

SPECIAL SECOND DIVISION

[CA-G.R. SP NO. 135596, March 13, 2015]

ESTELA P. LOMBOS, ESTATE OF ANITA PASCUAL, MIGUELA CHUCHI B. PASCUAL, JULIE ANNE PASCUAL TORRES, CHRISTIAN ANTHONY PASCUAL, MARISSA PASCUAL, DARIO B. PASCUAL, JR., AND APOLONIO B. PASCUAL, PETITIONERS, VS. HON. ROLANDO G. HOW (PRESIDING JUDGE OF BRANCH 257 OF THE REGIONAL TRIAL COURT OF PARAÑAQUE CITY), AND LORENZA N. GARCIA, RESPONDENTS.

DECISION

GONZALES-SISON, M., J.:

"Strict compliance with the requirements of the law aims to thwart dishonest parties from abusing reconstitution proceedings as a means of illegally obtaining properties otherwise already owned by other parties."^[1]

Before Us is a Petition for Review on Certiorari^[2] under Rule 65 of the 1997 Rules of Civil Procedure, seeking to annul the Orders dated October 21, 2013^[3] and March 5, 2014,^[4] both issued by the public respondent Judge Rolando G. How (Public Respondent) of the Regional Trial Court of Parañaque City, Branch 257 in LRC Case No. 11-0205, denying the Motion to Dismiss filed by herein petitioners Estela P. Lombos, Anita Pascual, Miguela Chuchi B. Pascual, Julie Anne Pascual-Torres, Christian Anthony Pascual, Marissa Pascual, Dario B. Pascual, Jr. and Apolonio B. Pascual (Petitioners).

The facts as culled from the Records, are as follows:

On May 3, 1991, herein private respondent Lorenza N. Garcia (Garcia), together with her spouse Percival Capariño, filed a Complaint^[5] with the Regional Trial Court of Parañaque City, Branch 257, for Quieting of Title and Recovery of Possession with Restraining Order and Preliminary Injunction (Quieting of Title Case) against herein petitioners. Garcia claimed that she and her husband are the registered owners of a parcel of land known as Lot 12-A of plan Psu-53000 as amended, being a portion of Lot 12 of Psu-53000, situated in La Huerta, Municipality of Parañaque, Metro Manila, containing an area of 116,297 square meters and covered by Transfer Certificate of Title No. 124434 (TCT No. 124434), issued on June 26, 1968. In her Complaint for Quieting of Title, Garcia alleged, among others, that the petitioners were leasing, mortgaging and selling sizable portions of Lot 12-A. She thus prayed that the court confirm the genuineness, legality and validity of her TCT No. 124434, and consequently declare her and her husband as the true and lawful owners of Lot 12-A of plan Psu-53000, to the exclusion of the petitioners and other third parties, and to likewise order the petitioners to relinquish the possession of Lot 12-A.

Responding to the Complaint for Quieting of Title, the petitioners asserted that they were the registered owners of the property claimed by Garcia. The petitioners related that the property is more aptly described as Lot 12-B of the Subdivision Plan (LRC) Psu-44792 (not Lot 12-A of plan Psu-53000 as alleged by Garcia), and is covered by Transfer Certificate of Title No. 84646 (TCT No. 84646) issued by the Register of Deeds of Pasay City in their names.^[6]

On June 15, 1994, the case for quieting of title was dismissed, based on the finding that the disputed property is actually Lot 12-B-2 of the Subdivision Plan (LRC) Psu-44798 covered by TCT No. 84646, which was issued in the name of the petitioners on May 4, 1984 by the Register of Deeds of Pasay City.^[7] On the contrary, Garcia and her spouse did not have any valid claim or interest over the disputed property. In fact, TCT No. 124434 was declared to be fake and spurious.^[8]

On November 6, 1996, an Entry of Judgment^[9] was issued, certifying that the 1994 Decision had become final and executory.

More than fifteen years after the finality of the action for quieting of title, Garcia filed an Amended Petition^[10] dated January 5, 2012, seeking for the reconstitution of Transfer Certificate of Title No. 199738 (TCT No. 199738), which covers three (3) parcels of land situated at La Huerta, Parañaque City with a total area of 116,300 square meters described as Lot No. 12-A-1, Lot No. 12-A-2 and Lot No. 12-A-3 of Subdivision Plan No. Psd-71638, which were portions of Lot 12-A of Plan Psu-53000 Amd.^[11] Garcia explained that she acquired the subject property through a Deed of Absolute Sale executed between herself and the original owner Benito S. Garcia, dated July 8, 1964. Consequently, TCT No. 199738 was issued in her name by the Register of Deeds of Pasig City on April 28, 1968.^[12] The original copy of TCT No. 199738 was originally on file with the Register of Deeds of Pasig, but was eventually transferred to the Register of Deeds of Pasay, but is no longer on file in either of the Register of Deeds of Pasig, Pasay or Parañaque.^[13] The reconstitution case was docketed as LRC Case No. 11-0205 and raffled to the Regional Trial Court of Parañaque City, Branch 257, and handled by the public respondent Hon. Rolando How (Public Respondent).

