



**Republic of the Philippines
Supreme Court
Manila**

FIRST DIVISION

**THE HEIRS OF EUGENIO LOPEZ,
SR. namely, OSCAR M. LOPEZ,
MANUEL M. LOPEZ and
PRESENTACION L. PSINAKIS,**
Petitioners,

G.R. No. 155405

- versus -

**THE HONORABLE FRANCISCO
QUERUBIN, IN HIS CAPACITY AS
PRESIDING JUDGE OF THE
REGIONAL TRIAL COURT OF
ANTIPOLO, BRANCH 74, THE
HEIRS OF ALFONSO SANDOVAL
AND HIS WIFE ROSA RUIZ,
represented by their Attorney-In-
Fact, MRS. IMELDA RIVERA,**
Respondents.

X ----- X

HEIRS OF EUGENIO LOPEZ,
Petitioners,

G.R. No. 164092

Present:

LEONARDO-DE CASTRO,* J.,
Acting Chairperson,
BERSAMIN,
PEREZ,
PERLAS-BERNABE, and
JARDELEZA, JJ.**

- versus -

**ALFONSO SANDOVAL and
ROMAN OZAETA, JR.,**
Respondents.

Promulgated:

MAR 18 2015

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* Per Special Order No. 1946 dated March 12, 2015.
** Per Special Order No. 1952 dated March 18, 2015.

DECISION**LEONARDO-DE CASTRO, J.:**

The two consolidated cases before this Court involve a protracted dispute over the registration of two parcels of land that was initiated decades ago by the forbears of the parties herein.

G.R. No. 155405 is a Petition for Review on *Certiorari*¹ under Rule 45 of the Rules of Court, which was filed by the heirs of Eugenio Lopez² (Lopez heirs) to challenge the Decision³ dated January 22, 2002 and the Resolution⁴ dated September 24, 2002 of the Court of Appeals in **CA-G.R. SP No. 58162**. The Decision of the appellate court dismissed the Petition for *Certiorari*⁵ filed by the Lopez heirs, which prayed for the setting aside of the Order⁶ dated March 24, 2000 of the Regional Trial Court (RTC) of Antipolo City, Branch 74, in **LRC No. 98-2225**; while the Resolution of the appellate court denied the Motion for Reconsideration of the Lopez heirs on the Court of Appeals Decision.

G.R. No. 164092 is likewise a Petition for Review on *Certiorari*⁷ filed by the Lopez heirs,⁸ which seeks the reversal of the Decision⁹ dated September 9, 2003 and the Resolution¹⁰ dated June 18, 2004 of the Court of Appeals in **CA-G.R. CV No. 67515**. The Decision of the appellate court denied the appeal of the Lopez heirs from the three Orders of the RTC of Pasig City, Branch 152, sitting as a land registration court, in **LRC No. N-2858, LRC Rec. No. N-18887**. Two of the RTC Orders were dated June 24, 1999,¹¹ while the other one was dated March 3, 2000.¹² The Resolution of the appellate court, on the other hand, denied the Motion for

¹ *Rollo* (G.R. No. 155405), pp. 8-42.

² Eugenio Lopez is also referred to as Eugenio Lopez, Sr. in other parts of the records. The petitioners specifically named therein were Oscar M. Lopez, Manuel M. Lopez, and Presentacion L. Psinakis.

³ *Rollo* (G.R. No. 155405), pp. 44-64; penned by Associate Justice Teodoro P. Regino with Associate Justices Roberto A. Barrios and Eloy R. Bello, Jr., concurring, and Associate Justices Josefina Guevara-Salonga and Delilah Vidallon-Magtolis, dissenting.

⁴ *Id.* at 66-67.

⁵ *Id.* at 68-89.

⁶ *Id.* at 90-92; penned by Judge Francisco A. Querubin.

⁷ *Rollo* (G.R. No. 164092), pp. 10-40.

⁸ The petitioners referred to themselves as the heirs of Eugenio Lopez but the persons who signed the petition were Oscar M. Lopez and Manuel M. Lopez.

⁹ *Rollo* (G.R. No. 164092), pp. 42-49; penned by Associate Justice Romeo A. Brawner with Associate Justices Rebecca de Guia-Salvador and Jose C. Reyes, Jr., concurring.

¹⁰ *Id.* at 51-55.

¹¹ *Id.* at 76-82; penned by Judge Danilo S. Cruz.

¹² *CA rollo* (CA-G.R. CV No. 67515), p. 86.

Reconsideration¹³ and the Supplement to Motion for Reconsideration¹⁴ filed by the Lopez heirs on the Court of Appeals Decision.

From the records of the above cases, the following facts emerge:

Application for Registration of Title
(LRC No. N-2858, LRC Rec. No. N-18887)

On April 6, 1960, Alfonso Sandoval and Roman Ozaeta, Jr. (applicants Sandoval and Ozaeta) filed an Application for Registration of Title¹⁵ for two parcels of land designated as Lots 1 and 2 of plan Psu-177091, which were situated in Barrio Mambugan, Municipality of Antipolo, Province of Rizal (**subject properties**). The application was docketed as **LRC No. N-2858, LRC Rec. No. N-18887** in the Court of First Instance (CFI) of Rizal, Branch II. The Director of Lands filed an Opposition¹⁶ to the application, but this was eventually withdrawn.¹⁷

On May 31, 1966, the CFI of Rizal rendered a **Decision**,¹⁸ the dispositive portion of which provides:

WHEREFORE, the Court hereby declares the applicant ALFONSO SANDOVAL and his wife, ROSA RUIZ; applicant ROMAN OZAETA, JR. and his wife, MA. SALOME LAO, all of legal age, Filipinos, and residents of Rizal Province, the true and absolute owners in equal pro-indiviso shares of Lots 1 and 2 of plan Psu-177091 (Exhibit D), and orders the registration thereof in their names.

X X X X

Once this decision becomes final, let an order for the issuance of decree issue.¹⁹

On September 23, 1970, prior to the issuance of the decrees of registration, the spouses Sandoval and spouses Ozaeta sold the subject properties to Eugenio Lopez. In the **Deed of Absolute Sale**²⁰ executed by the spouses, they warranted that they would file the corresponding motion or manifestation in LRC No. N-2858, LRC Rec. No. N-18887 in order that the original certificates of title over the subject properties will be

¹³ Id. at 104-124.

¹⁴ Id. at 135-173.

¹⁵ Records (LRC No. N-2858, LRC Rec. No. N-18887), pp. 1-2.

¹⁶ Id. at 18-19.

¹⁷ Id. at 76-77.

¹⁸ Id. at 95-98; penned by Judge Pedro C. Navarro.

¹⁹ Id. at 97-98.

²⁰ Rollo (G.R. No. 164092), pp. 56-57.

issued in the name of Eugenio Lopez, his heirs, administrators, or assigns. Eugenio Lopez then entered into possession of the subject properties.

Subsequently, the decrees of registration remained unissued.

Years later, on May 12, 1993, a certain Atty. Juanito R. Dimaano filed in LRC No. N-2858, LRC Rec. No. N-18887 an Entry of Appearance with Motion for Issuance of Certificate of Finality²¹ for and on behalf of the applicants Sandoval and Ozaeta. The land registration case was then pending at the RTC of Pasig City, Branch 152. Atty. Dimaano averred that the trial court's Decision dated May 31, 1966 had since become final, as no appeal was filed thereon, and he prayed for the issuance of a Certificate of Finality of the aforesaid Decision. On July 14, 1993, Atty. Dimaano filed a Motion for Issuance of a Decree²² in the said case.

In an **Order**²³ dated August 24, 1993, the RTC of Pasig City granted the motion for the issuance of the decrees of registration. On even date, the RTC of Pasig City ordered²⁴ the Land Registration Authority (LRA) to comply with the provisions of Section 39 of Presidential Decree No. 1529,²⁵ as the Decision dated May 31, 1966 had already attained finality. Apparently, the LRA was unable to immediately act in accordance with the Order of the trial court, citing discrepancies in the technical description and area of the subject properties.²⁶ Subsequently, after the discrepancies were clarified, the RTC of Pasig City issued an **Order**²⁷ dated October 20, 1994, instructing the LRA to proceed with the issuance of the decrees of registration over the subject properties.

²¹ Id. at 171-172.

²² Records (LRC No. N-2858, LRC Rec. No. N-18887), pp. 105-106.

²³ Id. at 108.

²⁴ Id. at 107.

