

SECOND DIVISION

[G.R. No. 224507, September 20, 2017]

**PRIVATIZATION AND MANAGEMENT OFFICE, PETITIONER, VS.
EDGARDO V. QUESADA, MA. GRACIA QUESADA-MANALO,
ELIZABETH QUESADA-JOSE, EUGENIO V. QUESADA,
REPRESENTED BY THEIR ATTORNEY-IN-FACT, EUGENIO V.
QUESADA, RESPONDENTS.**

DECISION

CAGUIOA, J:

This is a Petition for Review on *Certiorari*^[1] under Rule 45 of the Rules of Court assailing the Decision^[2] of the Court of Appeals^[3] (CA) dated June 29, 2015 in CA-G.R. SP No. 135401 and the Resolution^[4] dated May 2, 2016 denying the motion for reconsideration filed by petitioner, Privatization and Management Office (PMO), through the Office of the Solicitor General (OSG).

Facts and Antecedent Proceedings

The assailed CA Decision states the factual antecedents as follows:

On December 8, 2011, herein [respondents Edgardo V. Quesada, Ma. Gracia Quesada-Manalo, Elizabeth Quesada-Jose, Eugenio V. Quesada, represented by their Attorney-in-Fact Eugenio v. Quesada (the Quesadas)] filed a Petition to Surrender [Transfer Certificate of Title (TCT)] No. 27090 pursuant to Section 107 of [Presidential Decree (P.D.)] No. 1529. The said petition was raffled to public respondent Hon. Judge Rosa M. Samson of the [Regional Trial Court] of Quezon City, Branch 105 [(RTC)].

It was alleged in the Petition x x x that [the Quesadas] are the owners of a parcel of land situated in Quezon City under TCT No. 27090. TCT No. 27090 was originally registered in the name of [the Quesadas'] predecessors-in-interest and it was donated to them sometime in 1997 (See: Deed of Donation, *Rollo*, pp. 32-33). The original copy of TCT No. 27090, on file with the Register of Deeds of Quezon City, was destroyed when the interior of the Quezon City Hall was gutted by fire in 1998. This prompted [the Quesadas'] predecessors-in-interest to file a Petition for Reconstitution of Title under Civil Case No. Q-24149 (07).

The said original TCT, which has not been reconstructed, may be reconstituted on the basis of the [owner's] copy thereof. However, the said owner's copy of the TCT is presently in the possession of x x x [PMO], the government agency that took over the functions of the Asset Privatization Trust (APT), x x x PMO got hold of the said [owner's] copy of

the TCT because it was delivered in 1983 to Golden Country Farms, a defunct private corporation, to secure the performance by [the Quesadas'] predecessors-in-interest^[5] of their obligation in a contract designated as Growership Agreement which [the Quesadas'] predecessors-in-interest had entered into with Golden Country Farms. Golden Country Farms, however, was later considered a crony corporation and was sequestered by the APT.

[The Quesadas] also alleged that whatever obligation their predecessors-in-interest may have under the Growership Agreement, the same had already been extinguished by prescription. Furthermore, under Civil Case No. 8438, the RTC of Pasay City, Branch 113 issued a Decision dated August 23, 1999 x x x declaring that [the Quesadas'] predecessors-in-interest had no more liability to the corporation or that whatever liability there may be cannot anymore be enforced.

[The Quesadas] alleged that as far as they know, the said TCT No. 27090 has not been delivered to any person or entity to secure the payment or performance of any obligation whatsoever, nor any transaction or document relating to the same presented for or pending registration in the Office of the Register of Deeds of Quezon City. Thus, in order that [the Quesadas] may transfer the ownership of the property from their predecessors-in-interest to their name[s], they would need the duplicate certificate of title which is in the possession of x x x PMO. Several demands were made to x x x PMO to surrender the said title but the same were not favorably acted upon by the said office. [The Quesadas] were constrained to file the instant petition to surrender the withheld duplicate certificates pursuant to Section 107 of P.D. No. 1529, otherwise known as the Property Registration Decree.

