

SECOND DIVISION

[G.R. No. 156380, September 08, 2004]

DOMINGO A. CAÑERO, PETITIONER, VS. UNIVERSITY OF THE PHILIPPINES, RESPONDENT.

DECISION

PUNO, J.:

Before us is the petition for *certiorari* filed by DOMINGO A. CAÑERO against the UNIVERSITY OF THE PHILIPPINES (hereinafter, referred to as "UP," for brevity), assailing the Decision^[1] and Resolution^[2] of the Court of Appeals, which, on December 14, 2001, reversed and set aside the decision of the lower court and dismissed petitioner's Complaint for Quieting of Title and Cancellation of Entry in the Tax Declaration.^[3]

The facts show that on December 26, 1991, petitioner and his spouse Juanita L. Cañero filed a petition for reconstitution of title of a lot in *Barangay* Culiati, Tandang Sora, Quezon City. The petition alleged that the lot had been registered by the Register of Deeds of Quezon City in the name of the spouses Cañero, as evidenced by Transfer Certificate of Title (TCT) No. 240042. Allegedly, however, the original copy of TCT No. 240042, in the custody of the Register of Deeds of Quezon City, was burned when the Quezon City Hall was razed by a fire on June 11, 1998.^[4] The spouses had declared the lot for taxation purposes^[5] in the year 1992. The spouses prayed that the reconstitution should be based on their owner's duplicate copy and other pertinent documents in their possession.

The petition was assigned to Branch 82 of the Regional Trial Court (RTC) of Quezon City, presided by Judge Salvador C. Ceguera. On January 9, 1992, the trial court issued an order,^[6] notifying all persons who had an interest in the property to file their claims or objections thereto. The order stated:

Let a copy of this ORDER/NOTICE be published once a week for two (2) consecutive weeks in the Official Gazette and that the same be also posted in the main entrance of the City Hall of Quezon City, the Bulletin Boards of this Court, the Sheriff's Office of Quezon City and at the *Barangay* Hall of the *Barangay* where the property subject of this petition is situated, all at the expense of the herein petitioners. Similarly, let copies of the said Order together with the petition be furnished to all government agencies concerned, such other interested parties, the petitioners and/or counsel for their reference, information and guidance.

^[7]

Hence, the trial court: 1) served copies of the Order to various government agencies, among which were the Land Registration Authority,^[8] the Land

Management Bureau,^[9] the Register of Deeds of Quezon City,^[10] the Solicitor General,^[11] and the Office of the City Prosecutor;^[12] 2) caused the publication of the Order in the Official Gazette on 10 February 1992 and on 17 February 1992;^[13] and 3) posted copies of the Order at the entrance of the Quezon City Hall, at the bulletin boards of the Quezon City Regional Trial Court, and at the Culiat *Barangay* Hall.^[14] Despite the notices, no opposition was filed against the petition. On April 1, 1992, it issued the Order^[15] granting the petition for reconstitution and the Register of Deeds issued TCT No. RT-57204(240042) in favor of the Cañero spouses.

Sometime later, petitioner received information that respondent UP had claimed title and secured a tax declaration in its name for the said lot. Moreover, Tax Declaration No. C-128-00026, issued by the City Assessor of Quezon City in the name of petitioner carried an annotation that the lot appeared to duplicate the property of respondent UP under Tax Declaration No. B-128-00238.

On September 6, 1994, petitioner filed an action^[16] to quiet the title of the said lot with the RTC of Quezon City against UP and the City Assessor of Quezon City. Petitioner relied on his reconstituted title. He averred that even before the title was issued in his and his wife's name, his father had been in open, continuous and uninterrupted possession of the lot. He alleged that his "designated caretakers" occupy the lot at present. Petitioner contended that UP has no legal title or claim over the lot since it failed to raise objections during the reconstitution proceedings. Thus, petitioner prayed to: 1) deny any claim which respondent UP may have over his lot; 2) cancel any land title which respondent UP has for the property; and 3) cancel the annotation in Tax Declaration No. C-128-00026 stating that his lot appears to duplicate respondent UP's property covered under Tax Declaration No. B-128-00238.

On September 28, 1994, defendant CITY ASSESSOR OF QUEZON CITY (City Assessor for brevity) filed its answer^[17] explaining its annotation on petitioner's Tax Declaration No. C-128-00026. The City Assessor alleged that on March 19, 1994, Cañero presented his owner's duplicate copy of TCT No. 240042 to declare his property for tax purposes. When the property was plotted on the tax map, it appeared to overlap and duplicate a portion of the property owned by respondent UP.^[18] UP had declared the said property for tax purposes many years earlier, the latest declaration of which was in 1985, under Tax Declaration No. B-128-00238, with property Index No. 15-2094, under TCT No. 192689, dated August 15, 1973. In contrast, Cañero's property was declared for tax purposes for the first time only on 19 March 1992. Prior to this date, the City Assessor had no knowledge of the existence of TCT No. 240042. Thus, the City Assessor issued Tax Declaration No. C-128-00026, with the annotation that for taxation purposes, Canero's property appeared to duplicate UP's property. Moreover, on May 5, 1994, the City Assessor was furnished a copy of a letter by UP, addressed to the General Manager of the National Housing Authority, that UP owns the entirety of its campus, including the lot of Cañero.

