THIRD DIVISION

[G.R. No. 186635, January 27, 2016]

REPUBLIC OF THE PHILIPPINES, PETITIONER,

UNIVERSITY OF THE PHILIPPINES, OPPOSITOR, VS. SEGUNDINA ROSARIO, JOINED BY ZUELLGATE CORPORATION, RESPONDENTS.

DECISION

PEREZ, J.:

Assailed in the present petition for review on certiorari is the Decision^[1] dated October 17, 2008 and the Resolution^[2] dated February 10, 2009 of the Court of Appeals in CA-G.R. CV No. 85519, which affirmed the Decision^[3] dated January 5, 2004 of the Regional Trial Court (RTC) of Quezon City, and in effect ordered the reconstitution of Transfer Certificate of Title (TCT) No. 269615 in the name of respondent Segundina Rosario (Rosario).

Factual Background

The property subject of the present controversy is located in the Diliman campus of the University of the Philippines, and is now the site of various buildings and structures along Commonwealth Avenue, including the PHILCOA Wet Market, the Asian Institute of Tourism, the Philippine Social Sciences Building, the National Hydraulic Center, the UP Sewerage Treatment Plant, the Petron Gas Station, the UP Arboretum, the Campus Landscaping Office, the Philippine Atomic Energy Commission Building, the INNOTECH Building, and the UP-Ayala Land TechnoHub.^[4]

On November 12, 1997, respondent Rosario filed a petition for the reconstitution of TCT No. 269615 before the Regional Trial Court of Quezon City (RTC), claiming that her title covers lots 42-A-I, 42-A-2 and 42-A-3 of subdivision plan Psd 77362 and Psd 4558.^[5] This petition was docketed as LRC No. Q-9885 (97).

As summarized by the Court of Appeals, to support respondent Rosario's claim:^[6]

[S]he presented the owner's duplicate copy of said title (TCT No. 269615) and a certification issued by Atty. Samuel Cleofe of the Register of Deeds of Quezon City to prove that the original copy of said title was among those burned during the fire that razed the Quezon City Hall on 11 June 1998. In addition, she presented a sketch plan of the subject piece of land, which was recorded in the Bureau of Lands and Tax Bill Receipt Nos. 52768, 63268 and 442447, together with a certification issued by the City Treasurer of Quezon City stating that she paid all the

real property taxes due on the subject piece of land. Lastly, she maintained that she is in possession of the subject piece of land through a caretaker named Linda Salvacion.

Petitioner Republic of the Philippines (Republic) and oppositor University of the Philippines (UP) opposed the petition. They contend that the documents presented by respondent Rosario are of suspicious authenticity and, more importantly, that the land supposedly covered by TCT No. 269615 is already covered by RT-58201 (192687) and RT-107350 (192689) in the name of UP. As condensed by the Court of Appeals:^[7]

xxx. The Republic presented several witnesses: 1) Benjamin Bustos, the Chief of the reconstitution division of the Land Registration Authority (LRA), testified that based on a land cross section using available documents, TCT No. 269615 overlapped with the land titles registered in the name of UP; 2) Emilio Pugongan, from the LRA, testified that TCT No. 269615 was located within the tract of land owned by UP; 3) Anthony Pulmano, an assistant to the OIC of the Real Estate Division of Quezon City's Treasurer's Office, testified that the City Treasurer's Office prepared a report signed by one Alfredo Cortes stating that one of the receipts presented by petitioner Segundina to prove that she paid realty tax was genuine but it was not validated and that Director Casiano Cristobal told Cortes that the signature purportedly appearing in the receipt was not Cristobal's signature; 4) Henry Pacis, a member of the survey division of the Land Management Services of the Department of Environment and Natural Resources (DENR), testified that he conducted a study of the survey plan submitted by petitioner Segundina, the results of which were embodied in a certification signed by the DENR Regional Director Mamerto Infante stating that Psd 77362 is not available in the records of the DENR; and 5) Teofista Pajara, the Chief of the Assessment Record and Management Division of Quezon City's Treasurer's Office, testified that she studied Tax Declaration 12158 and found that said declaration is actually in the name of Tecla Gutierrez and that a copy of the same declaration in the name of petitioner Segundina does not exist in her files.

Oppositor UP argued that the petition for reconstitution was a collateral attack on the land titles registered in its name and if granted, will cause it prejudice. UP presented its records custodian who testified that TCT No. 269615 and TCT Nos. 192687 and 192689, both in the name of UP, are overlapping.

Proceedings before the RTC

Respondent Rosario testified in support of her petition. She presented her owner's duplicate copy of title, a Certification issued by the Register of Deeds of Quezon City to the effect that the original copy of TCT No. 269615 was among those burned in the fire of June 11, 1998, the supposed original of her 1980 Tax Declaration No. 12158 to show that the land declared thereunder was covered by TCT No. 269615,

as well as a sketch plan of the subject land.

During respondent Rosario's testimony, the Republic's counsel noted that the supposed original tax declaration presented by respondent Rosario did not match the photocopy of the tax declaration attached in the petition as the latter did not state that the land it described was covered by TCT No. 269615. Respondent Rosario was not able to explain this discrepancy.^[8]

Moreover, UP's counsel also noted that when respondent Rosario presented the original microfilm copy of her sketch plan for marking, it contained the annotations "NOT FOR REGISTRATION OR TITLING," and was for "reference only," but the photocopy presented by her to be marked and offered in evidence did not contain said annotations. Again, respondent Rosario failed to explain this discrepancy.^[9]

For their part, the Republic and UP presented public officers of various government agencies like the Land Registration Authority (LRA), the Department of Environment and Natural Resources-Land Management Bureau (DENR-LMB)', the Quezon City Assessor's Office, and the Quezon City Treasurer's Office to prove that the land supposedly covered by TCT No. 269615 is located within the tract of land owned and registered in the name of UP, that Psd 77362 is not available in the records of the DENR, and that Tax Declaration No. 12158 is in the name of one Tecla Gutierrez and not in respondent Rosario's name.