x x x PMO, through the Office of the Solicitor General [OSG], filed a Motion to Dismiss x x x on the following grounds: (i) the petition failed to state a cause of action; (ii) the RTC lacks jurisdiction over the petition because it involves an adverse claim to the land or controversial issue which should be properly threshed out in an ordinary case, and (iii) any action against the [APT] (now x x x PMO) is barred by res judicata. [The Quesadas], in their [C]omment/Opposition, moved for the denial of the Motion to Dismiss and reiterated that there is no annotation of the alleged right of x x x PMO on the subject title that would give it a right to hold the same. Neither did x x x PMO file an Opposition to the Petition for Reconstitution filed by [the Quesadas] which was already decided with finality in their favor.

On July 3, 2013, the RTC of Quezon City, Branch 105 issued an Order, [the] pertinent portion[s] of which are as follows:

"In this case, taking into account the allegations of the Oppositor in its Motion to Dismiss which raise serious objection to the claim of the petitioners [the Quesadas], the issue becomes contentious, hence, there is a need for a full-blown trial whereby both parties are afforded the opportunity to present their evidence proving their respective claims.

WHEREFORE, without necessarily giving due course to the petition and in order to avoid multiplicity of suit[s], the Motion to Dismiss filed by the Oppositor is DENIED it being possible to convert this case into an ordinary civil action.

xxx xxx xxx." x x x

x x x PMO filed a Motion for Reconsideration on the Order dated July 3, 2013 and Motion to Suspend Pre-Trial x x x. [PMO], among others, raised the question of whether or not the RTC sitting as land registration court should act on the instant petition taking into account its opposition that it has no jurisdiction over the subject matter of the case, as the issue mainly involves one that affects ownership of the property covered by TCT No. 27090.

On December 23, 2013, the RTC issued the x x x Order as follows:

"WHEREFORE, in view of the foregoing, finding merit to the Motion for Reconsideration filed by the oppositor, the same is GRANTED. The Order dated [July 3, 2013] is hereby reconsidered and set aside.

Accordingly, the instant petition is hereby ordered DISMISSED for lack of jurisdiction." x x x

[The Quesadas], for their part, filed a Motion for Reconsideration of the Order dated December 23, 2013 x x x. x x x PMO move[d] for the denial of the said Motion for Reconsideration x x x. However, in another x x x Order dated April 8, 2014, the RTC denied [the Quesadas'] Motion for Reconsideration ruling that the RTC indeed has no jurisdiction over the subject matter of the case as the issue involved therein must be threshed out in an ordinary proceeding.

Dissatisfied with the foregoing Orders, [the Quesadas] filed [a] Petition for *Certiorari* [with the CA], arguing[, among others, that the RTC committed grave abuse of discretion amounting to lack or excess of jurisdiction when it dismissed the case contrary to its Order dated July 3, 2013.]^[6]

The CA granted the petition of the Quesadas in its Decision dated June 29, 2015, the dispositive portion of which states:

WHEREFORE, the instant Petition for *Certiorari* is **GRANTED**. The assailed Orders dated December 23, 2013 and April 8, 2014 of the Regional Trial Court of Quezon City, Branch 105, in LRC Case No. 32715 (11) are hereby **SET ASIDE**. Accordingly, the Motion to Dismiss filed by x x x PMO is **DENIED**.

SO ORDERED.^[7]

The CA justified the jurisdiction of the RTC, as a land registration court, over the present petition to surrender title pursuant to Section 107 of P.D. No. 1529 despite

the contentious issues raised by the parties in this wise:

[Section 2] has eliminated the distinction between the general jurisdiction vested in the regional trial court and the limited jurisdiction conferred upon it by the former law when acting merely as a cadastral court (*Concepcion v. Concepcion*, 448 SCRA 31, 38 [2005]). Under the former law (Act No. 496 or the Land Registration Act), all summary reliefs such as the instant action to compel surrender of owner's duplicate of Title could only be filed with the RTC sitting as a land registration court only if there was unanimity among the parties or there was no adverse claim or serious objection on the part of any party in interest. Otherwise, if the case became contentious and controversial, it should be threshed out in an ordinary action or in the case where the incident properly belonged. Under the amended law, the court is now authorized to hear and decide not only such non-controversial cases but even the contentious and substantial issues (*Averia, Jr. v. Caguioa*, 146 SCRA 459, 462 [1986]).^[8]

