneously denied Narciso's motion to dismiss and declared her in default, it committed serious error. Narciso was not yet in default when the trial court denied her motion to dismiss. She still had at least five days within which to file her answer to the complaint.

What is more, Narciso <u>had the right to file a motion for</u> reconsideration of the trial court's order denving her motion to dismiss. No rule prohibits the filing of such a motion for reconsideration. Only after the trial court shall have denied it does Narciso become bound to file her answer to Garcia's complaint. And only if she did not do so was Garcia entitled to have her declared in default. Unfortunately, the CA failed to see this point.<sup>102</sup> (emphasis supplied)

To repeat, the trial court, thus, gravely abused its discretion when it issued its: (a) Order dated September 3, 2013 in Civil Case No. 4929, ordaining that as a result of the Republic's failure to respond to the Request for Admission, it was deemed to have impliedly admitted the material facts as well as the genuineness and due execution of several documents subject of the Request for Admission, granting respondents' motion for summary judgment based on these alleged admissions, and rendering summary judgment against the Republic; and (b) denying the Republic's subsequent motion for reconsideration. Consequently, the aforesaid orders are nullified.

On the other hand, the Court of Appeals committed reversible error when it dismissed the Republic's petition for *certiorari* in CA-G.R. SP No. 134394, hence, its assailed dispositions are reversed and set aside.

<sup>&</sup>lt;sup>100</sup> CA *rollo*, pp. 142-150.

<sup>&</sup>lt;sup>101</sup> 699 Phil. 236-241 (2012).

<sup>&</sup>lt;sup>102</sup> Id.

ACCORDINGLY, the petition is GRANTED. The Resolutions dated September 24, 2015 and April 11, 2016 of the Court of Appeals in CA-G.R. SP No. 134394 are REVERSED AND SET ASIDE.

The Orders dated September 3, 2013 and December 18, 2013 in Civil Case No. 4929 being tainted with grave abuse of discretion amounting to excess or lack of jurisdiction are nullified. The Regional Trial Court, Branch 11, Balayan, Batangas is directed to reopen the case, conduct the pre-trial and trial proper, and resolve the case on the merits, with utmost dispatch.

### SO ORDERED.

**ZARO-JAVIER** AM Associate Justice

WE CONCUR:

DIOSDADO M. PERALTA Chief Justice Chairperson

JAMIN S. CAGUIOA sociate Justice

YES, JR. **JOSE C. RE** 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.

DIOSDADO M. PERALTA Chief Justice