

FIRST DIVISION

[G.R. No. 213209, January 16, 2017]

**REPUBLIC OF THE PHILIPPINES, PETITIONER, VS. GERTRUDES
V. SUSI, RESPONDENT.**

D E C I S I O N

PERLAS-BERNABE, J.:

Before the Court is a petition for review on *certiorari*^[1] assailing the Decision^[2] dated February 13, 2014 and the Resolution^[3] dated June 25, 2014 of the Court of Appeals (CA) in CA-G.R. SP No. 127144, which upheld the Order^[4] dated July 5, 2012 of the Regional Trial Court of Quezon City, Branch 77 (RTC): (a) denying petitioner Republic of the Philippines' (Republic) Motion to Vacate Judgment in LRC Case No. Q-20493(05); and (b) upholding the Decision^[5] dated January 12, 2011, granting respondent Gertrudes V. Susi's (Susi) petition for reconstitution of Transfer Certificate of Title (TCT) No. 118999.

The Facts

On September 27, 2005 Susi filed before the RTC a verified Petition^[6] for reconstitution of TCT No. 118999 purportedly registered in her name, covering Lot25^[7] of plan Psu-32606 located in Barrio (now Barangay) Talanay, Quezon City (QC), with an area of 240,269 square meters (subject land). She claimed that the original copy of TCT No. 118999 was destroyed by the fire that gutted the Registry of Deeds of Quezon City (RD-QC) on June 11, 1988;^[8] hence, the petition based on the owner's duplicate copy of TCT No. 118999,^[9] docketed as LRC Case No. Q-20493(05).

Finding the petition to be sufficient in form and substance, the RTC issued an Order^[10] dated October 13, 2005: (a) setting the case for initial hearing on February 2, 2006; (b) directing that the concerned government offices be furnished a copy thereof; and (c) directing that the said order be published in the Official Gazette once a week for two (2) consecutive weeks and posted at least thirty (30) days prior to the scheduled hearing at the main entrance of the Quezon City Hall, the bulletin boards of the RTC, as well as the Sheriffs Office of the RTC of QC, and the Barangay Hall of the barangay where the subject land is situated.^[11] The notice was published in the December 19 and 26, 2005 issues of the Official Gazette (Vol. 101, Nos. 51 and 52),^[12] and posted as required.^[13]

On January 16, 2006, the Land Registration Authority (LRA) filed with the RTC a Manifestation^[14] dated December 5, 2005 stating that respondent filed similar petitions for reconstitution covering the subject land before Branches 88 and 220 of the same RTC, for which it had previously issued Reports dated March 1, 1995^[15]

and December 12, 1995,^[16] respectively.

On February 2, 2006, Susi presented proof of the jurisdictional requirements without any opposition.^[17] The City Government of QC (QC Government) thereafter filed an Opposition^[18] dated February 3, 2006 on the ground of *res judicata*.^[19] However, the latter was subsequently declared to be without any locus standi to oppose the reconstitution petition.^[20]

After Susi was allowed to formally offer her evidence^[21] the Office of the Solicitor General (OSG) entered its appearance in the case, and manifested that it had deputized the Office of the City Prosecutor of QC to appear on its behalf, subject to its supervision and control.^[22]

The RTC Ruling

In a Decision^[23] dated January 12, 2011 (January 12, 2011 Decision), the RTC granted Susi's petition, and directed the RD-QC to reconstitute the lost/destroyed original copy of TCT No. 118999.^[24]

The RTC ruled that the presentation of the owner's copy of TCT No. 118999^[25] and the Certification^[26] from the RD-QC that the original of TCT No. 118999 was burned during the fire that razed the QC Hall on June 11, 1988 were sufficient to warrant the reconstitution sought. It held that the subject petition was not barred by the dismissal by Branch 220 of the same RTC of a similar petition anchored on her failure to: (a) comply with the technical requirements of the law, specifically, her omission to allege matters required under Sections 11 and 12 of Republic Act No. (RA) 26;^[27] and (b) convince the court that TCT No. 118999 sought to be reconstituted was valid and existing at the time it was destroyed, holding that both objections have been sufficiently overcome in the present case.^[28]

Dissatisfied, the QC Government filed a motion for reconsideration,^[29] while the Republic, through the OSG, filed its Notice of Appeal,^[30] which were both denied in an Order^[31] dated July 8, 2011. The QC Government's subsequent Notice of Appeal^[32] was also denied in an Order^[33] dated September 15, 2011, on the grounds that (a) it has no authority to appear or to bring or defend actions on behalf of the Republic; and (b) the appeal was belatedly filed, hence, not perfected. The RTC likewise declared the January 12, 2011 Decision as having attained finality.

