

## FIRST DIVISION

**[ G.R. No. 138660, February 05, 2004 ]**

**HEIRS OF TRINIDAD DE LEON VDA. DE ROXAS, PETITIONERS,  
VS. COURT OF APPEALS AND MAGUESUN MANAGEMENT AND  
DEVELOPMENT CORPORATION, RESPONDENTS.**

### D E C I S I O N

**CARPIO, J.:**

#### The Case

This is a petition to cite for indirect contempt the officers of Meycauayan Central Realty Corporation ("Meycauayan") for defying the final and executory Decision and Resolution of this Court in G.R. No. 118436 entitled "Heirs of Manuel A. Roxas and Trinidad de Leon Vda. De Roxas v. Court of Appeals and Maguesun Management & Development Corporation" ("G.R. No. 118436").<sup>[1]</sup>

#### The Antecedents

This petition stems from a case filed by Trinidad de Leon Vda. De Roxas to set aside the decree of registration over two unregistered parcels of land in Tagaytay City granted to Maguesun Management and Development Corporation ("Maguesun") before the Regional Trial Court on the ground of actual fraud. The trial court dismissed the petition to set aside the decree of registration. On appeal, the Court of Appeals denied the petition for review and affirmed the findings of the trial court. On 21 March 1997, this Court reversed the appellate court's decision in G.R. No. 118436. The dispositive portion reads:

WHEREFORE, the instant petition is hereby GRANTED. The Decision of the Court of Appeals in C.A. G.R. CV No. 38328 ("Trinidad de Leon Vda. de Roxas v. Maguesun Management & Development Corporation, et al.") promulgated on December 8, 1994 is hereby REVERSED AND SET ASIDE. Accordingly, registration of title over the subject parcels of land, described in Plan AS-04-000108, Lot Nos. 7231 and 7239, with an area of 3,461 and 10,674 square meters, respectively, as shown and supported by the corresponding technical descriptions now forming part of the Records of LRC No. TG-373, is awarded to herein petitioner Trinidad de Leon vda. de Roxas and her heirs, herein substituted as petitioners. Upon finality of this Decision, the Land Registration Authority is hereby directed to ISSUE with reasonable dispatch the corresponding decree of registration and certificate of title pursuant to Section 39 of Presidential Decree No. 1529.<sup>[2]</sup>

On 22 May 1997, Meycauayan filed a Petition for Intervention in G.R. No. 118436. Meycauayan alleged that on 14 May 1992, it purchased three parcels of land from Maguesun which form part of the property awarded to the heirs of Trinidad de Leon Vda. De Roxas ("Roxas heirs"). Meycauayan contended that since it is a purchaser in good faith and for value, the Court should afford it the opportunity to be heard. Meycauayan contends that the adverse decision in G.R. No. 118436 cannot impair its rights as a purchaser in good faith and for value.

On 25 June 1997, this Court denied the Petition for Intervention. This Court also denied the Motion for Reconsideration filed by Maguesun. Thus, on 21 August 1997, the Decision dated 21 March 1997 in G.R. No. 118436 became final and executory.

On 13 April 1998, the Land Registration Authority ("LRA") submitted a Report to the Regional Trial Court of Tagaytay City, Branch 18 ("land registration court"), in LR Case No. TG-373, praying that the land registration court:

- a) Order the LRA to cancel Decree No. N-197092 in the name of Maguesun to enable it to issue another decree in favor of the heirs of Manuel A. Roxas and Trinidad de Leon Vda. de Roxas;
- b) Order the Register of Deeds to cancel OCT No. 0-515 and all its derivative titles; and
- c) Order the issuance of the Decree with respect to the decision of the Supreme Court dated 21 March 1997.

Meycauayan filed with the land registration court a "Motion For Leave To Intervene And For Period Of Time To File Opposition To The Report Dated March 25, 1998 Filed By The LRA And To File Complaint-in-Intervention."

On 4 June 1998, the Roxas heirs filed a Motion for Clarification with this Court raising the following issues:

- a) Whether it is necessary for the trial court to first order the LRA "to cancel Decree No. N-197092 in the name of Maguesun Management and Development Corporation to enable (the LRA) to issue another decree in favor of the Heirs of Manuel A. Roxas and Trinidad de Leon Vda. de Roxas"? Or is that order necessarily included in the dispositive portion of the Supreme Court decision directing the LRA "to issue with reasonable dispatch the corresponding decree of registration and certificate of title" in favor of the Roxas heirs? Please note that this necessary implication is a consequence of the Supreme Court finding that the decree in favor of Maguesun was wrongfully issued because it was "not entitled to the registration decree" as it had no registrable title, since "Zenaida Melliza (from whom Maguesun supposedly bought the lots) conveyed no title over the subject parcels of land to Maguesun Corporation as she was not the owner thereof."
- b) Whether an order from the trial court is necessary for "the Register of Deeds concerned to cancel OCT No. 0-515 and all its derivative titles"? Or is that order necessarily included in the dispositive portion of the Supreme Court decision directing the LRA to issue the corresponding decree of registration and certificate of title in favor of the

Roxas heirs, considering that the original certificate of title issued to Maguesun was based on an illegal decree of registration as found by this Honorable Court. Further, the unconditional order of the Supreme Court to LRA to issue the corresponding certificate of title to the Roxas heirs necessarily implies that the OCT issued to Maguesun and its derivative titles shall be canceled, for it cannot [be] assumed that the Supreme Court intended that the same parcel of land shall be covered by more than one certificate of title.

c) Whether an order from the trial court is necessary before the LRA can comply with the Supreme Court decision directing the LRA "to issue with reasonable dispatch the corresponding decree of registration and certificate of title" in favor of the Roxas heirs?

