

# Republic of the Philippines Supreme Court Manila

## **SECOND DIVISION**

REPUBLIC OF PHILIPPINES,

THE

G.R. No. 157719

Petitioner,

Present:

PERLAS-BERNABE, S.A.J., Chairperson, HERNANDO, ZALAMEDA, ROSARIO, and MARQUEZ, JJ.

- versus -

CLEMENTE TAPAY AND ALBERTO T. BARRION, as the legal representative of the heirs of the deceased FLORA L. TAPAY,<sup>1</sup> Respondents.

Promulgated: MAR 0.2 2022

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## DECISION

HERNANDO, J.:

This petition for review<sup>2</sup> assails the March 20, 2003 Decision<sup>3</sup> of the Court of Appeals (CA) in CA-G.R. CV No. 54088, which upheld the August 14, 1996 Order<sup>4</sup> of the Regional Trial Court (RTC) of Lipa City, Batangas, Branch 12 in Land Case No. N-1727, LRC Rec. No. N-35920.

<sup>&</sup>lt;sup>1</sup> Passed away on November 21, 1993 and was substituted by her heirs (*rollo*, pp. 34-38).

<sup>&</sup>lt;sup>2</sup> *Rollo*, pp. 5-23.

<sup>&</sup>lt;sup>3</sup> CA *rollo*, pp. 38-46. Penned by Associate Justice Sergio L. Pestaño and concurred in by Acting Presiding Justice Cancio C. Garcia and Associate Justice Eloy R. Bello, Jr.

<sup>&</sup>lt;sup>4</sup> Id. at 18. Penned by Judge Vicente F. Landicho.

#### Antecedents:

Sometime in 1980, Flora and Clemente Tapay (respondents) filed an application for registration of Lot No. 10786, with an area of 684 square meters, before the RTC of Lipa City.<sup>5</sup> They alleged that a certain Francisca Cueto had been in possession of the property since 1925 until it was sold to Teofila Lindog (Teofila), respondents' predecessor.<sup>6</sup> When Teofila died intestate in 1971, respondents inherited the property.<sup>7</sup>

Respondents' application for registration was opposed by the Republic of the Philippines (petitioner) through the Office of the Solicitor General (OSG).<sup>8</sup> Petitioner argued that: (1) the documents submitted by respondents (such as the muniments of title, tax declaration, and receipt of tax payments) did not constitute competent evidence of acquisition of property; (2) neither did respondents' open, continuous, exclusive, and notorious possession of the land in the concept of an owner constitute the same; (3) respondents' claim of ownership based on a Spanish title or grant can no longer be availed of since respondents failed to file the appropriate application within the period set by Presidential Decree No. 892;<sup>9</sup> and (4) the parcel of land applied for is part of public domain.<sup>10</sup>

A notice of the application for registration was posted, published, and served on the adjoining property owners.<sup>11</sup> The RTC thereafter issued an order of general default against the whole world.<sup>12</sup>

#### **Proceedings in the Regional Trial Court:**

During the course of the proceedings, the Land Registration Commission or LRC (now the Land Registration Authority or LRA) issued a report stating that based on the Books of Cadastral Lots, the lot was previously the subject of registration in another case—Cadastral Case No. 33, LRC (GLRO) Cadastral Record No. 1305—and had already been adjudicated to another person, but the

<sup>&</sup>lt;sup>5</sup> Id. at 39.

<sup>&</sup>lt;sup>6</sup> Id.

<sup>&</sup>lt;sup>7</sup> Id.

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

<sup>&</sup>lt;sup>9</sup> Entitled "DISCONTINUANCE OF THE SPANISH MORTGAGE SYSTEM OF REGISTRATION AND OF THE USE OF SPANISH TITLES AS EVIDENCE IN LAND REGISTRATION PROCEEDINGS." Dated February 16, 1976.

<sup>&</sup>lt;sup>10</sup> CA rollo, 39-40.

<sup>&</sup>lt;sup>11</sup> Id. at 40.

<sup>&</sup>lt;sup>12</sup> Id.

cadastral court has yet to issue a decree of registration.<sup>13</sup> The LRC, however, was unable to determine the identity of the person to whom the property was adjudicated to because the records of the case, including a copy of the decision, were not available.<sup>14</sup>

[D]espite the report of the LRC, the RTC adjudicated the land to the respondents in its May 28, 1982 Decision, *viz*.:

WHEREFORE, and upon previous confirmation of the Order of General Default, this Court hereby adjudicates and decrees, the land subject matter of this application in favor of and in the names of applicants FLORA TAPAY, married to Ambrocio Barrion and CLEMENTE TAPAY, married to Leticia Aranda, both Filipinos, of legal age and residing at Barrio Maraouy, Lipa City, as the true and absolute owners thereof, in equal shares <u>pro indiviso</u>.