On October 25, 2011, the Republic, through the OSG, filed a Motion to Vacate Judgment,^[34] insisting that the January 12, 2011 Decision should be set aside and vacated on the ground of *res judicata*.^[35] On March 8, 2012, Sunnyside Heights Homeowner's Association, Inc. moved^[36] to join the OSG's motion, claiming to be registered owners and occupants of various portions of the subject land.

Meanwhile, on March 31, 2011, the LRA filed a Manifestation^[37] (a) expressing its unwillingness to comply with the directive contained in the January 12, 2011 Decision; and (b) praying that the RTC set aside the same and dismiss Susi's petition on the ground that her owner's duplicate of TCT No. 118999 is of doubtful

authenticity.^[38] Consequently, the LRA maintained that there was a need to comply with the mandatory and jurisdictional requirements under Sections 3 (f), 12, and 13 of RA 26, without which the RTC did not have jurisdiction over the subject petition.^[39]

In an Order^[40] dated July 5, 2012 (July 5, 2012 Order), the RTC denied the Motion to Vacate Judgment, considering that the January 12, 2011 Decision had become final and executory after the Republic's appeal had been denied due course. Thereafter, the corresponding Writ of Execution^[41] was issued on July 20, 2012.

Unperturbed, the Republic filed a Petition for *certiorari* with prayer for Temporary Restraining Order and Writ of Preliminary Injunction^[42] before the CA, docketed as CA-G.R. SP No. 127144.

The CA Ruling

In a Decision^[43] dated February 13, 2014, the CA found no reversible error, much less, grave abuse of discretion on the part of the RTC in granting the petition for reconstitution, considering that Susi was able to sufficiently establish that the certificate of title sought to be reconstituted was valid and existing under her name at the time it was destroyed.^[44]

The CA found the principle of *res judicata* to be inapplicable to this case since the dismissal of the prior similar petition was based on Susi's failure to comply with the technical requirements of the law. Hence, the latter was not precluded from filing another petition to prove the necessary allegations for the reconstitution of the subject title, which the RTC correctly found to have been fully established.^[45]

The Republic filed a motion for reconsideration,^[46] attaching therewith a copy of a Resolution^[47] issued by the LRA *en consulta*, stating, among others, that: (a) the subject land is also covered by subsisting titles and occupied by a number of persons;^[48] and (b) Susi has two (2) uncertified reproduced owner's duplicate copies of TCT No. 118999, but bearing different serial numbers^[49] - *i.e.*, a copy bearing serial number 1775634^[50] which was earlier presented before Branch 220, and another one with serial number 1121955^[51] adduced in evidence *a quo*.

In a Resolution^[52] dated June 25, 2014, the CA denied the said motion; hence, this petition.

The Issue Before the Court

The essential issue for the Court's resolution is whether or not the CA erred in finding that the RTC committed no grave abuse of discretion in: (a) issuing the Order dated July 5, 2012 denying the Republic's Motion to Vacate Judgment in LRC Case No. Q-20493(05); and (b) upholding the January 12, 2011 Decision granting Susi's petition for reconstitution.

The Court's Ruling

The petition is impressed with merit.

A. The Republic is not estopped from assailing the propriety of the order of reconstitution.

At the outset, it is well to emphasize that the State cannot be put in estoppel by the mistakes or errors of its officials or agents, absent any showing that it had dealt capriciously or dishonorably with its citizens.^[53]

Thus, whether or not the OSG's motion to vacate was the proper remedy under the Rules of Court (Rules) does not bar the Republic from assailing the propriety of the reconstitution ordered by the RTC which it claimed to have acted without jurisdiction in hearing and, thereafter, resolving the case. Moreover, it bears to emphasize that even assuming that no opposition was filed by the Republic or a private party, the person seeking reconstitution is not relieved of his burden of proving not only the loss or destruction of the title sought to be reconstituted, but that also at that time, she was the registered owner thereof. As such, the Republic is not estopped from assailing the decision granting the petition if, on the basis of the law and the evidence on record, such petition has no merit.^[54]

