

SECOND DIVISION

[G.R. No. 197733, August 29, 2018]

SAMUEL AND EDGAR BUYCO, PETITIONERS, V. REPUBLIC OF THE PHILIPPINES, RESPONDENT.

R E S O L U T I O N

CAGUIOA, J:

Before the Court is a Petition for Review on *Certiorari*^[1] (Petition) under Rule 45 of the Rules of Court assailing the Decision^[2] dated January 26, 2011 (Decision) of the Court of Appeals^[3] (CA) in CA-G.R. CV No. 68708, reversing and setting aside the Decision^[4] dated August 15, 2000 rendered by the Regional Trial Court of Odiongan, Romblon, Branch 82 (RTC) in LRC Case No. OD-06 that granted the petitioners' application for land registration over a large parcel of land described as Lot 1, Psu-127238 (Subject Land) with an area of approximately 3,194,788 square meters located in barrios Canduyong, Anajao^[5] and Ferrol, Tablas, Romblon, and the Resolution^[6] dated June 30, 2011 of the CA denying the motion for reconsideration filed by the petitioners.

The Facts and Antecedent Proceedings

The CA Decision narrates the factual antecedents as follows:

On October 14, 1976, brothers Edgardo H. Buyco and Samuel H. Buyco, through their attorney-in-fact Rieven H. Buyco, filed an application for registration of a parcel of land with [then] Court of First Instance of Ro[m]blon, Branch 82. The case was docketed as LRC Case No. N-48, LRC Record No. N-51706. The parcel of land sought to be registered was particularly described as follows:

"A parcel of land (Lot I, under surveyed for the heirs of Lilia Hankins situated in the barrios of Canduyong, Anahao, and Ferrol, Municipality of Odiongan, province of Romblon, Tablas Island under PSU 127238) LRC Record No. _____: Bounded on the North by properties of the heirs of Rita Fiedacan and Alexander Hankins; on the Northeast, by Canduyong River and property of Alexander Hankins; on the East, by properties of Andres Cuasay, Escolastica Feruelo, Candido Mendoza, Raymundo Goray, Pedro Goray, Manuel Yap, Feliza Fedri and Silverio Mierculecio; on the Southeast, by property of Candido Mendoza, the Heirs of Benita Formilleza, Silverio Mierculecio[,], Zosimo Llorca, Lot 2, and properties of Beatrice Hankins and Zosimo Llorca; on the West, by properties of Maria Llorca and Miguel Llorca; and on the Nort[h]west, by property of Catalino Fabio, Pont 'I' is S. 33 deg. 24"., 4075.50 m. From B.L.L.M. 1,

Odiongan, Romblon. Area THREE MILLION ONE HUNDRED NINETY[-]FOUR THOUSAND SEVEN HUNDRED EIGHTY[-]EIGHT (3,194,788) SQUARE METERS, more or less."

The Republic of the Philippines through the Director of Lands opposed the application for registration.

Trial on the merits ensued.

On February 5, 1985, the Land Registration Court rendered its judgment granting aforesaid application, the dispositive portion of the Decision reads:

"PREMISES CONSIDERED, this Court hereby orders the registration of title to the parcel of land designated as Lot No. 1 PSU-127238 and its technical description together with all the improvements thereon, in the name of the herein applicants, recognizing the interest of the Development Bank of the Philippines to be annotated on the certificate of title to be issued as mortgagee for the amount of P200,00[0].00 with respect to the share of applicants Samuel H. Buyco."

'Upon the decision become (sic) final let the corresponding decree and certificate of title be issued accordingly."

The Director of Lands appealed said Decision to [the CA] on the basis that the trial court erred as follows:

"(1) in not declaring the applicants barred by the Constitution from applying for registration because they are American citizens and are thus disqualified from acquiring lands in the Philippines;

"(2) in holding that applicants had established proprietary rights over the land even before acquiring American citizenship through naturalization; and

"(3) in not dismissing the application for registration because of applicants' failure to overthrow the presumption that the land applied for is public land belonging to the State. (Director of Lands vs. Buyco, 216 SCRA 78 [1992])"

The case was docketed as CA-G.R. CV No. [0]5824.

On November 21, 1989, the [CA] dismissed for lack of merit the appeal interposed by the Director of Lands.

The Director of Lands filed a petition under Rule 45 of the Rules of Court seeking the review and reversal of the decisions of the trial court in LRC Case No. N-48 and the [CA] in CA-G.R. CV No. 05824. The case was docketed as G.R. No. 91189.

On November 27, 1991, the Supreme Court rendered its judgment, the dispositive portion of the Decision reads:

"WHEREFORE, the Petition is GRANTED. The challenge Decision of the public respondent of 21 November 1989 in CA-G.R. CV No. 05824 is hereby SET ASIDE and the Decision of 5 February 1985 of Branch 82 of the Regional Trial Court of Romblon in Land Registration Case No. N-48, LRC Record No. N-51706 is REVERSED.

"SO ORDERED."