Once this Decision have become final, let the corresponding decree of registration be issued.<sup>15</sup>

After the Decision became final, the RTC directed the LRC to issue the decree of registration and the corresponding certificate of title.<sup>16</sup> However, instead of complying with the order, the LRC submitted a supplemental report reiterating that the subject land was previously the subject of registration proceedings in Cadastral Case No. 33.<sup>17</sup> The LRC then recommended that the cadastral court's decision be nullified so that it can issue a decree of registration in favor of respondents.<sup>18</sup>

Accordingly, respondents filed a motion to set aside the decision in Cadastral Case No. 33 in order to give effect to the May 28, 1982 Decision of the RTC.<sup>19</sup> This motion was granted in the August 14, 1996 Order of the RTC, *viz*.:

WHEREFORE, as prayed for, the Decision in Cadastral Case No. 33, LRC (GLRO) Cadastral Record No. 1305 relative to Lot No. 10786 is hereby SET ASIDE.

SO ORDERED.<sup>20</sup>

- <sup>15</sup> Id. at 41.
- <sup>16</sup> Id.

<sup>19</sup> Id. at 42.

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

<sup>&</sup>lt;sup>14</sup> Id. at 43.

<sup>&</sup>lt;sup>17</sup> Id. at 41-42.

<sup>&</sup>lt;sup>18</sup> Id. at 43-44.

<sup>&</sup>lt;sup>20</sup> Id. at 18.

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Aggrieved, petitioner appealed to the CA, arguing that the RTC had no authority to set aside the decision of the cadastral court as it amounted to interference with the authority of another co-equal court.<sup>21</sup>

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

The CA agreed with petitioner that generally, the RTC has no authority to nullify the decision of a co-equal court.<sup>22</sup> However, the CA opined that this doctrine finds no application in this case considering that: (1) petitioner was unable to present the records of the cadastral case, (2) LRC admitted that it could not determine the identity of the party to whom the subject lot was adjudicated to, and (3) because the LRC, knowing that it could not execute the decision in the cadastral proceedings as it never attained finality, recommended that the decision be nullified by the RTC.<sup>23</sup>

The CA also considered that except for petitioner, no other person claimed ownership over the subject property.<sup>24</sup> If the property was indeed adjudicated to a third person, the CA postulated, that party should have challenged the application filed by respondents who, through their own evidence, were able to show that the possession of their predecessor-in-interest was peaceful, open, public, and continuous since 1925.<sup>25</sup>

The *fallo* of the assailed Decision reads:

WHEREFORE, in view of the foregoing and finding no reversible error in the assailed August 14, 1996 Order of Branch 12, Regional Trial Court of Lipa City, Batangas, the herein appeal is **DISMISSED** for lack of merit and said Order is **UPHELD** and **AFFIRMED**.<sup>26</sup>

Undeterred, petitioner filed the instant petition.<sup>27</sup>

#### **Arguments of petitioner:**

In support of the petition, petitioner argues as follows:

<sup>&</sup>lt;sup>21</sup> Id. at 42.

<sup>&</sup>lt;sup>22</sup> Id. at 43.

<sup>&</sup>lt;sup>23</sup> Id. at 43-44.

 <sup>&</sup>lt;sup>24</sup> Id. at 44.
<sup>25</sup> Id. at 44-45.

 <sup>&</sup>lt;sup>26</sup> Id. at 45.

<sup>&</sup>lt;sup>27</sup> *Rollo*, pp. 5-23.

**First**, the RTC of Lipa City has no authority to nullify the decision of a coequal court and only the CA has such power. Thus, the decision in Cadastral Case No. 33 remains valid and subsisting.<sup>28</sup>

**Second**, the decision of the cadastral court in Cadastral Case No. 33, as well as all matters incident to it, continue to be within the exclusive control of the cadastral court until a registration decree is issued.<sup>29</sup>

**Third**, the decision in Cadastral Case No. 33 constitutes *res judicata* and thus bars respondents' subsequent application for registration. While the parties in the cadastral court and the RTC of Lipa may be different, the decision binds respondents because decisions in cadastral proceedings bind the whole world.<sup>30</sup>

And **fourth**, the RTC's May 28, 1982 Decision which adjudicated the land to respondents can no longer be modified to order the nullification of the decision in Cadastral Case No. 33 due to immutability of judgment.<sup>31</sup>