Meanwhile, SM Prime Holdings, Inc., (SM Prime) claiming to be the registered owner of a portion of the properties subject of the Amended Petition for Reconstitution, as evidenced by Transfer Certificate of Title No. 146052 (TCT No. 146052) registered in its name, filed a Formal Entry of Appearance and Motion for Extension.^[14] SM Prime related that the area claimed under TCT No. 199738 encroaches upon SM Prime's commercial establishment known as SM Bicutan which opened to the public in November 2002.^[15]

On April 19, 2012, Garcia filed a Manifestation and Motion^[16] praying for the cancellation of TCT No. 146052 in the name of SM Prime. Garcia likewise prayed that she be declared as the legal owner of the subject Lots 12-A-1, 12-A-2 and Lot 12-A-3 covered by TCT No. 199738, and thus, for the Register of Deeds of Parañaque City to issue another title covering Lots 12-A-1, 12-A-2 and Lot 12-A-3 in her name.^[17]

On October 18, 2012, SM Prime formally filed its Opposition^[18] against the Petition for Reconstitution, questioning the veracity of the documents submitted by Garcia and likewise reiterating its claim that a portion of the piece of land purportedly covered by TCT No. 199738 sought to be reconstituted by Garcia is already covered by TCT No. 146052 in its name.^[19]

Similarly, on October 23, 2012, the petitioners filed their Opposition^[20] to the Petition for Reconstitution, arguing that the property supposedly covered by TCT No. 199738 is already covered by titles in their names. In view thereof, the Petition for Reconstitution constitutes a collateral attack on their certificates of title. The petitioners also pointed out that Garcia had previously claimed the subject property under a different title (TCT No. 124434) in an action for quieting of title and recovery of possession against the petitioners, which action was dismissed for being, among others, based on spurious documents.^[21]

Meanwhile, Garcia filed a Motion for Declaration of the Title of the Oppositor SM Prime Holdings, Inc. and the Titles of the Oppositors Estela P. Lombos, et al. as a Nullity (Motion to Declare Titles a Nullity).^[22]

On January 10, 2013, Lombos filed a Motion to Dismiss^[23] on the ground that the public respondent had no jurisdiction over the Petition for Reconstitution as the property involved is already covered by existing titles in favor of the petitioners, and that the matters raised in the action for reconstitution have been ruled upon in the previous case for quieting of title, and are thus barred under the rule on conclusiveness of judgment.^[24] SM Prime likewise filed a Manifestation^[25] wherein it adopted the petitioners' Motion to Dismiss.

Garcia filed a Comment/Opposition to the Motion to Dismiss, averring that the properties subject of the reconstitution are different from the properties of the oppositors petitioners and SM Prime and denying the application of the rule on conclusiveness of judgment to the case at hand since the issues raised in the reconstitution proceedings are different from those resolved in the action for quieting of title.^[26]

On October 21, 2013, the public respondent issued the first assailed Order^[27] denying the Motion to Dismiss, ratiocinating that the issue of whether or not Garcia's properties are already covered by existing titles must be threshed out in a full blown hearing, and thereby requiring that the case be heard up to its final conclusion.

Aggrieved by the Order of the public respondent, on December 27, 2013, the petitioners filed a Motion for Reconsideration,^[28] which was denied by the public respondent in its Order^[29] dated March 5, 2014.

Undeterred, the petitioners filed the instant Petition seeking for the nullification of the assailed Orders,^[30] based on the following errors committed by the public respondent, *to wit*:

I. "THE RESPONDENT JUDGE COMMITTED GRAVE ABUSE OF DISCRETION, AMOUNTING TO LACK OR EXCESS OF

JURISDICTION, WHEN HE REFUSED TO DISMISS THE RECONSTITUTION CASE DESPITE THE FACT THAT THE PROPERTY INVOLVED IS ALREADY COVERED BY EXISTING TCTS IN FAVOR OF PETITIONERS;

II. THE RESPONDENT JUDGE COMMITTED GRAVE ABUSE OF DISCRETION, AMOUNTING TO LACK OR EXCESS OF JURISDICTION, WHEN HE RULED AGAINST THE APPLICABILITY OF THE RULE ON CONCLUSIVENESS OF JUDGMENT AS AGAINST THE RECONSTITUTION CASE.”^[31]

Upon a meticulous scrutiny of the Records, **We find the instant Petition impressed with merit.**

Essentially, the reconstitution of a certificate of title denotes the restoration of a lost or destroyed instrument in its original form and condition.^[32] Consequently, reconstitution presupposes the existence of an original certificate of title which was lost or destroyed.^[33] Conversely, a petition for reconstitution will not lie if the title sought to be restored was not actually lost or destroyed, or in case of the existence of a certificate of title in the name and possession of a third person. That the certificate of title has not been issued to another person is a condition *sine qua non* for the court to acquire jurisdiction. Thus, courts have no jurisdiction over petitions for reconstitution of allegedly lost or destroyed titles involving lands that are actually covered by subsisting titles in the name of another person. The existence of a prior title *ipso facto* nullifies the reconstitution proceedings.^[34]

Guided by the foregoing principles, We find that the public respondent acted with grave abuse of discretion amounting to lack of jurisdiction in refusing to dismiss the Amended Petition for Reconstitution notwithstanding proof of the existence of TCT No. 84646 and TCT No. 146052 in the names of the petitioners and SM Prime, respectively.