The RTC granted reconstitution. The dispositive portion of the Decision dated January 5, 2004, reads:^[10]

WHEREFORE, the above premises considered, the Register of Deeds of Quezon City is hereby ordered to reconstitute in its records the original TCT No. 269615 in the name of the Petitioner Segundina Rosario WITHOUT PREJUDICE to an existing or better title over the same lot covered thereby.

SO ORDERED.

The Republic and UP appealed before the Court of Appeals.

In 2004, respondent Rosario died. Respondent Zuellgate Corporation moved to substitute or join CA-G.R. CV No. 85519, alleging that it acquired the lots covered by TCT No. 269615 from respondent Rosario by virtue of a Deed of Absolute Sale notarized in 2003.

Proceedings before the Court of Appeals

In the Decision dated October 17, 2008, the Court of Appeals affirmed the RTC in this wise:^[11]

WHEREFORE, in view of the foregoing, the decision of the Regional Trial Court of Quezon City (Branch 101) in LRC Case No. Q-9885(97) ordering

the reconstitution of Transfer Certificate of Title (TCT) No. 269615 in the name of petitioner Segundina Rosario is *AFFIRMED*.

SO ORDERED.

The Court of Appeals held that as the case was one for reconstitution of title, it does not pass upon the ownership of the land covered by the lost or destroyed title, and thus, the RTC was correct in ordering the reconstitution of TCT No. 269615 on the basis of the owner's duplicate copy of the title presented by respondent Rosario.

The appellate court further held that the petition for reconstitution filed by respondent Rosario cannot be said to have attacked, collaterally or otherwise, the titles of UP because the latter failed to sufficiently prove the existence of its title over the subject land.

Issues

In the present petition, petitioner raises the following issues: ^[12]

I.

WHETHER OR NOT THE COURT OF APPEALS ERRED IN AFFIRMING THE DECISION OF THE TRIAL COURT, WHICH ORDERED THE RECONSTITION (*sic*) OF TCT NO. 269615 IN FAVOR OF SEGUNDINA ROSARIO, DESPITE THE FRAUDULENT NATURE OF SAID TCT.

II.

WHETHER OR NOT OTHER DOCUMENTS ADDUCED IN EVIDENCE BY SEGUNDINA ROSARIO SUPPORT THE RECONSTITUION (*sic*) OF TCT NO. 269615 IN HER FAVOR.

III.

WHETHER OR NOT THE DECISIONS AND RESOLUTIONS OF THE TRIAL COURT AND OF THE COURT OF APPEALS ORDERING THE RECONSTITUTION OF TCT NO. 269615 ARE CONTRARY TO THE DECISIONS OF THE SUPREME COURT ON THE INDEFEASIBILITY OF THE TITLES OF THE UNIVERSITY OF THE PHILIPPINES.

<u>Our Ruling</u>

The petition is meritorious.

A reconstitution of title is the re-issuance of a new certificate of title lost or destroyed in its original form and condition. Indeed, it does not pass upon the ownership of the land covered by the lost or destroyed title. Nonetheless, in *Republic of the Philippines v. Pasicolan*,^[13] the Court has cautioned against treating

[G]ranting Petitions for Reconstitution is not a ministerial task. It involves diligent and circumspect evaluation of the authenticity and relevance of all the evidence presented, lest the chilling consequences of mistakenly issuing a reconstituted title when in fact the original is not truly lost or destroyed.

In *Cañero v. UP*,^[14] a petition for reconstitution was similarly filed to reconstitute TCT No. 240042, the original of which was also allegedly razed in the fire of June 11, 1998, and for which petitioners therein also presented an alleged owner's duplicate copy. The petition being unopposed, the RTC ordered reconstitution. Sometime later, petitioners therein filed an action to quiet title against UP on the strength of said reconstituted title. When the case reached this Court, we ruled that the reconstituted title and the proceedings from which it hailed are **void**. We ratiocinated:

R.A. No. 26 provides for a special procedure for the reconstitution of Torrens certificates of title that are missing but not fictitious titles or titles which are existing. It is an absolute absurdity to reconstitute existing certificates of title that are on file and available in the registry of deeds. If we were to sustain petitioner's stance, the establishment of the Torrens system of land titling would be for naught, as cases dealing with claims of ownership of registered land would be teeming like worms coming out of the woodwork, xxx.^[15]

The indefeasibility of the titles of the University of the Philippines over its landholdings has been affirmed both by law and jurisprudence.

Clearly, the Court of Appeals erred in its observation that UP failed to sufficiently prove the existence of its title over the subject land. UP's titles over its landholdings are recognized and confirmed both by law and jurisprudence.

Section 22 of Republic Act No. 9500 (R.A. 9500)^[16] is explicit:

SEC. 22. Land Grants and Other Real Properties of the University. -

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(b) Such parcels of land ceded by law, decree or presidential issuance to the University of the Philippines are hereby declared to be reserved for the purposes intended. <u>The absolute ownership of the national</u> <u>university over these landholdings, including those covered by</u> <u>original and transfer certificates of title in the name of the</u> <u>University of the Philippines and their future derivatives, is</u> <u>hereby confirmed.</u> Where the issuance of proper certificates of title is yet pending for these landholdings, the appropriate government office shall expedite the issuance thereof within six months from the date of