²⁵ Section 39 of Presidential Decree No. 1529, or the Property Registration Decree, provides:

SEC. 39. *Preparation of Decree and Certificate of Title.* — After the judgment directing the registration of title to land has become final, the court shall, within fifteen days from entry of judgment, issue an order directing the Commissioner to issue the corresponding decree of registration and certificate of title. The clerk of court shall send, within fifteen days from entry of judgment, certified copies of the judgment and of the order of the court directing the Commissioner to issue the corresponding decree of registration and certificate of title, and a certificate stating that the decision has not been amended, reconsidered, nor appealed, and has become final. Thereupon, the Commissioner shall cause to be prepared the decree of registration as well as the original and duplicate of the corresponding original certificate of title. The original certificate of title shall be a true copy of the decree of registration. The decree of registration shall be signed by the Commissioner, entered and filed in the Land Registration Commission. The original of the original certificate of title shall also be signed by the Commissioner and shall be sent, together with the owner's duplicate certificate, to the Register of Deeds of the city or province where the property is situated for entry in his registration book.

²⁶ Records (LRC No. N-2858, LRC Rec. No. N-18887), pp. 142-146.

²⁷ Id. at 164.

In January 1997, the Lopez heirs were notified of the filing of a case docketed as LRC No. 96-1907 before the RTC of Antipolo City, Branch 74. The case was a petition for cancellation of Transfer Certificates of Title (TCT) Nos. 288133 and 288134 of the Registry of Deeds of Marikina City, which was filed by Evelyn T. Sandoval in her capacity as administratrix of the estate of applicant Alfonso Sandoval. Registered in the name of Lopez, Inc., TCT Nos. 288133 and 288134 covered the same properties subject of the instant petitions. According to the Lopez heirs, Eugenio Lopez already purchased the subject properties from Hacienda Benito, Inc. even before the execution of the Deed of Absolute Sale between Eugenio Lopez and the spouses Sandoval and the spouses Ozaeta.²⁸

On July 16, 1997, the Lopez heirs²⁹ filed a **Motion dated April 28, 1997**³⁰ where they manifested to the trial court that Eugenio Lopez passed away on July 6, 1975. Pursuant to Section 22 of Presidential Decree No. 1529,³¹ they moved for the RTC to consider the Deed of Absolute Sale executed in favor of Eugenio Lopez in relation to the application for registration of title. They also prayed that the decrees of registration over the subject properties be issued in their names as the successors-in-interest of Eugenio Lopez. Attached to the motion were the Deed of Absolute Sale and the receipts³² evidencing the full payment of the purchase price for the subject properties.

In a **Motion dated July 21, 1998**,³³ the Lopez heirs entreated the trial court to issue an order holding in abeyance the issuance of the decrees of registration until the final disposition of their Motion dated April 28, 1997.

Thereafter, on December 4, 1998, the Lopez heirs filed a **Motion dated November 25, 1998**.³⁴ They manifested therein that while their Motion dated April 28, 1997 was still being heard by the trial court, Decree Nos. N-217643 and N-217644 covering the subject properties were issued in the name of the spouses Sandoval and spouses Ozaeta. As stated in Original

²⁸ Id. at 272.

²⁹ The heirs specifically named were Eugenio Lopez, Jr., Manolo Lopez, Oscar Lopez, and Presentacion L. Psinakis.

³⁰ *Rollo* (G.R. No. 164092), pp. 60-63.

³¹ Section 22 of Presidential Decree No. 1529 states:

SEC. 22. *Dealings with land pending original registration.*—After the filing of the application and before the issuance of the decree of registration, the land therein described may still be the subject of dealings in whole or in part, in which case the interested party shall present to the court the pertinent instruments together with a subdivision plan approved by the Director of Lands in case of transfer of portions thereof, and the court, after notice to the parties, shall order such land registered subject to the conveyance or encumbrance created by said instruments, or order that the decree of registration be issued in the name of the person to whom the property has been conveyed by said instruments.

³² Records (LRC No. N-2858, LRC Rec. No. N-18887), pp. 169-172.

³³ *Rollo* (G.R. No. 164092), pp. 65-67.

³⁴ Id. at 71-74.

Certificates of Title (OCT) Nos. O-1603³⁵ and O-1604³⁶ of the Registry of Deeds for the Province of Rizal, the relevant entries in the decrees read:

This Decree is issued pursuant to the Decision dated **31st day of May, 1966** of the Hon. Pedro C. Navarro, Judge of [Court of First Instance of Rizal, Branch II, Pasig, Rizal], and the Honorable Briccio C. Ygaña, this **3rd day of July, 1998**.

Issued at the National Land Titles and Deeds Registration Administration, Quezon City, this **20th** day of **October**, in the year of Our Lord nineteen hundred and **ninety-seven** at **8:02 a.m.**

(Signed)
ALFREDO R. ENRIQUEZ
ADMINISTRATOR
NATIONAL LAND TITLES AND DEEDS
REGISTRATION ADMINISTRATION

Entered in the "Registration Book"
for the Marikina, pursuant to the provisions
of section 39 of P.D. No. 1529, on the **18th**
day of **August** nineteen hundred and **ninety-**
eight, at **1:16 p.m.**

(Signed)
EDGAR D. SANTOS
Register of Deeds³⁷ (Emphases ours.)

In their motion, the Lopez heirs prayed for the **declaration of nullity** of Decree Nos. N-217643 and N-217644 and OCT Nos. O-1603 and O-1604. They alleged that the issuance of the decrees and the certificates of title preempted the trial court in resolving their Motion dated April 28, 1997 where they were asking for the recognition of the Deed of Absolute Sale in favor of Eugenio Lopez as authorized under Section 22 of Presidential Decree No. 1529. Also, the decrees were supposedly issued on **October 20, 1997** but their issuance was made pursuant to the Order dated **July 3, 1998** of Judge Briccio C. Ygaña. In other words, the Lopez heirs questioned the anomalous issuance of the decrees supposedly prior to the court order authorizing the same. Moreover, the Lopez heirs pointed out that the decrees were issued under the signature of LRA Administrator Alfredo R. Enriquez before he assumed office.

³⁵ Id. at 69.

³⁶ Id. at 70.

³⁷ Id., OCT No. O-1604 was issued by the National Land Titles and Deeds Registration Administration at 8:02 a.m.



The Lopez heirs attached to the above motion a photocopy of the registry return receipt,³⁸ which proved that the LRA received a copy of the Lopez heirs' Motion dated April 28, 1997. Subsequently, the Lopez heirs submitted to the trial court the following letter³⁹ of LRA Administrator Enriquez that was addressed to the counsel of the Lopez heirs:

1 December 1998

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Sir:

This concerns your letter requesting the recall of Decree Nos. N-217643 and N-217644 issued in Land Registration Case No. N-2858, LRC Record No. N-18887, both in the names of Alfonso Sandoval and his wife, Rosa Ruiz, and Roman Ozaeta, Jr. and his wife, Ma. Salome Lao.

Records of this Authority show that aforesaid decrees of registration were prepared on October 20, 1977 [sic] pursuant to the decision of the court dated May 31, 1966 and the order for issuance of decree dated August 24, 1993. Said decrees were forwarded to the Office of the Administrator on August 8, 1998 and was [sic] released therefrom on August 13, 1998. **Consequently, said decrees were signed sometime between August 8 and 13, 1998 and definitely not on October 20, 1997 as what is reflected thereon because the undersigned Administrator assumed office only on July 8, 1998.** Apparently, at the time the decrees were signed it was not noticed, through oversight, that they were dated October 20, 1977 [sic]. **It is therefore hereby clarified that Decree Nos. N-217643 and N-217644 were actually issued sometime between August 8 and 13, 1998 and not on October 20, 1997.**

Regarding the claim that these decrees were prematurely issued as the motion for the issuance of the decrees in favor of the [Lopez heirs], the properties involved having been sold to him by the applicants, is still pending with the court, **it is informed that no copy of said motion nor of the order directing this Office to comment thereon appears on file in the records of the case.** Hence, these matters could not have been taken into consideration in the issuance of the decrees. Had the Administration been apprised of these incidents, perhaps the issuance of the decrees could have been held in abeyance until the court has resolved the same.

As to the recall of the decrees of registration, we regret to inform you that since the certificates of title transcribed pursuant to said decrees have already been issued and released by the Registrar of Deeds concerned, it is now beyond our authority to recall them unless duly authorized by the court.

We hope that we have satisfactorily disposed of the concerns raised in your letter.

³⁸ Records (LRC No. N-2858, LRC Rec. No. N-18887), p. 240.
³⁹ Id. at 287-288.