B. Procedures and requirements for reconstitution of lost or destroyed certificates of title; effect of non-compliance.

The judicial reconstitution of a Torrens title under RA 26 means the restoration in the original form and condition of a lost or destroyed Torrens certificate attesting the title of a person to registered land. The purpose of the reconstitution is to enable, **after observing the procedures prescribed by law**, the reproduction of the lost or destroyed Torrens certificate in the same form and in exactly the same way it was at the time of the loss or destruction.^[55]

RA 26 provides two procedures and sets of requirements in the reconstitution of lost or destroyed certificates of title depending on the **source** of the petition for reconstitution.^[56] Section 10 in relation to Section 9 provides the procedure and requirements for sources falling under Sections 2 (a), 2 (b), 3 (a), 3 (b), and 4 (a). On the other hand, Sections 12 and 13 lay down the procedure and requirements for sources falling under Sections 2 (c), 2 (d), 2 (e), 2 (f), 3 (c), 3 (d), 3 (e), and 3 (t).^[57] Thus, before the court can properly act, assume, and acquire jurisdiction or authority over the petition and grant the reconstitution prayed for, petitioner must observe the above procedures and requirements prescribed by the law.^[58]

In numerous cases, the Court has held that the non-compliance with the prescribed procedure and requirements deprives the trial court of jurisdiction over the subject matter or nature of the case and, consequently, all its proceedings are rendered null and void. The rationale underlying this rule concerns the nature of the conferment in the trial court of the authority to undertake reconstitution proceedings. In all cases where the authority to proceed is conferred by a statute and the manner of obtaining jurisdiction is mandatory, the same must be strictly complied with, or the proceedings will be utterly void.^[59] As such, the court upon which the reconstitution petition is filed is duty-bound to examine thoroughly the same, and review the

record and the legal provisions laying down the germane jurisdictional requirements.
[60]

C. The petition for reconstitution failed to comply with the applicable procedures and requirements for reconstitution.

The present reconstitution petition was anchored on a purported owner's duplicate copy of TCT No. 118999 (questioned certificate) which is a source for reconstitution of title under Section 3 (a)^[61] of RA 26, prompting Branch 77 to follow the procedure outlined in Sections 9^[62] and 10^[63] of the said law.

However, records show that as early as January 16, 2006, the LRA, in a Manifestation^[64] dated December 5, 2005, had already called the court's attention to its Report^[65] dated March 1, 1995 in the previous reconstitution petition before Branch 88, expressing serious doubts on the authenticity of Susi's duplicate title, and informing it of the existence of other titles over the subject land.^[66]

It is well to point out that **trial courts hearing reconstitution petitions under RA 26 are duty-bound to take into account the LRA's report.**^[67] Notably, both the RTC and the CA overlooked the fact that while the petition for reconstitution before Branch 77 was filed on the basis of Susi's purported owner's duplicate copy of TCT No. 118999 bearing **Serial No. 1121955**, Susi's prior reconstitution petitions, as stated in the LRA's Report, were anchored on an owner's duplicate certificate bearing a different serial number, i.e., **Serial No. 1775634**. Indeed, a perusal of the said certificates^[68] of title, which were attached to the Republic's motion for reconsideration of the CA's Decision dated February 13, 2014, reveals that save for the serial number, all the entries therein are the same. The Court notes that Susi did not refute the existence of the said certificates bearing different serial numbers in her comment^[69] to the said motion.

In cases where the LRA challenges the authenticity of the applicant's purported owner's duplicate certificate of title, the reconstitution petition should be treated as falling under Section 3 (f)^[70] of RA 26, and the trial court should require compliance with the requisites under Sections 12^[71] and 13^[72] of RA 26.^[73]

In particular, the reconstitution petition and the published and posted notice of hearing in compliance with the October 13, 2005 Order failed to show that notices were sent to the other occupants, possessors, and persons who may have an interest in, or who have buildings or improvements on the land covered by the certificate of title sought to be reconstituted, as well as the owners of adjoining properties.^[74]

Jurisprudence is replete with cases underscoring the indispensability of **actual and personal notice of the date of hearing of the reconstitution petition to actual owners and possessors of the land involved in order to vest the trial court with jurisdiction** thereon.^[75] If no notice of the date of hearing of a reconstitution case is served on a possessor or one having interest in the property involved, he is deprived of his day in court and the order of reconstitution is null and