#### **Arguments of respondents:**

In their comment/opposition,<sup>32</sup> respondents counter as follows:

**First**, the nullification of the decision in the cadastral proceedings should be upheld considering that from 1982 up to the present, petitioner failed to produce the records of the case while respondents were able to present sufficient evidence to support their right to a registration decree.<sup>33</sup>

**Second**, the CA, which is empowered to nullify the decision of the cadastral court, already affirmed the August 14, 1996 Order of the RTC. Hence, the nullification was made within bounds of law.<sup>34</sup>

**Third**, there is lack of identity of parties to satisfy the elements of *res judicata*, and the records are incomplete to show that the proceedings actually took place and that the decision actually attained finality.<sup>35</sup>

<sup>&</sup>lt;sup>28</sup> Id. at 12-14.

<sup>&</sup>lt;sup>29</sup> Id. at 14-16.

<sup>&</sup>lt;sup>30</sup> Id. at 16-18.

<sup>&</sup>lt;sup>31</sup> Id. at 18-19. Petitioner reiterated its arguments in its Reply (*rollo*, pp. 55-61) and Memorandum (*rollo*, pp. 64-75).

<sup>&</sup>lt;sup>32</sup> Id. at 40-48.

<sup>&</sup>lt;sup>33</sup> Id. at 44, 46.

<sup>&</sup>lt;sup>34</sup> Id. at 43-44.

<sup>&</sup>lt;sup>35</sup> Id. at 44-45.

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And **fourth**, there was no modification of the RTC's May 28, 1982 Decision.<sup>36</sup>

#### Issue

Did the CA err in affirming the RTC's August 14, 1996 Order?

#### **Our Ruling**

The Petition should be denied.

The Court agrees with petitioner that a regional trial court has no power to nullify or interfere with the decision of a co-equal court pursuant to the law and the doctrine of judicial stability.<sup>37</sup> Applying the doctrine to this case, petitioner is correct in postulating that the August 14, 1996 Order of RTC Lipa City is void and thus, the cadastral court's decision in Cadastral Case No. 33 remains valid and subsisting as of this time.

However, the foregoing presupposes that Cadastral Case No. 33 really existed and that there actually is a decision in that case. Unfortunately for petitioner, aside from the single entry "Cadastral Case No. 33, LRC (GLRO) Cadastral Record No. 1305," no other record, including a copy of the decision, exists to support the theory. Key information, such as the identity of the parties in the case and of the court that rendered the decision, as well as the outcome thereof, has remained unknown despite the lapse of more than 40 years since the LRC submitted its report. No one, aside from the Republic, has even come forward to claim any interest arising from the supposed case. The Court therefore agrees with the CA that the doctrine of judicial stability finds no application in this case. Practical considerations now demand that the proceedings in the RTC be no longer disturbed and the August 14, 1996 Order no longer set aside.

This ruling is supported by jurisprudence. In *Republic v. Heirs of Sta.* Ana,<sup>38</sup> the Republic opposed the application for registration filed by the heirs of

<sup>&</sup>lt;sup>36</sup> Id. at 45. Respondents reiterated their arguments in their Memorandum (*rollo*, pp. 82-117).

<sup>&</sup>lt;sup>37</sup> See *First Gas Power Corp. v. Republic*, 717 Phil. 44, 52 (2013), where the Court elucidated on the doctrine of judicial stability as follows:

This doctrine states that the judgment of a court of competent jurisdiction may not be interfered with by any court of concurrent jurisdiction. The rationale for the same is founded on the concept of jurisdiction — verily, a court that acquires jurisdiction over the case and renders judgment therein has jurisdiction over its judgment, to the exclusion of all other coordinate courts, for its execution and over all its incidents, and to control, in furtherance of justice, the conduct of ministerial officers acting in connection with this judgment.

<sup>&</sup>lt;sup>38</sup> G.R. No. 233578, March 15, 2021.

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Sta. Ana on the ground that the property was previously the subject of another registration and that a prior decree of registration had already been issued as reported by the LRA. However, similar to this case, there were no available records of the supposed prior cadastral proceedings and no other party has come forward to challenge the heirs' ownership. Consequently, the Court allowed the registration of the property since "it would be the height of injustice for the heirs to be held hostage or punished by reason of the plain scarcity of the records," *viz.*:

We agree that indeed, there are no available records bearing the so called Cadastral Case No. 10, Cadastral Record No. 984 or the decision or decree of registration or title issued therein. The only single entry in the records is found on page 80 of the LRA Record Book of Cadastral Lots: "a portion of said lot is already covered by a certificate of title pursuant to the decision rendered in Cad. Case No. 10." But no matter how we look at it, we cannot deduce therefrom the actual text of the decision, the exact portion of Lot 459 affected, or the parties in whose favor the supposed title was issued, including the details of this supposed title. For sure, it would be the height of injustice for respondents to be held hostage or punished by reason of the plain scarcity of the records on file with the government agencies concerned. It is certainly illegal, immoral, and against public policy and order for respondents who have been vested with a legal right to be precluded from exercising it, sans any real remedy under the law.