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Very truly yours,
(Signed)
ALFREDO R. ENRIQUEZ
Administrator (Emphases ours.)

The Lopez heirs further submitted in court a copy of the appointment letter⁴⁰ of LRA Administrator Enriquez dated July 3, 1998 and two certifications⁴¹ from the Quezon City Central Post Office both dated December 22, 1998, which stated that copies of the Lopez heirs' Motions dated April 28, 1997 and July 21, 1998 were duly received by the LRA before said office issued the decrees.

In an Order⁴² dated February 19, 1999, the RTC of Pasig City denied the Lopez heirs' Motion dated July 21, 1998 for being moot.

On **June 24, 1999**, the RTC of Pasig City denied the Lopez heirs' Motion dated April 28, 1997.⁴³ Given the issuance of the decrees of registration, the trial court ruled that said motion had also been rendered moot. Thus, the Deed of Absolute Sale could no longer be considered.

On the same date, the RTC of Pasig City issued another **Order**,⁴⁴ this time denying the Motion of the Lopez heirs dated November 25, 1998. The trial court relied on the clarification of the LRA Administrator that the decrees were issued sometime between August 8 and 13, 1998, not on October 20, 1997. The RTC also held that the Lopez heirs were barred by laches in presenting the Deed of Absolute Sale dated September 23, 1970. The trial court ruled that the Lopez heirs should have exerted effort in ensuring that the vendors complied with their obligation to file the necessary motion or manifestation for the original certificates of title to issue in the name of Eugenio Lopez or his successors-in-interest.

The Lopez heirs filed a Motion for Reconsideration⁴⁵ of the two Orders of the RTC dated June 24, 1999.

Meanwhile, on August 27, 1999, applicant Roman Ozaeta, Jr. filed a **Manifestation**⁴⁶ before the RTC of Pasig City, stating that he recently learned that their former counsel never filed the motion or manifestation required in the Deed of Absolute Sale in order that the titles to the subject properties would be issued in the name of Eugenio Lopez. Ozaeta joined the

⁴⁰ Id. at 285.

⁴¹ Id. at 289-290.

⁴² Id. at 266.

⁴³ *Rollo* (G.R. No. 164092), pp. 81-82.

⁴⁴ Id. at 76-80.

⁴⁵ Id. at 83-95.

⁴⁶ Id. at 96-99.

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Lopez heirs in their Motions dated April 28, 1997 and November 25, 1998, as well as their Motion for Reconsideration of the two RTC Orders dated June 24, 1999. Ozaeta affirmed the due execution of the Deed of Absolute Sale in favor of Eugenio Lopez and confirmed that the purchase price thereon was already paid to the applicants. Lastly, Ozaeta asserted that he did not engage Atty. Dimaano's legal services.

In an Order⁴⁷ dated March 3, 2000, the RTC of Pasig City denied the Lopez heirs' Motion for Reconsideration.

The Lopez heirs lodged an appeal before the Court of Appeals, which was docketed as **CA-G.R. CV No. 67515**. They sought the reversal of the two Orders of the RTC of Pasig City dated June 24, 1999 and prayed that the trial court be directed to resume hearing their Motion dated April 28, 1997.

In the assailed **Decision** dated September 9, 2003, the Court of Appeals denied the appeal of the Lopez heirs in this wise:

WHEREFORE, in light of the foregoing, the appeal is hereby **DISMISSED**, without prejudice to the [Lopez heirs] filing the appropriate case in order to enforce their rights over the titled property in question under the Deed of Sale in their favor.⁴⁸

The Court of Appeals ruled that the doctrine of laches was inapplicable against the Lopez heirs. The appellate court found that after the Deed of Absolute Sale was executed, Eugenio Lopez entered into continuous possession of the subject properties. The Court of Appeals added that the Lopez heirs should not be faulted for the failure of the vendors' counsel to discharge the obligation they warranted in the Deed of Absolute Sale. The appellate court ruled, however, that the RTC of Pasig City properly denied the remedy sought by the Lopez heirs. Although Section 22 of Presidential Decree No. 1529 mandates that a person purchasing property from an applicant may move for the decree to be issued in his name directly, he may not ask for any other positive relief such as the voiding of a decree already registered in another person's name. The Motion dated November 25, 1998 was also a collateral attack on the titles to the subject properties, which was prohibited by Section 48⁴⁹ of Presidential Decree No. 1529. Still, the Court of Appeals clarified that its ruling was without prejudice to the right of the Lopez heirs to file the proper action and litigate their case in a trial initiated for that purpose.

⁴⁷ Records (LRC No. N-2858, LRC Rec. No. N-18887), p. 386.

⁴⁸ *Rollo*, p. 49.

⁴⁹ Section 48 of Presidential Decree No. 1529 provides:

SEC. 48. *Certificate not subject to collateral attack.* – A certificate of title shall not be subject to collateral attack. It cannot be altered, modified, or cancelled except in a direct proceeding in accordance with law.

The Lopez heirs filed a Motion for Reconsideration⁵⁰ and a Supplement to Motion for Reconsideration⁵¹ of the above decision, but the same were denied in the Court of Appeals Resolution dated June 18, 2004.

The Lopez heirs challenged the above rulings of the Court of Appeals on August 17, 2004 *via* the instant Petition for Review on *Certiorari*, which was docketed as **G.R. No. 164092**.

**Petition for Ex Parte Issuance of
Writ of Possession (LRC No. 98-2225)**

Meanwhile, on September 28, 1998, while the Motion dated April 28, 1997 of the Lopez heirs was still pending before the RTC of Pasig City in LRC No. N-2858, LRC Rec. No. N-18887, a **petition**⁵² for the *ex parte* issuance of a writ of possession over the subject properties was filed in the name of the heirs of Alfonso Sandoval (Sandoval heirs). The petition was docketed as **LRC No. 98-2225** in the RTC of Antipolo City, Branch 74. Representing the Sandoval heirs in the suit was Imelda Rivera, who claimed to be their attorney-in-fact in accordance with a Special Power of Attorney (SPA) dated May 14, 1996 executed in her favor. The SPA reads:

SPECIAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That I, EVELYN T. SANDOVAL, ADMINISTRATRIX OF ALFONSO SANDOVAL, of legal age, Filipino citizen, single and presently residing at Brgy. Langgam, San Pedro, Laguna, have named, constituted and appointed by these presents, do name, constitute and appoint IMELDA V. RIVERA, of legal age, Filipino citizen, married and presently residing at No. 490 Dr. Sixto Antonio Ave., Maybunga, Pasig City, to be my true and lawful Attorney-In-Fact, for me and in my name, place and stead and for my own use and benefits, to do and perform any and all of the following acts and things:

1. TO authorize my Attorney-In-Fact to sell a parcel of land situated in Mambungan, Antipolo, Rizal covered by TAX DECLARATION NO. 05-0795, containing an area of FIVE THOUSAND EIGHT HUNDRED SIXTY[-]THREE (5,863) SQ. METERS, more or less; and TAX DECLARATION NO. 05-0859, containing an area of TWO THOUSAND (2,000) SQ. METERS, more or less;

⁵⁰ CA rollo (CA-G.R. CV No. 67515), pp. 104-124.

⁵¹ Id. at 135-153.

⁵² Rollo (G.R. No. 155405), pp. 119-121.



2. TO receive payment in cash or in check and to negotiate, endorse and encash the same.

; and to witness in Court.

3. TO perform other related matters which are necessary for the fulfillment of the said authority so granted.

GIVING AND GRANTING UNTO my said Attorney-in-Fact full power and authority to do and perform every act and thing whatsoever, requisite and necessary to [be] done in and about [the] premises, as fully to all intents and purpose as I might or could do if personally present hereby ratifying and confirming all that my said attorney shall lawfully do or cause to be done by virtue of the presents.⁵³

Implying that the spouses Sandoval were the only registered owners of the subject properties covered by OCT Nos. O-1603 and O-1604, Rivera prayed for the trial court to issue the necessary writ of possession in order for the Sandoval heirs to take physical possession of the subject properties. Atty. Dimaano likewise appeared in this case as counsel for Rivera.

In an **Order**⁵⁴ dated **October 21, 1998**, the RTC of Antipolo City granted the above petition. On November 13, 1998, the trial court issued the writ of possession,⁵⁵ directing the sheriff to place the Sandoval heirs in possession of the subject properties.