On 23 June 1998, the Roxas heirs filed a Supplement to Motion for Clarification, the pertinent portions of which are:

1. In petitioners' Motion for Clarification, one of the items sought to be clarified is whether the derivative titles (i.e., the titles derived from Maguesun Management and Development Corporation's ["Maguesun"] Original Certificate of Title No. 0-515 and issued to Meycauayan Central Realty Corp.) should be canceled, together with Maguesun's certificates of title, so that new decree of registration and certificate of title can be issued to petitioners, as ordered in the decision of this Honorable Court dated 21 March 1997, which has become final and executory?

2. From the Petition for Intervention filed by Meycauayan Central Realty Corporation ("Meycauayan") with this Honorable Court on 22 May 1997, the following statements, among others, are alleged:

a. "That on May 14, 1992, the intervenor purchased for value several parcels of real property from private respondent Maguesun Management and Development Corp. covered by TCT Nos. 24294, 24295 and 24296 containing an area of 2,019 square meters each, more or less."

b. "That prior to paying the agreed purchase price in full to respondent Maguesun, an investigation with the Tagaytay City Office of the Register of Deeds was made to determine and ascertain the authenticity, status and condition of the titles of Maguesun over the aforesaid properties."

c. "That investigation made by the intervenor with the Office of Register of Deeds of Tagaytay City showed that in all the certified true copies of the titles to the properties above-mentioned which were registered in the name of Maguesun, the last entry which appeared was the

following, to wit: x x x”.

d. “Appearing that the properties to be purchased by the herein intervenor from respondent Maguesun have no existing liens and/or encumbrances and considering that the properties do not appear to be the subject of a pending case which would affect the titles of those who may subsequently purchase the same, the herein intervenor proceeded to pay, in full, the total amount of ONE MILLION FIVE HUNDRED THOUSAND PESOS (P1,500,000.00) to Maguesun. Immediately thereafter, Maguesun, through its duly authorized officer, executed the corresponding Deeds of Absolute Sale.”

e. “That after the corresponding taxes and/or fees were paid by herein intervenor, the aforementioned TCT Nos. T-24294, 24295 and 24296, were canceled and in lieu thereof, new titles in the name of intervenor were issued by the Register of Deeds of Tagaytay City.”

f. “That on March 25, 1997, an officer of the intervenor corporation was informed of a newspaper report stating, in big bold letters, the following sub-headline, to wit:

SC RULES ON ROXAS FAMILY  
LAND ROW IN TAGAYTAY”.

g. “The President of herein intervenor right after secured from the Tagaytay City Office of the Register of Deeds certified true copies of torrens titles over its Tagaytay City properties.”

h. “That only then, after it secured certified true copies of the titles mentioned in the preceding paragraph from the Office of the Register of Deeds of Tagaytay City, did intervenor come to know of the existence of a case involving the properties sold to it by respondent Maguesun on May 14, 1992.”

3. Meycauayan’s Petition for Intervention was denied by this Honorable Court in its Resolution dated 25 June 1997, a denial that has since become final and executory. However, as stated in petitioners’ Motion for Clarification, Meycauayan committed the proscribed act of forum-shopping by filing with the trial court a motion for leave to intervene raising again the issue of its alleged ownership of portions of the land.

4. In order to settle once and for all Meycauayan’s allegation

that it was a buyer in good faith, and to show that its derivative titles should be declared void and canceled by this Honorable Court, petitioners will show herein that the sale to Meycauayan was spurious or, at the very least, it was a buyer in bad faith.

In a Resolution dated 29 July 1998, this Court acted favorably on the Roxas heirs' Motion for Clarification and its Supplement. The pertinent portions of the Resolution read:

Upon careful consideration of the points made by petitioners in their motions, this Court finds the same meritorious and, hence, a clarification is in order. We, therefore, declare that our directive on the LRA to issue with reasonable dispatch the corresponding decree of registration and certificate of title also includes, as part thereof, the cancellation, without need of an order of the land registration court, of Decree No. N-197092, as well as OCT No. 0-515, and all its derivative titles. This is a necessary consequence of the Court's earlier finding that the foregoing documents were illegally issued in the name of respondent. But in light of Section 39 of Presidential Decree No. 1529 (the "Property Registration Decree"), Decree No. N-197092 which originated from the LRA must be cancelled by the LRA itself. On account of this cancellation, it is now incumbent upon the LRA to issue in lieu of the cancelled decree a new one in the name of petitioners as well as the corresponding original certificate of title. Cancellation of OCT No. 0-515, on the other hand, properly devolves upon the Register of Deeds who, under Section 40 of P.D. No. 1529, has earlier entered a copy thereof in his record book. OCT No. 0-515 having been nullified, all titles derived therefrom must also be considered void it appearing that there had been no intervening rights of an innocent purchaser for value involving the lots in dispute.

ACCORDINGLY, the Court hereby resolves to GRANT petitioners' Motion for Clarification together with the Supplement thereto. For this reason, the dispositive portion of our decision dated March 21, 1997 is clarified, thus:

First, the Register of Deeds shall ***CANCEL OCT No. 0-515 and all its derivative titles***, namely, TCT Nos. T-25625, T-25626, T-25627, ***T-25628, T-25688, T-25689, and T-25690, the latter three being already in the name of Meycauayan Realty and Development Corporation (also designated as "Meycauayan Central Realty, Inc." and "Meycauayan Realty Corporation")***.

Thereafter, the Land Registration Authority shall:

- (a) CANCEL Decree No. N-197092 originally issued in the name of Maguesun Management and Development Corporation without need of an order from the land registration court; and
- (b) ISSUE with reasonable dispatch a new decree of registration and a new original certificate of title (OCT) in favor of petitioners pursuant to Section 39 of Presidential Decree No. 1529. (Emphasis added)