

SPECIAL THIRD DIVISION

[G.R. NO. 151424, July 31, 2009]

EAGLE REALTY CORPORATION, PETITIONER, VS. REPUBLIC OF THE PHILIPPINES REPRESENTED BY THE ADMINISTRATOR OF THE LAND REGISTRATION AUTHORITY, NATIONAL TREASURER OF THE PHILIPPINES, HEIRS OF CASIANO DE LEON AND MARIA SOCORRO DE LEON, RESPONDENTS.

RESOLUTION

NACHURA, J.:

Petitioner Eagle Realty Corporation seeks the reconsideration of this Court's Decision dated July 4, 2008, which affirmed the Court of Appeals Decision dated January 22, 2001 and Resolution dated January 8, 2002, and upheld the cancellation of petitioner's certificate of title based on a finding that it is not a purchaser in good faith and for value.

In the assailed decision, the Court held that "a corporation engaged in the buying and selling of real estate is expected to exercise a higher standard of care and diligence in ascertaining the status and condition of the property subject of its business transaction." Citing *Sunshine Finance and Investment Corporation v. Intermediate Appellate Court*,^[1] the Court declared that, similar to investment and financing corporations, such corporation "cannot simply rely on an examination of a Torrens certificate to determine what the subject property looks like as its condition is not apparent in the document."

Petitioner's Motion for Reconsideration centers on the application of *Sunshine Finance* to the present case. Petitioner argues therein that the ruling in *Sunshine Finance* is a recent innovation, established long after the subject property was transferred in petitioner's name in 1984, hence, should not be applied to the case. Prior jurisprudence that protected banks, investment corporations and realty companies, without imposing any additional burden of going beyond the face of the title, should be applied instead. Petitioner points out that it purchased the subject property in 1984, when prevailing jurisprudence did not, as yet, impose upon realty companies the obligation to look beyond the certificate of title for it to qualify as an innocent purchaser for value. To charge petitioner with such additional obligation is to burden it with a then non-existent obligation which thus violates its right to due process.^[2]

In its Comment, the Office of the Solicitor General (OSG) averred that the ruling in *Sunshine Finance* is not in the nature of a statute that cannot be retroactively applied; it is jurisprudence that merely restates the definition of an innocent purchaser for value.^[3]

We agree with the OSG and, consequently, deny the motion for reconsideration.