The Lopez heirs filed an Urgent Motion for Reconsideration and Motion to Lift Writ of Possession,⁵⁶ pointing out that the subject properties were sold to the late Eugenio Lopez on September 23, 1970 prior to the issuance of the decrees of registration. The Lopez heirs added that they subsequently filed a Motion dated April 28, 1997 in LRC No. N-2858, LRC Rec. No. N-18887, which prayed that the Deed of Absolute Sale be considered in the application for the registration of titles of the subject properties. As the motion was still unresolved, OCT Nos. O-1603 and O-1604 were allegedly issued under dubious circumstances. Since the questioned titles were the bases for the issuance of the writ of possession, the Lopez heirs argued that the writ must be recalled. The Lopez heirs also impugned the SPA granted to Rivera, saying that it was unclear whether the properties stated therein were the same as the subject properties and that Rivera's authority did not include the authority to file a case in court. Finally, the Lopez heirs argued that the filing of LRC No. 98-2225 violated

⁵³ Records (LRC No. 98-2225), pp. 4-5.

⁵⁴ Id. at 12A-12C.

⁵⁵ *Rollo* (G.R. No. 155405), pp. 128-130.

⁵⁶ Id. at 131-137; the movants specifically named were Eugenio Lopez, Jr., Manolo Lopez, Oscar Lopez, and Presentacion L. Psinakis.



the rule against forum shopping as LRC No. 2858, LRC Rec. No. N-18887 was still pending before the RTC of Pasig City.

The Lopez heirs subsequently filed an Urgent Supplemental Motion for Reconsideration (Re: Notice to Leave and Vacate Premises upon Writ of Possession),⁵⁷ reiterating the pendency of LRC No. 2858, LRC Rec. No. N-18887 and the “need to maintain the *status quo* if only to preserve the rights of the parties.”

In an **Order**⁵⁸ dated **February 2, 1999**, the RTC of Antipolo City recalled the writ of possession and deferred the resolution thereof until the RTC of Pasig City settled in LRC No. 2858, LRC Rec. No. N-18887 the issue of the validity of Decree Nos. N-217643 and N-217644 and OCT Nos. O-1603 and O-1604, including the ownership thereof.

More than a year later, on March 10, 2000, Rivera filed a **Motion to Lift Order of Recall dated February 2, 1999**.⁵⁹ She stated that on June 24, 1999, the RTC of Pasig City denied the motion filed by the Lopez heirs that sought the declaration of nullity of Decree Nos. N-217643 and N-217644 and OCT Nos. O-1603 and O-1604. The RTC of Pasig City also denied the motion for reconsideration of the Lopez heirs in an Order dated March 3, 2000. In view thereof, Rivera averred that the issue of ownership of the subject properties had already been settled and she prayed for the reinstatement of the writ of possession previously recalled.

In an **Order**⁶⁰ dated **March 24, 2000**, the RTC of Antipolo City granted the above motion of Rivera. The trial court directed the Sheriff to issue and implement the writ of possession upon finality of its order.

On April 4, 2000, Evelyn Sandoval filed a Manifestation,⁶¹ stating that she was the appointed administrator of the estate of the late Alfonso Sandoval. She informed the trial court, however, that she did not engage the services of Atty. Dimaano as her counsel, nor had she authorized any person to file the petition for the issuance of a writ of possession on her behalf.

On April 7, 2000, the Lopez heirs filed with the Court of Appeals a Petition for *Certiorari* with Urgent Prayer for Issuance of Temporary Restraining Order and/or Preliminary Injunction,⁶² which was docketed as

⁵⁷ Id. at 141-144.

⁵⁸ Id. at 169.

⁵⁹ Id. at 170-172.

⁶⁰ Id. at 90-92.

⁶¹ Id. at 260-262.

⁶² Id. at 68-89.

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CA-G.R. SP No. 58162. The petition sought the reversal of the Order dated March 24, 2000 by the RTC of Antipolo City.

In a Resolution⁶³ dated April 12, 2000, the Court of Appeals temporarily restrained the RTC of Antipolo City and the Sandoval heirs from implementing the RTC Order dated March 24, 2000. On June 15, 2000, the Court of Appeals ordered⁶⁴ the issuance of a Writ of Preliminary Injunction, enjoining the enforcement of the said RTC Order pending the termination of the proceedings before the appellate court. The Writ of Preliminary Injunction⁶⁵ was issued on June 28, 2000.

On January 22, 2002, the Court of Appeals promulgated the assailed Decision, dismissing the Lopez heirs' petition and dissolving the writ of preliminary injunction. The appellate court ruled that the issuance of the writ of possession was not barred by the pendency of the appeal from the Orders dated June 24, 1999 and March 3, 2000 of the RTC of Pasig City in the land registration case. On the other hand, the RTC of Antipolo City had the duty to issue the writ of possession since the Decision dated May 31, 1966 in LRC No. N-2858, LRC Rec. No. N-18887 already became final and was in fact executed with the issuance of OCT Nos. O-1603 and O-1604.

Moreover, the sufficiency of the SPA in favor of Rivera was held to be within the province of the RTC of Antipolo City to exclusively determine. The Court of Appeals noted that the existence and authenticity of the SPA was not renounced by Evelyn Sandoval as she merely asserted in her Manifestation that she did not authorize the filing of the petition for the issuance of a writ of possession. Also, the appellate court said that the authority of Rivera to sell the subject properties carried with it the concomitant duty to file the said petition.

The Court of Appeals declared that the filing of the petition for the issuance of the writ of possession in the RTC of Antipolo City, instead of the land registration court, did not constitute forum shopping as the two actions therein may proceed independently of each other. Furthermore, the rule that the motion for the issuance of a writ of possession must be filed in the land registration case was merely established in order to prevent a successful litigant from being compelled to commence other actions in other courts to secure the fruits of his victory. The Court of Appeals reckoned that the Sandoval heirs merely waived the privilege granted to them by the rules. The appellate court stated, lastly, that the enforcement of the Deed of Absolute Sale came more than a decade too late.

⁶³ CA *rollo* (CA-G.R. SP No. 58162), pp. 142-143.

⁶⁴ Id. at 207-209.

⁶⁵ Id. at 231-232.

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The Lopez heirs filed a Motion for Reconsideration⁶⁶ of the above Decision, but the same was denied in the assailed Resolution of the Court of Appeals dated September 24, 2002.

Undaunted, the Lopez heirs filed before this Court on November 15, 2002 the instant Petition for Review on *Certiorari* with Prayer for issuance of Temporary Restraining Order (TRO) and/or Preliminary Injunction, which was docketed as **G.R. No. 155405**.

Proceedings before the Court

In a Resolution⁶⁷ dated December 9, 2002, the Court granted the prayer of the Lopez heirs in G.R. No. 155405 for the issuance of a TRO upon their filing of a bond in the amount of ₱1 million. On January 15, 2003, the TRO⁶⁸ was issued, enjoining (1) the implementation of the RTC Order dated March 24, 2000 in LRC No. 98-2225, which directed the issuance of the writ of possession; and (2) the conduct of proceedings in LRC No. 98-2225 until further orders from the Court.

On February 11, 2003, Atty. Dimaano filed a Motion to Withdraw Appearance⁶⁹ as counsel for Imelda Rivera in G.R. No. 155405 in view of Rivera's Motion to Withdraw⁷⁰ dated October 1, 2002 filed before the RTC of Antipolo City. Rivera requested therein the withdrawal of the appearance of Atty. Dimaano as her counsel of record.

On March 14, 2003, Rivera filed a Motion for Substitution,⁷¹ praying that she be allowed to substitute the Sandoval heirs as the private respondent in G.R. No. 155405. Rivera reasoned that the subject properties were already registered in her name under TCT Nos. 360470 and 360471 of the Register of Deeds of Marikina City, which titles were issued on December 4, 1998. The Lopez heirs opposed⁷² the above motion of Rivera, manifesting that TCT Nos. 360470 and 360471 of the Register of Deeds of Marikina City were being challenged by the spouses Ozaeta in Civil Case No. 99-5565 in the RTC of Antipolo City. In said case, the spouses Ozaeta claimed that the titles were registered in Rivera's name through a forged Waiver of Rights in favor of the Sandoval heirs and a forged Extrajudicial Settlement with Deed of Sale in favor of Rivera.

⁶⁶ *Rollo* (G.R. No. 155405), pp. 267-278.

⁶⁷ *Id.* at 281-283.

⁶⁸ *Id.* at 353-356.

⁶⁹ *Id.* at 361.

⁷⁰ *Id.* at 362-363.

⁷¹ *Id.* at 406-410.

⁷² *Id.* at 417-421.

