

## FIRST DIVISION

[ G.R. No. 210540, April 19, 2016 ]

**REPUBLIC OF THE PHILIPPINES, PETITIONER, VS. HOMER AND  
MA. SUSANA DAGONDON, RESPONDENTS.**

### D E C I S I O N

**PERLAS-BERNABE, J.:**

Assailed in this petition for review on *certiorari*<sup>[1]</sup> is the Decision<sup>[2]</sup> dated November 29, 2013 of the Court of Appeals (CA) in CA-G.R. CV. No. 02428, which affirmed the Decision<sup>[3]</sup> dated July 23, 2010 of the Regional Trial Court of Mambajao, Camiguin, Branch 28 (RTC) in Misc. Case No. 80, on the sole ground that it had already achieved finality and, hence, immutable.

#### The Facts

The instant case arose from a Petition<sup>[4]</sup> filed before the RTC on March 10, 2009 by respondents Homer and Ma. Susana Dagondon (respondents), as attorneys-in-fact of Jover P. Dagondon (Jover),<sup>[5]</sup> praying for the reconstitution of the Original Certificate of Title (OCT) of a 5,185-square meter parcel of land located at Bonbon, Catarman, Camiguin, denominated as Lot No. 84 of the Catarman Cadastre (Lot 84). In the petition, respondents alleged that: (a) Jover is the registered owner of Lot 84, having purchased the same from a certain Lourdes Borromeo Cordero,<sup>[6]</sup> and consequently, registered it under his name for taxation purposes under Tax Declaration No. 013775; <sup>[7]</sup> (b) on October 23, 2008, they obtained two (2) separate certifications from the Land Registration Authority (LRA), one stating that Decree No. 466085 was issued in relation to Lot 84,<sup>[8]</sup> and the other stating that it did not have a copy of Decree No. 466085 on file, and that the same was presumed lost or destroyed as a consequence of the last world war;<sup>[9]</sup> (c) on February 13, 2009, they secured another certification, this time from the Register of Deeds (RD) of Mambajao, Camiguin, declaring that the subject property **had no existing OCT** and that it was probably destroyed or dilapidated during the eruption of Hiboc-Hiboc Volcano<sup>[10]</sup> or World War II;<sup>[11]</sup> and (d) they were filing the petition for reconstitution on the basis of Decree No. 466085.<sup>[12]</sup>

In opposition,<sup>[13]</sup> petitioner Republic of the Philippines, as represented by the Office of the Solicitor General (petitioner), prayed for the dismissal of the petition for insufficiency in form and substance, considering that respondents, among others, failed to establish the existence of the very Torrens Title which they sought to reconstitute.<sup>[14]</sup>

#### The RTC Proceedings

After complying with the jurisdictional requirements, respondents presented Sebastiana Dagatan, Land Registration Examiner, from the Office of the Register of Deeds (RD) of Mambajao, Camiguin. After identifying the certification issued by her office, she testified that while the subject property had already been issued a decree, there is, however, no existing title in their files covering Lot 84.<sup>[15]</sup>

In a Decision<sup>[16]</sup> dated July 23, 2010 (RTC Decision), the RTC granted the petition for reconstitution and, accordingly, ordered the RD of Mambajao, Camiguin to reconstitute the OCT of Lot 84. In ruling for respondents, the RTC ratiocinated that neither the government nor any interested party would be prejudiced if it resolved to grant the petition.<sup>[17]</sup>

Asserting that it was notified of the adverse ruling on August 6, 2010,<sup>[18]</sup> petitioner moved for reconsideration **on August 23, 2010.**<sup>[19]</sup> However, in a Resolution<sup>[20]</sup> dated January 28, 2011, the RTC denied the said motion for having been filed out of time. Contrary to petitioner's assertion, the RTC found that based on the registry return card, petitioner received the July 23, 2010 Decision on August 5, 2010; and counting fifteen (15) days therefrom, it only had until August 20, 2010 to file the same. Resultantly, the motion for reconsideration should be disregarded for being a mere scrap of paper.<sup>[21]</sup>

The foregoing dismissal on procedural grounds notwithstanding, the RTC still opted to rule on the merits of the aforesaid motion. It held that despite the non-existence of the OCT for Lot 84, it could still be validly reconstituted on the strength alone of Decree No. 466085. In this regard, the RTC opined that the decree itself was sufficient and proper basis for the reconstitution of the lost or destroyed certificate of title.<sup>[22]</sup>

Undeterred, petitioner appealed to the CA.<sup>[23]</sup>

### **The CA Ruling**

In a Decision<sup>[24]</sup> dated November 29, 2013, the CA dismissed petitioner's appeal. It held that the RTC Decision had already attained finality due to petitioner's failure to move for its reconsideration within the fifteen (15)-day reglementary period provided by law. As such, the RTC Decision could no longer be assailed pursuant to the doctrine of finality and immutability of judgments. The CA further noted that petitioner failed to proffer compelling reasons to justify the belated filing of its motion, and worse, even concealed the date it received the RTC Decision which was consequently belied by the date indicated in the registry return card.<sup>[25]</sup>

Notably, the CA no longer delved into the issue of the propriety of the order of reconstitution of the OCT covering Lot 84.