Notably, the instant petition for reconstitution is the third legal skirmish between the petitioners and Garcia. The legal disputes between the two parties began from a Complaint for Ejectment in 1991, followed by an Action for Quieting of Title in 1991, up to the instant Petition for Reconstitution, where all of the three cases involved the same properties.

Records show that on May 3, 1991, Garcia filed a Case for Quieting of Title, against the petitioners claiming that she and her husband are the lawful and registered owners of a parcel of land known as Lot No. 12-A of plan Psu-53000 as amended, which was a portion of Lot 12 of Psu-53000, situated in La Huerta, Municipality of Parañaque, with an area of 116,297 square meters, more or less, covered by TCT No. 124434 of the Register of Deeds of Parañaque. Lot 12-A of plan Psu-53000 Amd. was subdivided into three lots known as Lots 1, 2, and 3.^[35] Garcia deemed the action for quieting of title as necessary considering that the petitioners previously filed an action for ejectment against her and her spouse, seeking to dispossess them from their lands on the erroneous and fraudulent claim that Lot 12-A of plan Psu-53000 under TCT No. 124434 is the same parcel of land described as Lot No. 12-B-2, owned by the petitioners and covered by TCT No. 84646 in their name.^[36]

Responding to Garcia's allegations, the petitioners maintained that the area claimed by the former overlapped their property, which is Lot 12-B-2 of the Subd. Plan (LRC) Psd-44798, a portion of Lot 12-B (LRC) Psd-14975, with an area of 147,424 square meters and covered by TCT No. 84646. Originally, Lot No. 12-B-2 formed part of Lot No. 12 of subdivision plan Psu-53000.^[37]

On June 15, 1994, the court rendered a Decision in favor of the petitioners. Essentially, the court noted that Lot No. 12-A, claimed by Garcia is actually Lot 12-B-2 of the Subdivision plan (LRC) Psu-44798 covered by TCT No. 84646 which was issued in the name of the petitioners on May 4, 1984 by the Register of Deeds of Pasay City.^[38] Historically, the disputed property originally formed part of Lot 12 of Plan Psu-53000, and was registered in the name of Teodorico Santos and Maura Santos on June 8, 1931 under OCT No. 4446.^[39] The petitioners were able to prove that they are the rightful owners and possessors of the properties, tracing their title from OCT No. 4446.^[40] On the other hand, Garcia was not able to prove any valid claim, interest or legal or equitable title over the disputed property. Neither was she able to present the originals of all the annexes of her complaint, including TCT No. 124434. Significantly, the decision of the court in the action for quieting of title became final and executory, as per Entry of Judgment dated November 6, 1996.

It cannot be gainsaid that the identity of the disputed properties as well as the legal owners thereof have long been settled in the action for quieting of title, where the court ruled that the proper description of the disputed properties is actually Lot 12-B-2 of the Subdivision plan (LRC) Psu-44798, owned by the petitioners as evidenced by TCT No. 84646.

Parenthetically, the rule on conclusiveness of judgments^[41] states that a fact or question which was in issue in a former suit and was there judicially passed upon and determined by a court of competent jurisdiction, is conclusively settled by the judgment therein as far as the parties to that action and persons in privity with them are concerned. *A fortiori*, as long as the judgment remains unreversed, the matters adjudged in the former suit may no longer be re-litigated in any future action between the same parties or their privies, in the same court or any other court of concurrent jurisdiction on either the same or different cause of action. It is essential that the issues be identical. If a particular point or question is in issue in the second action, and the judgment will depend on the determination of that particular point or question, a former judgment between the same parties or their privies will be final and conclusive in the second if that same point or question was in issue and adjudicated in the first suit. Identity of cause of action is not required but merely identity of issue.^[42]

Accordingly, the issue of whether the properties claimed by Garcia and the petitioners overlap each other, as well as the question of who the lawful owner is, have already been settled in the action for quieting of title. It cannot be overemphasized that the validity of Garcia's title to the subject properties is integral both to the action for quieting of title as well as the petition for reconstitution. Thus, the pronouncement that Garcia has no legal right over the subject properties because the petitioners are the lawful owners thereof has been settled with finality, and consequently binding in any litigation between Garcia and the petitioners regarding the same issue, regardless of the cause of action. Garcia cannot escape