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In a Resolution⁷³ dated April 21, 2003 in G.R. No. 155405, the Court denied Rivera's Motion for Substitution but ordered her inclusion as a respondent in the case.

On March 2, 2006, the Lopez heirs filed a Motion for Consolidation⁷⁴ of G.R. No. 155405 and G.R. No. 164092, which the Court granted in a Resolution⁷⁵ dated June 21, 2006.

Issues

In **G.R. No. 164092**, the Lopez heirs set forth the following issues for our consideration:

- I. WHETHER OR NOT PETITIONERS (MOVANTS-APPELLANTS) ARE PROPERLY PARTIES-LITIGANTS IN THE LAND REGISTRATION PROCEEDINGS.
- II. WHETHER OR NOT THE MOTION DATED NOVEMBER 25, 1998 IS PROPER FOR PURPOSES OF IMPUGNING THE QUESTIONED DECREES AND THE CORRESPONDING ORIGINAL CERTIFICATES OF TITLE.⁷⁶

On the other hand, in **G.R. No. 155405**, the Lopez heirs submit the following arguments:

1. WHETHER THE PENDENCY OF THE RESOLUTION OF THE APPEAL FROM THE ORDERS OF THE REGISTRATION COURT (Regional Trial Court, Branch 1[5]2 in Pasig City), DATED June 24, 1999 AND March 3, 2000, BOTH DENYING THE PETITIONERS' MOTION TO DECLARE DECREES NOS. N-217643 AND N-217644 AND THE CORRESPONDING OCT NOS. O-1603 AND O-1604 NULL AND VOID BARS THE ISSUANCE OF THE WRIT OF POSSESSION.
2. WHETHER THE PETITION (for the issuance of the Writ of Possession) IS DISMISSIBLE UNDER RULE 16, PARAGRAPH (D) OF THE 1997 RULES ON CIVIL PROCEDURE ON THE GROUND THAT RESPONDENT IMELDA RIVERA HAD NO LEGAL CAPACITY TO SUE.
3. WHETHER PRIVATE RESPONDENT IS GUILTY OF FORUM SHOPPING WHEN SHE FILED THE PETITION FOR WRIT OF POSSESSION BEFORE THE RTC BRANCH 74, IN ANTIPOLLO CITY, ALTHOUGH THE LAND REGISTRATION CASE

⁷³ Id. at 461-462.

⁷⁴ Rollo (G.R. No. 164092), pp. 175-178.

⁷⁵ Id. at 208-209.

⁷⁶ Rollo (G.R. No. 155405), p. 774.

INVOLVING THE QUESTIONED PROPERTIES IS STILL PENDING BEFORE RTC BRANCH 152, IN PASIG CITY.

4. WHETHER THE HEIRS OF SPOUSES ALFONSO SANDOVAL AND ROSA RUIZ, REPRESENTED BY PRIVATE RESPONDENT, ARE BOUND NOT ONLY BY THE DEED OF ABSOLUTE SALE EXECUTED BY SAID DECEDENTS BUT ALSO BY THE UNDERTAKING CONTAINED THEREIN.
5. WHETHER THE PUBLIC RESPONDENT HAS ACTED 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.
6. WHETHER THE INSTANT PETITION INVOLVES LEGAL ISSUES AS WELL.
7. WHETHER ESTOPPEL OR LACHES HAS SET IN[.]⁷⁷

G.R. No. 164092

Anent the first issue in G.R. No. 164092, the Lopez heirs insist that they were parties-litigants in LRC No. N-2858, LRC Rec. No. N-18887 since they merely stepped into the shoes of applicants Sandoval and Ozaeta as successors-in-interest of Eugenio Lopez. They claim that they have complied with the requirements of Section 22 of Presidential Decree No. 1529 in that: (1) they presented in the land registration court the Deed of Absolute Sale in favor of Eugenio Lopez together with their Motion dated April 28, 1997, which prayed that the deed be considered in the application for registration; and (2) the applicants Sandoval and Ozaeta, including the LRA, were furnished with copies of said motion. When the RTC of Pasig City gave due course to their motion, the Lopez heirs argued that they had thereby acquired legal standing in the registration proceedings. As parties-litigants, the Lopez heirs could then file the Motion dated November 25, 1998 to annul Decree Nos. N-217643 and N-217644 and OCT Nos. O-1603 and O-1604.

As regards the second issue, the Lopez heirs contend that the Motion dated November 25, 1998 was a direct attack on Decree Nos. N-217643 and N-217644. Should the remedy availed of by the Lopez heirs be declared improper, they argue that the same be considered as an innocuous error of procedure that should not foreclose their right to demand immediate relief. They maintain that the filing of a separate action to pursue their claim would only lead to multiplicity of suits.

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Id. at 581.

The Court grants the Lopez heirs' petition in G.R. No. 164092 albeit for different reasons.

To recapitulate, after the CFI of Rizal, Branch II adjudicated the subject properties in favor of the applicants in a Decision dated May 31, 1966 in LRC No. N-2858, LRC Rec. No. N-18887 and before the decrees of registration were actually issued, said applicants sold the subject properties to Eugenio Lopez on September 23, 1970. In the Deed of Absolute Sale, the vendors-applicants obligated themselves to file in the land registration case the necessary motion or manifestation in order that the certificates of title will be issued in the name of Eugenio Lopez or his successors-in-interest. Unfortunately, this obligation was not complied with for so many years. Upon learning of this fact, the Lopez heirs filed their **Motion dated April 28, 1997** in the land registration case. Said motion contained the Deed of Absolute Sale and prayed that the decrees of registration over the subject properties be issued in the names of the Lopez heirs. At that time, LRC No. N-2858, LRC Rec. No. N-18887 was still pending before the RTC of Pasig City, Branch 152 as the decrees of registration were yet to be issued despite the Order dated October 20, 1994 of the trial court that directed the LRA to proceed with the issuance of the decrees.

While the Motion dated April 28, 1997 was pending before the trial court, Decree Nos. N-217643 and N-217644 and OCT Nos. O-1603 and O-1604 were issued in the name of the applicants Sandoval and Ozaeta and their respective spouses. The Lopez heirs then filed a **Motion dated November 25, 1998**, which prayed for the annulment of Decree Nos. N-217643 and N-217644 and OCT Nos. O-1603 and O-1604. The issuance of said decrees of registration and certificates of title allegedly preempted the RTC of Pasig City in resolving the Motion dated April 28, 1997 and that the same were issued by the LRA under dubious circumstances.

On the preliminary issue of standing, the Court upholds the judgment of the Court of Appeals that the Lopez heirs did not acquire legal standing as parties-litigants in the land registration proceedings. However, petitioners undeniably have a stake in the outcome of the pending litigation over the subject properties.

Verily, the Lopez heirs' **Motion dated April 28, 1997** is sanctioned by Section 22 of Presidential Decree No. 1529, which states that:

SEC. 22. *Dealings with land pending original registration.*—After the filing of the application and before the issuance of the decree of registration, the land therein described may still be the subject of dealings in whole or in part, in which case the interested party shall present to the court the pertinent instruments together with the subdivision plan

approved by the Director of Lands in case of transfer of portions thereof, and the court, after notice to the parties, shall order such land registered subject to the conveyance or encumbrance created by said instruments, or order that the decree of registration be issued in the name of the person to whom the property has been conveyed by said instruments.

In *Mendoza v. Court of Appeals*,⁷⁸ the Court had occasion to explain Section 29 of Act No. 496 (the Land Registration Act),⁷⁹ which is substantially incorporated in Section 22 of Presidential Decree No. 1529, such that:

It is clear from the above-quoted provision that the law expressly allows the land, subject matter of an application for registration, to be "dealt with", *i.e.*, to be disposed of or encumbered during the interval of time between the filing of the application and the issuance of the decree of title, and to have the instruments embodying such disposition or encumbrance presented to the registration court by the "interested party" for the court to either "order such land registered subject to the encumbrance created by said instruments, *or order the decree of registration issued in the name of the buyer or of the person to whom the property has been conveyed by said instruments.*" The law does not require that the application for registration be amended by substituting the "buyer" or the "person to whom the property has been conveyed" for the applicant. Neither does it require that the "buyer" or the "person to whom the property has been conveyed" be a party to the case. He may thus be a total stranger to the land registration proceedings. The only requirements of the law are: (1) that the instrument be presented to the court by the interested party together with a motion that the same be considered in relation with the application; and (2) that prior notice be given to the parties to the case. x x x. (Citation omitted.)