Hence, the instant petition.

### **The Issues Before the Court**

The essential issues for the Court's resolution are: (a) whether or not the RTC

Decision could no longer be assailed pursuant to the doctrine of finality and immutability of judgments; and (b) whether or not the RTC correctly ordered the reconstitution of the OCT of Lot 84.

### **The Court's Ruling**

The petition is meritorious.

#### **I.**

At the outset, it bears reiterating that the CA did not assess the substantive merits of the RTC Decision - which ordered the reconstitution of the OCT of Lot 84 - on the pretense that it had already attained finality which rendered it beyond the scope of judicial review.

Under the doctrine of finality and immutability of judgments, a decision that has acquired finality becomes immutable and unalterable and may no longer be modified in any respect, even if the modification is meant to correct erroneous conclusions of fact or law, and whether it will be made by the court that rendered it or by the highest court of the land. Upon finality of the judgment, the Court loses its jurisdiction to amend, modify or alter the same.<sup>[26]</sup>

The mandatory character, however, of the rule on immutability of final judgments was not designed to be an inflexible tool to excuse and overlook prejudicial circumstances. Hence, the doctrine must yield to practicality, logic, fairness, and substantial justice.<sup>[27]</sup> In *Sumbilla v. Matrix Finance Corporation*,<sup>[28]</sup> the Court had the occasion to name certain circumstances which necessitate a relaxation of the rule on the immutability of final judgments, to wit:

Consequently[,], **final and executory judgments were reversed when the interest of substantial justice is at stake and where special and compelling reasons called for such actions.** In *Barnes v. Judge Padilla*, we declared as follows:

x x x a final and executory judgment can no longer be attacked by any of the parties or be modified, directly or indirectly, even by the highest court of the land.

However, **this Court has relaxed this rule in order to serve substantial justice considering (a) matters of life, liberty, honor[,], or property, (b) the existence of special or compelling circumstances, (c) the merits of the case, (d) a cause not entirely attributable to the fault or negligence of the party favored by the suspension of the rules, (e) a lack of any showing that the review sought is merely frivolous and dilatory, and (f) the other party will not be unjustly prejudiced thereby.**

Invariably, rules of procedure should be viewed as mere tools designed to facilitate the attainment of justice. **Their strict**

**and rigid application, which would result in technicalities that tend to frustrate rather than promote substantial justice, must always be eschewed.** Even the Rules of Court reflects this principle. The power to suspend or even disregard rules can be so pervasive and compelling as to alter even that which this Court itself had already declared to be final.<sup>[29]</sup> (Emphases and underscoring supplied)

As will be discussed, a departure from the doctrine is warranted since its strict application would, in effect, circumvent and undermine the stability of the Torrens System of land registration adopted in this jurisdiction. Relatedly, it bears stressing that the subject matter of the instant controversy, *i.e.*, Lot 84, is a sizeable parcel of real property. More importantly, petitioner had adequately presented a strong and meritorious case.

Thus, in view of the aforesaid circumstances, the Court deems it apt to exercise its prerogative to suspend procedural rules and to resolve the present controversy according to its merits.

## **II.**

Republic Act No. (RA) 26<sup>[30]</sup> governs the process by which a judicial reconstitution of Torrens Certificates of Title may be done. Specifically, Section 2 of the said law enumerates in the following order the competent and exclusive sources from which reconstitution of an OCT may be based, *viz.*:

Section 2. **Original certificates of title shall be reconstituted from such of the sources hereunder enumerated as may be available, in the following order:**

- (a) The owner's duplicate of the certificate of title;
- (b) The co-owner's, mortgagee's, or lessee's duplicate of the certificate of title;
- (c) A certified copy of the certificate of title, previously issued by the register of deeds or by a legal custodian thereof;
- (d) An authenticated copy of the decree of registration or patent, as the case may be, pursuant to which the original certificate of title was issued;
- (e) A document, on file in the registry of deeds, by which the property, the description of which is given in said document, is mortgaged, leased or encumbered, or an authenticated copy of said document showing that its original had been registered; and
- (f) Any other document which, in the judgment of the court, is sufficient and proper basis for reconstituting the lost or