On December 6, 1995, or approximately six (6) years later, Edgar Buyco and Samuel Buyco filed for the second time an application for registration of title covering the same parcel of land, particularly described as follows:

"A parcel of land, described on plan as Lot 1, Psu-127238 situated in the Barrios of Canduyong, Anajao and Ferrol, of Tablas. Bounded on the North along lines 30-34 by property of Catalino Fabro; along line 34-35 by property of Heirs of Rita Fiedacan and Esnislao Sulit; along lines 35-51 by property of Alexander Hankins; along lines 51-56 by Condoyong River, about 12 meters wide; on the East, along lines 56-62 by property of Alexander Hankins; along line 62-63 by property of Andres Cuasay; along line 63-64 by property of Escolastica Feruelo; along line 64-65 by property of Candido Mendoza; along line 65-66 by property of Raymundo Goray; along lines 66-68 by property of Pedro Goray; along lines 68-70 by property of Manuel Yap; along line 70-72 by property of Feliza Fadri; along line 72-1 by property of Silverio Mierculecio; on the South along line 1-2 by property of Candido Mendoza; along lines 2-4 by property of Heirs of Benita Formelleza; along line 4-5 by property of Silverio Merculecio; along line 5-6 by property of Zosimo Llorca; along line 6-7 by property of Beatrice Hankins; along lines 7-10 by Lot 2, Psu-127238; along lines 10-12 by property of Beatrice Hankins; along lines 12-14 by property of Zosimo Llorca; on the West along lines 14-22 by property of Maria Llorca; and along lines 22-30 by property of Miguel Llorca. Beginning from a point marked "1" on plan being S. 33 deg. 24 min. W., 4075.50 meters from B.L.L.M. No. 1, Municipality of Odiongan, Province of Romblon, xxx xxx xxx. Containing an area of Three Million One Hundred Ninety[-]Four Thousand, Seven Hundred Eighty[-]Eight (3,194,788) Square Meters."

On February 23, 1996, appellant Republic of the Philippines filed its opposition with a motion to dismiss the application for registration of title on the bases that 1) res judicata has already set in; and that 2) the applicants did not acquire vested rights over the subject parcel of land before acquiring American citizenship.

The Buycos opposed the Republic's motion to dismiss contending that res judicata was not applicable to the present case and that appellee Samuel A. Buyco has already reacquired his Filipino citizenship.

On May 29, 19[9]6, the trial court denied the Republic's motion to dismiss, opining that, in the case at bar being a land registration case, the provisions of Act No. 496 prevails (sic) over those of the Rules of Court. The Rules of Court can only apply by analogy or in a suppletory character, and only when practicable and convenient. Vis-a-vis Section 1(f) of the Revised Rules of Court, Section 37 of Act No. 496, thus, prevails. Section 37 of said Act states, to wit:

"If in any case, the court finds that the applicant has no proper title for registration, a decree shall be entered dismissing the application and such decree may be ordered to be without prejudice. The applicant may withdraw his application at any time before final decree, upon terms to be fixed by the court; provided, however, that in a case where there is an adverse claim, the court shall determine the conflicting interests of the applicant and the adverse claimant, and after taking evidence shall dismiss the application for the registration or shall enter a decree awarding the land applied for or any part thereof, to the person entitled thereto and such degree, when final, shall entitle to the issuance of an original certificate of title to such person."

Thus, according to the trial court:

"Therefore, as mandated by Sec. 37 of Act No. 496, since the order of dismissal is without prejudice, it goes without saying that the applicant, notwithstanding of (sic) the dismissal of his application, can, if he believes his evidence warrants for a tenable subsequent application for registration, file another application for (sic) because the dismissal of his previous application was without prejudice. He is not barred by the rule on prior judgment or res judicata because this rule has been expressly made not applicable in the case at bar by said Sec. 37 of Act No. 496 when it provides:

"x x x a decree shall be entered dismissing the application and such decree may be ordered to be without prejudice." x x x

As to the issue of whether applicants, being American citizens, are not qualified to acquire lands in the country and not entitled to the benefits under Act No. 496, the court ratiocinated that the same was still premature and untimely and that said issue [s] can only be resolved after trial on the merits.

Trial on the merits ensued.

On April 13, 1998, the Buycos submitted documents to establish jurisdictional requirements x x x[.]

x x x x

[Testimonial evidence were adduced through the presentation of Samuel Buycos, Alfonso Firmalo, Silverio Mercolesio, Manuel Firmalo, Eulalia

Fabregas, Buenafe Fetalvero, Jimmy Feltalco, Nilda San Gabriel, Romulae Gadaoni, and Bienvenida Ferrancullo, as witnesses.]

On August 15, 2000, the trial court rendered judgment granting the application for registration of title by the Buycos. The decretal portion of aforesaid Decision states:

"PREMISES CONSIDERED, this Court hereby orders the registration of title to the parcel of land denominated as Lot No. 1, Psu-127238 and its technical descriptions together with all the improvements thereon in the name of Samuel H. Buyco.

"Upon the decision becoming final, let the corresponding decree and certificate of title be issued accordingly.

"SO ORDERED."

On September 4, 2000, the Republic, through the Office of the Solicitor General, filed a notice of appeal.

On July 9, 2010, [the CA], in aid of resolving the present case, required the parties within fifteen (15) days from notice to inform it as to whether any supervening event or change of circumstances which would materially and substantially affect the result thereof, has already overtaken the present action.

Both parties submitted their compliance but failed to spell out any supervening event that would warrant the dismissal of this case.

Hence, [the CA] deemed this case submitted for resolution.^[7]

Ruling of the CA

The CA, in its Decision dated January 26, 2011, granted the appeal holding that *res judicata* finds application to land registration cases and that all its elements are present in this case.^[8] Also, the case in G.R. No. 91189, concerning the petitioners' first application for land registration, had been decided with finality. Based on the doctrine of finality of judgment, the issue or cause involved therein should be laid to rest.^[9]

The dispositive portion of the CA Decision states:

WHEREFORE, premises considered, the Decision rendered by the trial court on August 15, 2000 is hereby **REVERSED** and **SET ASIDE**.

SO ORDERED.^[10]

The petitioners filed a motion for reconsideration, which was denied by the CA in its Resolution^[11] dated June 30, 2011.

Hence, the instant Petition. The respondent, through the Office of the Solicitor General (OSG), filed a Comment^[12] dated January 30, 2012. The petitioners filed a Reply^[13] dated August 30, 2013.