Clearly, Section 22 of Presidential Decree No. 1529 expressly allows the disposition of lands subject matter of a registration proceeding and the subsequent registration thereof in the name of the person to whom the land was conveyed. As required by the law, the pertinent instruments of conveyance must be presented to the court and that prior notice is given to the parties in the land registration case. After said requisites are complied with, the court shall either order the land registered subject to the conveyance or encumbrance, or order that the decree of registration be

⁷⁸ 173 Phil. 280, 290-291 (1978).

⁷⁹ The relevant portions of Section 29 of Act No. 496, as amended, provide:

SEC. 29. After the filing of the application and before the issuance of the decree of title by the Chief of the General Land Registration Office, the land therein described may be dealt with and instruments relating thereto shall be recorded in the office of the register of deeds at any time before issuance of the decree of title, in the same manner as if no application had been made. The interested party may, however, present such instruments to the Court of First Instance instead of presenting them to the office of the register of deeds, together with a motion that the same be considered in relation with the application, and the court after notice to the parties, shall order such land registered subject to the encumbrance created by said instruments, or order the decree of registration issued in the name of the buyer or of the person to whom the property has been conveyed by said instruments. x x x.

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issued in the name of the person to whom the property was conveyed. The buyer of the property may be a total stranger to the land registration case and it is not even required for him to substitute the original applicant in order that the decree of registration may be issued in his name. Such is the import of our ruling in *Mendoza*. Contrary to the Lopez heirs' position, nowhere can it be inferred in Section 22 of Presidential Decree No. 1529 or in our discussion in *Mendoza* that the buyer of the property *automatically* becomes a party to the land registration case after complying with the requirements of the aforesaid provision of law. Nonetheless, the same provision of law authorizes the land registration court to accord certain reliefs in favor of the person to whom the property has been conveyed.

With respect to the second issue invoked by the Lopez heirs, the Court finds that the Court of Appeals was not entirely incorrect in ruling that the Lopez heirs availed themselves of the wrong remedy in impugning Decree Nos. N-217643 and N-217644 and OCT Nos. O-1603 and O-1604.

The Court of Appeals adjudged that the Lopez heirs' **Motion dated November 25, 1998** was a collateral attack on the certificates of title covering the subject properties, which is proscribed by Section 48 of Presidential Decree No. 1529.⁸⁰ In *Sarmiento v. Court of Appeals*,⁸¹ we differentiated a direct attack from a collateral attack on the title as follows:

An action is deemed an attack on a title when the object of the action or proceeding is to nullify the title, and thus challenge the judgment pursuant to which the title was decreed. **The attack is direct when the object of the action is to annul or set aside such judgment, or enjoin its enforcement. On the other hand, the attack is indirect or collateral when, in an action to obtain a different relief, an attack on the judgment is nevertheless made as an incident thereof.** (Emphasis ours, citations omitted.)

The Court of Appeals, however, overlooked the fact that the Lopez heirs never attacked the Decision dated May 31, 1966 of the then CFI of Rizal in LRC No. N-2858, LRC Rec. No. N-18887, *i.e.*, the judgment pursuant to which the decrees of registration were issued. Far from it, the Lopez heirs actually recognized the validity of said judgment. In filing their first motion to have the Deed of Absolute Sale recognized prior to the issuance of the decrees, the Lopez heirs do not question the final judgment of the land registration court that the subject properties were owned by the spouses Sandoval and the spouses Ozaeta for they derived their own right to

⁸⁰ Section 48 of Presidential Decree No. 1529 states:

SEC. 48. *Certificate not subject to collateral attack.* - A certificate of title shall not be subject to collateral attack. It cannot be altered, modified, or cancelled except in a direct proceeding in accordance with law.

⁸¹ 507 Phil. 101, 113 (2005).



the properties from said applicants. When the decrees of registration were still issued in the names of said original applicants, due to peculiar circumstances that occurred outside the proceedings in the land registration court, petitioners were unjustly deprived of the opportunity to enforce the remedy accorded to them under Section 22 of Presidential Decree No. 1529.

Be that as it may, the Court neither agrees with the theory of the trial court that supervening events have mooted the Lopez heirs' Motion dated April 28, 1997, nor with the Court of Appeals' position that it was necessary for the Lopez heirs to institute a separate action to enforce the Deed of Absolute Sale. Under the highly exceptional circumstances of this case, we hold that the land registration court did not necessarily lose jurisdiction over the case notwithstanding the improvident issuance of the decrees of registration by the LRA. To rectify their situation, the Lopez heirs could have resorted to Section 108 of Presidential Decree No. 1529 in order to correct the palpable mistakes in the certificates of title in this case. Said provision reads:

SEC. 108. *Amendment and alteration of certificates.* - No erasure, alteration, or amendment shall be made upon the registration book after the entry of a certificate of title or of a memorandum thereon and the attestation of the same by the Register of Deeds, except by order of the proper Court of First Instance. A registered owner **or other person having an interest in registered property**, or, in proper cases, the Register of Deeds with the approval of the Commissioner of Land Registration, **may apply by petition to the court upon the ground that** the registered interests of any description, whether vested, contingent, expectant or inchoate appearing on the certificate, have terminated and ceased; or that **new interests not appearing upon the certificate have arisen or been created; or that an omission or error was made in entering a certificate or any memorandum thereon**, or, on any duplicate certificate; or that the name of any person on the certificate has been changed; or that the registered owner has married, or, if registered as married, that the marriage has been terminated and no right or interest of heirs or creditors will thereby be affected; or that a corporation which owned registered land and has been dissolved has not conveyed the same within three years after its dissolution; **or upon any other reasonable ground; and the court may hear and determine the petition after notice to all parties in interest, and may order the entry or cancellation of a new certificate, the entry or cancellation of a memorandum upon a certificate, or grant any other relief upon such terms and conditions, requiring security or bond if necessary, as it may consider proper; Provided, however,** that this section shall not be construed to give the court authority to reopen the judgment or decree of registration, and that nothing shall be done or ordered by the court which shall impair the title or other interest of a purchaser holding a certificate for value in good faith, or his heirs and assigns, without his or their written consent. Where the owner's duplicate certificate is not presented, a similar petition may be filed as provided in the preceding section.

All petitions or motions filed under this section as well as under any other provision of this Decree after original registration shall be filed and entitled in the original case in which the decree or registration was entered. (Emphasis ours.)

Plainly, Section 108 of Presidential Decree No. 1529 authorizes a person having interest in a registered property to ask for the amendment and alteration of a certificate of title or the entry of a new certificate if “new interests not appearing upon the certificate have arisen or been created,” “an omission or error was made in entering a certificate or any memorandum thereon,” or “upon any other reasonable ground.”

As previously stated, the Lopez heirs recognized that the spouses Sandoval and the spouses Ozaeta were adjudged the owners of the subject properties in a Decision dated May 31, 1966 rendered by the then CFI of Rizal in LRC No. N-2858, LRC Rec. No. N-18887. What the Lopez heirs contend is that this ownership was thereafter transferred to Eugenio Lopez on September 23, 1970, long before the actual issuance of the decrees of registration. Nonetheless, the certificates of title covering the subject properties were still issued in the names of the spouses Sandoval and the spouses Ozaeta, not to Eugenio Lopez or his successors-in-interest. Thus, Section 108 of Presidential Decree No. 1529 is available to the Lopez heirs as a remedy in order to correct the erroneous issuance of the certificates of title in the name of the vendor-applicants and they should file such a petition or motion in the original land registration case.

We distinguish this case from jurisprudence which require the filing of a separate civil action to cause the cancellation or correction of certificates of title where the relief prayed for is not germane to the land registration proceedings and require litigation in an ordinary civil case.⁸² Here, the present controversy is clearly a continuation of the original land registration proceedings as it involved a mere incident therein. To recall, the Lopez heirs’ **Motion dated April 28, 1997** (which sought the consideration of the sale of the subject properties to their predecessor-in-interest in the issuance of the decrees of registration) was allowed under Section 22 of Presidential Decree No. 1529 and was timely filed **before** the decrees of registration were issued. Indeed, the land registration court was still hearing said motion when the LRA improvidently and irregularly issued the decrees of registration and corresponding certificates of title containing patent errors on their face.

⁸² See, for example, *Philippine Women’s Christian Temperance Union, Inc. v. Teodoro R. Yangco 2nd and 3rd Generation Heirs Foundation, Inc.*, G.R. No. 199595, April 2, 2014 and *Paz v. Republic of the Philippines*, G.R. No. 157367, November 23, 2011, 661 SCRA 74.