PMO filed a motion for reconsideration, raising as issues the propriety of a petition for *certiorari* as a remedy to question the denial of a motion for reconsideration of an order of dismissal and the failure of the Quesadas to state a cause of action.^[9]

The CA denied PMO's motion for reconsideration in its Resolution^[10] dated May 2, 2016. The CA pointed out that it was justified in giving due course to the petition and treating the same as an ordinary appeal because it was filed within the prescribed 15-day period.^[11] It also invoked the liberal spirit pervading the Rules of Court and substantial justice to justify the granting of the petition for *certiorari* despite acknowledging that a decision dismissing the complaint for lack of jurisdiction is a final decision.^[12] As to the issue on the alleged failure of the original petition to state a cause of action, the CA stated that this issue was impliedly ruled upon when the CA proceeded to resolve the petition.^[13]

Hence, this Petition for Review on *Certiorari* under Rule 45 of the Rules of Court. The Quesadas filed a Comment to the Petition^[14] dated December 19, 2016.

Issues

Whether the CA erred in giving due course to the petition for *certiorari* when it is not the proper remedy to seek a review from an order of dismissal.

Whether the CA erred in ruling that the RTC can take cognizance of the petition to surrender the duplicate copy of TCT No. 27090 pursuant to Section 107^[15] of P.D. No. 1529.^[16]

The Court's Ruling

The petition is not impressed with merit. It is accordingly denied.

On the first issue, PMO insists that the RTC's Order denying the motion for the reconsideration of the Order dismissing the original petition was a final order and the remedy available to the Quesadas would have been to appeal the questioned

Order and not to resort to petition for *certiorari*.^[17]

The Quesadas contend that the RTC committed grave abuse of discretion amounting to lack or excess of jurisdiction when it dismissed the case, giving them the right to file a petition for *certiorari* under Rule 65 of the Rules of Court.^[18]

While the Court concedes, as did the CA, that the RTC's Order dismissing the original petition of the Quesadas on the ground of lack of jurisdiction is a final order that is normally subject of an appeal, nevertheless the Court finds that the CA did not commit reversible error when it gave due course to the petition for *certiorari* and treated the same as an ordinary appeal.^[19]

The Court in *China Banking Corp. v. Cebu Printing and Packaging Corp.*^[20] cited the several instances when the Court has treated a petition for *certiorari* as a petition for review on *certiorari* and allowed the resort to the extraordinary remedy of *certiorari* despite the availability of an appeal, viz.:

It is true that in accordance with the liberal spirit pervading the Rules of Court and in the interest of substantial justice, this Court has, before, treated a petition for *certiorari* as a petition for review on *certiorari*, particularly **(1) if the petition for *certiorari* was filed within the reglementary period within which to file a petition for review on *certiorari*; (2) when errors of judgment are averred; and (3) when there is sufficient reason to justify the relaxation of the rules.**

This Court was also liberal in its treatment of a wrong mode of appeal in *Land Bank of the Philippines v. CA*, wherein it was ruled that:

x x x However, there are cases where the [*certiorari*] writ may still issue even if the aggrieved party has a remedy of appeal in the ordinary course of law. Thus, **where the exigencies of the case are such that the ordinary methods of appeal may not prove adequate either in point of promptness or completeness so that a partial or total failure of justice may result, a [*certiorari*] writ may issue.**

The same was also applied in *Leyte IV Electric Cooperative, Inc. v. LEYECO IV Employees Union-ALU*, thus:

In addition, while the settled rule is that an independent action for *certiorari* may be availed of only when there is no appeal or any plain, speedy and adequate remedy in the ordinary course of law and *certiorari* is not a substitute for the lapsed remedy of appeal, there are a few significant exceptions when the extraordinary remedy of *certiorari* may be resorted to despite the availability of an appeal, namely: **(a) when public welfare and the advancement of public policy dictate; (b) when the broader interests of justice so require; (c) when the writs issued are null; and (d)**