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Although we recognize that a final and executory decision in a land registration case does not ever become extinct, here, again, the records are simply too scarce for any court of law or the LRA itself to ascertain what exactly should be executed in terms of the text of the decision,  $x \times x$ 

We therefore fully concur with the trial court and the Court of Appeals that the only right and logical thing to do under the circumstances is to allow the execution of the final and executory Decision dated October 26, 1967 for registration of the entire Lot 459 filed by the same Julian Sta. Ana and Mercedes Sta. Ana who are respondents' predecessors-in-interest thereto. Remarkably, no private party has ever come forward to oppose the claim of ownership invariably asserted by respondents' predecessors-in-interest over the entire Lot 459 or a portion thereof. In any event, whatever decision, if any, may have been issued over a portion of Lot 459 in Cadastral Case No. 10, Cadastral Record No. 984, there is no existing title found in the records pertaining to that portion. Consequently, there can be no double titling to speak of resulting from the order of execution in LRC Case No. N-5999 (in relation to the Decision dated October 26, 1967), as affirmed in CA-G.R. SP No. 139385.<sup>39</sup> (Citations omitted, emphasis supplied)

<sup>&</sup>lt;sup>39</sup> Id.

Notably, in *Republic v. Heirs of Sta. Ana*, the LRA reported that a prior decree of registration had already been issued, yet the Court still decided to allow the subsequent registration because there was no way to verify the truthfulness of the alleged prior case.<sup>40</sup> Considering that it is the decree of registration that binds the land and quiets the title thereto,<sup>41</sup> and not the decision, the registration should be allowed with much more reason here where no decree of registration covering the subject land had yet been issued and only the existence of the supposed decision (which has not yet even attained finality) bars respondents' application.

It is also worth noting that almost 40 years had passed since the trial court determined that respondents are entitled to a registration decree. One of the respondents even passed away while waiting for it.<sup>42</sup> In *Republic v. Heirs of Sta. Ana*, one of the key considerations for allowing the subsequent registration was the fact that a long time had passed since the trial court ordered the issuance of a registration decree.<sup>43</sup> The Court intimated that to reverse such decision would run counter to the purpose of land registration, which is to finally settle title to real property.<sup>44</sup> Here, it is in keeping with the purpose of land registration to finally allow respondents to be granted a registration decree.

As to the rest of petitioner's arguments, We do not agree that *res judicata* bars respondents' subsequent application, and that the doctrine of immutability of judgment prevents the nullification of the cadastral court's decision. First, petitioner failed to establish the elements of *res judicata*, there being no information about Cadastral Case No. 33 aside from the single entry in the Book of Cadastral Lots. Second, the August 14, 1996 Order of the RTC merely effectuated the May 28, 1982 Decision of the RTC; it did not amend the same. Hence, petitioner's arguments must fail.

In fine, the Court believes that the higher interest of justice will be better served by granting respondents' prayer for a registration decree. After all, even after the lapse of so many years, no other person has come forward to dispute their claim.

WHEREFORE, the petition is hereby DENIED. The March 20, 2003 Decision of the Court of Appeals in CA-G.R. CV No. 54088, is AFFIRMED.

<sup>&</sup>lt;sup>40</sup> Supra note 38.

<sup>&</sup>lt;sup>41</sup> Section 31(2), Presidential Decree No. 1529 (1978).

<sup>&</sup>lt;sup>42</sup> *Rollo*, pp. 34-38.

<sup>&</sup>lt;sup>43</sup> Republic v. Heirs of Sta. Ana, supra note 38.

<sup>&</sup>lt;sup>44</sup> Id.

SO ORDERED.

RAN  $\mathbf{IO}$ TOO АŪ Associate Justice

WE CONCUR:

# ESTELA M. PHRLAS-BERNABE Senior Associate Justice Chairperson

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### ATTESTATION

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

ESTELA M. PERLAS-BERNABE Senior Associate Justice Chairperson

## CERTIFICATION

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

SMUNDO ALEX

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