The Court is aware of jurisprudential rulings requiring unanimity among the parties or the lack of serious objection on the part of any party in interest under Section 108 of Presidential Decree No. 1529 in light of the limited jurisdiction of land registration courts.⁸³ However, we also ruled in *Vda. de Arceo v. Court of Appeals*⁸⁴ that:

We have held that under Section 2 of the Property Registration Decree, the jurisdiction of the Regional Trial Court, sitting as a land registration court, is no longer as circumscribed as it was under Act No. 496, the former land registration law. We said that the Decree “has eliminated the distinction between the general jurisdiction vested in the regional trial court and the limited jurisdiction conferred upon it by the former law when acting merely as a cadastral court.” The amendment was “[a]imed at avoiding multiplicity of suits, the change has simplified registration proceedings by conferring upon the required trial courts the authority to act not only on applications for ‘original registration’ but also ‘over all petitions filed after original registration of title, with power to hear and determine all questions arising from such applications or petitions.’” **At any rate, we have also stated that the limited-jurisdiction-rule governing land registration courts is subject to recognized exceptions, to wit, (1) where the parties mutually agreed or have acquiesced in submitting controversial issues for determination; (2) where they have been given full opportunity to present their evidence; and (3) where the court has considered the evidence already of record and is convinced that the same is sufficient for rendering a decision upon such controversial issues.** By the same token, it has been held that the rule is not, in reality, one of jurisdiction, but rather, of mere procedure, which may be waived. **It is not amiss to state likewise that where the issue, say, of ownership, is ineluctably tied up with the question of right of registration, the cadastral court commits no error in assuming jurisdiction over it, as, for instance, in this case, where both parties rely on their respective exhibits to defeat one another’s claims over the parcels sought to be registered,** in which case, registration would not be possible or would be unduly prolonged unless the court first decided it. (Emphases supplied, citations omitted.)

In the land registration case involved herein, the parties already acquiesced in submitting the said controversial issues to the land registration court and were in the process of presenting their respective evidence but the ruling of the trial court on the merits was preempted by the untimely issuance of the decrees of registration. To be sure, whether there is any serious opposition to the Lopez heirs’ prayer to have the property registered in their name is precisely still to be determined by the land registration court.

⁸³ See, for example, *Liwag v. Court of Appeals*, 259 Phil. 913 (1989).

⁸⁴ 264 Phil. 59, 64-65 (1990).



Notably, applicant Roman Ozaeta, Jr. himself affirmed before the trial court the due execution of the deed of absolute sale and confirmed that Eugenio Lopez already paid the agreed purchase price. The Sandoval heirs merely stated in their Comment to the Lopez heirs' Motion dated April 28, 1997 that the Deed of Absolute Sale had a "dubious and questionable nature as to its authenticity" since it was presented only after 27 years from its execution and some of the persons who executed the same were already dead.⁸⁵ The Sandoval heirs have yet to present evidence to support their claim. Should the Deed of Absolute Sale be found authentic and duly executed, the Sandoval heirs cannot escape its effects. Under the general rule stated in Article 1311 of the Civil Code,⁸⁶ the heirs are bound by the contracts entered into by their predecessors-in-interest. This is evident from *Santos v. Lumbao*⁸⁷ where the Court held that:

It is clear from [Article 1311 of the Civil Code] that whatever rights and obligations the decedent have over the property were transmitted to the heirs by way of succession, a mode of acquiring the property, rights and obligations of the decedent to the extent of the value of the inheritance of the heirs. Thus, the heirs cannot escape the legal consequence of a transaction entered into by their predecessor-in-interest because they have inherited the property subject to the liability affecting their common ancestor. Being heirs, there is privity of interest between them and their deceased mother. They only succeed to what rights their mother had and what is valid and binding against her is also valid and binding as against them. **The death of a party does not excuse nonperformance of a contract which involves a property right and the rights and obligations thereunder pass to the personal representatives of the deceased. Similarly, nonperformance is not excused by the death of the party when the other party has a property interest in the subject matter of the contract.** (Emphasis ours, citations omitted.)

As for respondent Imelda Rivera, whose former counsel Atty. Dimaano participated in both the land registration case (LRC No. N-2858, LRC Rec. No. N-18887) and the writ of possession case (LRC No. 98-2225), she should be impleaded in the proceedings below to accord her the opportunity to prove that she is a purchaser for value in good faith entitled to protection under Section 108 of Presidential Decree No. 1529.

At the very least, proceedings under Section 108 are proper to rectify glaring errors on OCT Nos. O-1603 and O-1604, which bore incorrect or inaccurate dates of issuance by the LRA and of entry in the Registration

⁸⁵ Records (LRC No. N-2858, LRC Rec. No. N-18887), pp. 175-176.

⁸⁶ The first paragraph of Article 1311 of the Civil Code states:

Art. 1311. Contracts take effect only between the parties, their assigns and heirs, except in case where the rights and obligations arising from the contract are not transmissible by their nature, or by stipulation or by provision of law. The heir is not liable beyond the value of the property he received from the decedent.

⁸⁷ 548 Phil. 332, 353 (2007).

Book. The land registration court should not have simply accepted the letter-explanation of then LRA Administrator Enriquez that the correct dates of issuance of the decrees were “sometime between August 8 and 13, 1998.” Section 31 of Presidential Decree No. 1529 directs, among others, that “[e]very decree of registration issued by the Commissioner shall bear the date, hour and minute of its entry” while Section 40 in turn provides that the original certificate of title “shall be entered in [the Register of Deeds] record book and shall be numbered, dated, signed and sealed by the Register of Deeds with the seal of his office” for “[s]aid certificate of title shall take effect upon the date of entry thereof.” Put alternatively, these dates are material information required by law and cannot remain uncertain or ambiguous. Even for this reason alone, OCT Nos. O-1603 and O-1604 should be recalled and submitted to the land registration court for cancellation or correction.

Truly, instead of declaring the pending incidents moot, the land registration court could have continued hearing them and resolved them on the merits. It becomes obvious at this point that a remand to the trial court of the matters heretofore discussed is unavoidable. It must be noted, nevertheless, that in the analogous case of *Dawson v. Register of Deeds of Quezon City*,⁸⁸ which involved a certificate of title issued in the name of the wrong party, we held that:

Accordingly, petitioners may avail of the remedy provided under Section 108 of PD 1529. **This, however, does not necessarily mean that they are automatically entitled to the relief prayed for -- the cancellation of the title issued in the name of Louis P. Dawson and the issuance of new titles. It is incumbent upon them to satisfy the requirements and conditions prescribed under the statutory provision.** (Emphasis ours.)

In the interest of fairness, the Lopez heirs should be allowed to amend their motion to conform to the requirements and conditions under Section 108 of Presidential Decree No. 1529. Thus, this case is remanded to the land registration court for further proceedings, subject to the Lopez heirs' compliance with the requisites of Section 108 of Presidential Decree No. 1529.

G.R. No. 155405

In G.R. No. 155405, the Lopez heirs plead for this Court to reverse the assailed rulings of the Court of Appeals in CA-G.R. SP No. 58162 and to annul the Order dated March 24, 2000 of the RTC of Antipolo City, Branch

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356 Phil. 1037, 1047-1048 (1998).

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74, which granted the Sandoval heirs' motion for the issuance of a writ of possession.

The Lopez heirs argue, among others, that the issuance of the writ of possession was barred by the pendency of the appeal from the orders dated June 24, 1999 and March 3, 2000 of the RTC of Pasig City, Branch 152, in LRC No. N-2858, LRC Rec. No. N-18887, which orders denied the Lopez heirs' motion to declare null and void the decrees of registration and the certificates of title covering the subject properties. The Lopez heirs further allege that the petition for the *ex parte* issuance of the writ of possession should have been dismissed by the RTC of Antipolo City as Imelda Rivera had no legal capacity to sue. The SPA in favor of Rivera simply authorized her to sell the parcels of land described in the SPA and to receive payment therefor. The Lopez heirs also point out that there is no showing whether the subject properties were the same parcels of land specifically mentioned in the SPA given the dissimilarity in their descriptions. Even as the Sandoval heirs impliedly admitted the insufficiency of the SPA, they, however, argued that the same was no longer relevant as the subject properties were now registered in the name of Rivera who was an innocent purchaser for value. The Lopez heirs aver that Imelda Rivera cannot be considered an innocent purchaser for value as she was fully aware of the pending litigation involving the subject properties. Moreover, Evelyn Sandoval manifested that she neither authorized anyone to file the motion for the issuance of a writ of possession, nor did she engage the services of Atty. Dimaano.

In view of our ruling in G.R. No. 164092, the Court likewise grants the instant petition.

We declared in *Factor v. Martel, Jr.*⁸⁹ that a writ of possession is employed to enforce a judgment to recover the possession of land. It commands the sheriff to enter the land and give possession thereof to the person entitled under the judgment. In land registration proceedings, a writ of possession is an order issued by the trial court, directing the sheriff to place the applicants or oppositors, or whoever is the successful litigant, in possession of the property.

*Demorar v. Ibañez*⁹⁰ instructs that a writ of possession may be issued not only against the person who has been defeated in a registration case, but also against anyone adversely occupying the land or any portion thereof during the land registration proceedings. The issuance of the decree of registration is part of the registration proceedings. In fact, it is supposed to end the said proceedings. Consequently, any person unlawfully and

⁸⁹ 567 Phil. 521, 526-527 (2008).

⁹⁰ 97 Phil. 72, 74 (1955).

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adversely occupying said lot at any time up to the issuance of the final decree may be subject to judicial ejectment by means of a writ of possession and it is the duty of the registration court to issue said writ when prayed for by the successful claimant.

In *Mendoza v. Salinas*,⁹¹ however, the Court ruled that the ministerial duty of the land registration court to issue a writ of possession ceases with respect to actual possessors of the property under a claim of ownership. This is in accordance with the provisions of Article 433 of the Civil Code, which states:

ART. 433. Actual possession under claim of ownership raises a disputable presumption of ownership. The true owner must resort to judicial process for the recovery of the property.

Thus, one who claims to be the owner of a property that is possessed by another must bring the appropriate judicial action for its physical recovery. The term “judicial process” could mean no less than an ejectment suit or reivindicatory action in which the ownership claims of the contending parties may be properly heard and adjudicated.⁹²

In this case, the Lopez heirs are precisely claiming ownership of the subject properties as successors-in-interest of Eugenio Lopez. They have since manifested before the trial court that Eugenio Lopez previously bought the subject properties from Hacienda Benito, Inc. and Eugenio Lopez had been in possession thereof even before the execution of the Deed of Absolute Sale between him and the applicants Sandoval and Ozaeta. Apparently, the subject properties are also covered by TCT Nos. 288133 and 288134 of the Registry of Deeds of Marikina City, which are registered in the name of Lopez, Inc.

Even without considering the Deed of Absolute Sale in favor of Eugenio Lopez, the Sandoval heirs are not entitled to a writ of possession to the subject properties disputed in this case on the strength of OCT Nos. O-1603 and O-1604 since said titles are also registered in the names of the spouses Ozaeta. It must be emphasized as well that the Ozaeta spouses affirmed that the subject properties had been sold to Eugenio Lopez.

Incidentally, the Court agrees with the Lopez heirs' contention that the SPA in favor of Rivera was insufficient to cloth her with authority to file the petition for the *ex parte* issuance of a writ of possession in the instant case. Under Article 1881 of the Civil Code, an agent is mandated to act

⁹¹ 543 Phil. 380, 387 (2007).

⁹² Id.

within the scope of his authority.⁹³ The scope of an agent's authority, in turn, is what appears in the written terms of the power of attorney granted upon him.⁹⁴

In the case at bar, the specific wordings of the SPA in favor of Rivera authorized her to: (1) "sell a parcel of land situated in Mambugan, Antipolo, Rizal covered by TAX DECLARATION NO. 05-0795, containing an area of FIVE THOUSAND EIGHT HUNDRED SIXTY[-]THREE (5,863) SQ. METERS, more or less; and TAX DECLARATION NO. 05-0859, containing an area of TWO THOUSAND (2,000) SQ. METERS, more or less;" (2) "receive payment in cash or in check and to negotiate, endorse and encash the same;" (3) "witness in Court;" and (4) "perform other related matters which are necessary for the fulfillment of the said authority so granted."

We disagree with the finding of the Court of Appeals that the authority of Rivera to sell the properties described in the SPA carried with it the concomitant duty to file the petition for the *ex parte* issuance of a writ of possession. We note as well that there is uncertainty whether the SPA covered the same properties involved in these consolidated cases. As consistently argued by the Lopez heirs, the area descriptions of the properties involved in the SPA indeed do not match the following descriptions of the subject properties:

OCT No. O-1603

"A parcel of land (Lot 1 Plan Psu-177091, LR Case No. N-2858, LRC Record No. N-18887), situated in the Barrio of Mambugan, Municipality of Antipolo, Province of Rizal, Island of Luzon x x x containing an area of TWO THOUSAND FOUR HUNDRED SEVENTY[-]NINE (2,479) SQUARE METERS, more or less. x x x."

OCT No. O-1604

"A parcel of land (Lot 2 Plan Psu-177091, LR Case No. N-2858, LRC Record No. N-18887), situated in the Barrio of Mambugan, Municipality of Antipolo, Province of Rizal, Island of Luzon x x x containing an area of SIX THOUSAND THREE HUNDRED FORTY[-]ONE (6,341) SQUARE METERS, more or less. x x x."⁹⁵

⁹³ Article 1881 of the Civil Code provides:

ART. 1881. The agent must act within the scope of his authority. He may do such acts as may be conducive to the accomplishment of the purpose of the agency.

⁹⁴ *Country Bankers Insurance Corporation v. Keppel Cebu Shipyard*, G.R. No. 166044, June 18, 2012, 673 SCRA 427, 446.

⁹⁵ *Rollo* (G.R. No. 164092), pp. 69-70.



Notably, Rivera failed to explain the disparity in the above descriptions and the descriptions of the properties subject of the SPA, while the RTC of Antipolo City and the Court of Appeals largely ignored the same. This was error on the part of the lower courts. *Angeles v. Philippine National Railways*⁹⁶ dictates that “[a] power of attorney must be strictly construed and pursued. The instrument will be held to grant only those powers which are specified therein, and the agent may neither go beyond nor deviate from the power of attorney.” Thus, the varying descriptions of the properties mentioned in the SPA and that of the subject properties seriously put into question the authority of Rivera to file the petition for the *ex parte* issuance of a writ of possession over the subject properties. More importantly, the fact that Evelyn Sandoval – the principal who executed the SPA in favor of Rivera – categorically manifested that she did not authorize any person to file the said petition should have raised doubts as to the authority of Rivera to file the same. All the same, the Court has already previously settled the impropriety of the issuance of the writ of possession in this case.

WHEREFORE, the Court rules as follows:

In **G.R. No. 164092**, the Petition for Review on *Certiorari* is **GRANTED**. The Decision dated September 9, 2003 and the Resolution dated June 18, 2004 of the Court of Appeals in CA-G.R. CV No. 67515 are hereby **SET ASIDE**. The Regional Trial Court of Pasig City, Branch 152 is **ORDERED** to proceed with hearing petitioners’ Motion dated April 28, 1997 and Motion dated November 25, 1998, subject to petitioners’ compliance with Section 108 of Presidential Decree No. 1529. Original Certificates of Title (OCT) Nos. O-1603 and O-1604 of the Registry of Deeds for the Province of Rizal and all of the transfer certificates of title derived therefrom are **RECALLED** and shall be surrendered to the Regional Trial Court of Pasig City, Branch 152 for appropriate action.

In **G.R. No. 155405**, the Petition for Review on *Certiorari* is **GRANTED**. The Decision dated January 22, 2002 and the Resolution dated September 24, 2002 of the Court of Appeals in CA-G.R. SP No. 58162 are **REVERSED**. The Order dated March 24, 2000 of the Regional Trial Court (RTC) of Antipolo City, Branch 74, in LRC No. 98-2225, which directed the issuance of a writ of possession is **NULLIFIED** and **SET ASIDE**. LRC No. 98-2225 is hereby **DISMISSED**. Costs against the respondents.

⁹⁶ 532 Phil. 147, 158 (2006).



SO ORDERED.

Teresita Leonardo de Castro
TERESITA J. LEONARDO-DE CASTRO
Associate Justice
Acting Chairperson

WE CONCUR:

Lucas P. Bersamin
LUCAS P. BERSAMIN
Associate Justice


Jose Portugal Perez
JOSE PORTUGAL PEREZ
Associate Justice

Estela M. Perlas-Bernabe
ESTELA M. PERLAS-BERNABE
Associate Justice

Francis H. Jardeleza
FRANCIS H. JARDELEZA
Associate Justice


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.


TERESITA J. LEONARDO DE-CASTRO
Associate Justice
Acting Chairperson, First Division

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.


ANTONIO T. CARPIO
Acting Chief Justice