For its part, respondent UP filed a Motion to Dismiss, alleging that it had been in open, continuous and uninterrupted possession of the said lot from the year 1914.^[19] Tracing its origin, it alleged that the government owned several parcels of land amounting to some 4,930,981.3 square meters in Diliman, Quezon City, under TCT

No. 36048, which was derived from Original Certificate of Title No. 730, issued in 1914. **On March 1, 1949**, the Republic of the Philippines, through President Elpidio Quirino, sold these lots to UP. Thereafter, TCT No. 36048 was cancelled, and in *lieu* thereof, TCT No. 9462 was issued in the name of UP. TCT No. 9462 was later subdivided into five (5) titles, among which is TCT No. 192689, that covers the lot being claimed by petitioner Cañero. **UP owns or maintains several buildings in the area, among them, the PHILCOA Wet Market, the Asian Institute of Tourism, the Philippine Social Sciences Building, the National Hydraulic Center, the UP Sewage Treatment Plant, the Petron Gas Station, the U.P. Arboretum, the Campus Landscaping Office, the Philippine Atomic Energy Commission Building, and the INNOTECH Building.** Respondent UP averred that petitioner was never in possession of the lot, and his cause of action, whether for quieting of title or annulment of title, has already prescribed. Petitioner opposed UP's Motion to Dismiss. Finally, UP assailed the validity of the reconstitution proceedings on the ground that a jurisdictional requirement prescribed under Republic Act (R.A.) No. 26, was not complied with as the trial court failed to notify it and the other owners of properties adjoining the lot about the same.

Midstream, petitioner filed an "Urgent Motion To Amend Complaint Or To Consolidate This Case With Other Cases Which Have Raised The Issue Of Ownership Over The Same Property In Question Here."^[20] Petitioner alleged that he learned of the pendency of a case before Branch 84, Quezon City RTC, captioned Civil Case Q-92-11187 (Felix Rodeo, et al. vs. Jorge Chin and Renato B. Mallari) and of Land Registration Commission (LRC) Case No. Q-5910 (92) (In Re: Petition for Reconstitution of Original Certificate of Title No. 192689; University of the Philippines, petitioner), pending before Quezon City RTC, Branch 105. Petitioner stated that these two cases "purport to determine the ownership of the property which is the subject of the quieting of title petition here."^[21] Petitioner sought to amend his complaint to include the parties in the aforementioned cases as defendants in the proceedings to quiet title.

UP filed its Opposition to petitioner's Urgent Motion to Amend Complaint or to Consolidate with other cases.^[22] It alleged that it had not yet received a copy of the purported Amended Complaint, in violation of Section 3 of Rule 10 of the Revised Rules of Court. It stated that Civil Case No. Q-92-11187 is an action for the cancellation/nullification of the title of Messrs. Chin and Mallari. UP was not impleaded as a party and could not be bound by any decision rendered therein. On the other hand, on June 17, 1994, in LRC Case No. Q-5910 (92), the RTC already granted UP's petition for reconstitution, after denying petitioner's Motion to Intervene on the ground that the issue of ownership is not involved in reconstitution proceedings. Finally, UP claimed that there was no common question of law or fact among Civil Case No. Q-92-11187, LRC Case No. Q-5910 (92), and the case for quieting of title. It was pointed out that petitioner's Urgent Motion merely showed that he does not even know the exact location and metes and bounds of the property he claims to own.

Petitioner filed a Manifestation^[23] with the lower court, averring that Quezon City RTC Branch 85 has issued a judgment in Civil Case Q-93-18569 (Maria Destura vs. Jorge Chin, et al.).^[24] The judgment ordered the reinstatement of TCT No. 36048 in the names of Spouses Antonio Pael and Andrea Alcantara and Crisanto Pael. Petitioner averred that the judgment covered their lot.^[25]

Petitioner's case for quieting of title was off-loaded to Branch 222 of the RTC of Quezon City. The records do not show whether the Urgent Motion to Amend the Complaint or Consolidate the Cases was resolved by either of the two lower courts which, exercised jurisdiction over the case.

The presentation of evidence on the Motion to Dismiss commenced on October 6, 1995. UP presented the testimonies of the following witnesses: 1) Constantino Rosas, the City Assessor of Quezon City; 2) Mr. Nestor Dagaraga, Chief of the Tax Mapping Division of the City Assessor's Office of Quezon City;^[26] 3) Engineer Ernesto Erive, Chief of Surveys Division of the Lands Management Sector, Department of Environment and Natural Resources, National Capital Region; and 4) Engineer Privadi J.G. Dalire, Chief of the Geodetic Surveys Division of the Land Management Bureau.

On August 15, 1997, petitioner started the presentation of his evidence. Petitioner called as his witness, Atty. Liwliwa H. Bucu, the present Branch Clerk of Court of Quezon City RTC, Branch 82, the court which took cognizance of petitioner's reconstitution proceedings.

Both parties presented voluminous documentary evidence.

Thereafter, the trial court denied respondent's Motion to Dismiss. It held that:

- a) UP's claim that the action to quiet title was in actuality a petition to annul UP's title, is unsupported by evidence;
- b) Prescription cannot bar petitioner's action to quiet title as Cañero is in possession of the land through the presence therein of "designated caretakers";
- c) Since both UP and petitioner submit they are in possession of the land, a full blown trial on the merits is necessary to enable both parties to substantiate their claims;
- d) The trial court believes it can render judgment in accordance with petitioner's prayer as he cannot be deemed to be without sufficient cause of action; and
- e) The presumption of regularity in the performance of official function of the trial court which granted the reconstitution proceedings still remains, because UP has not adduced sufficient evidence, either in a proceeding to annul the said judgment or in an answer as a special or affirmative defense.

Respondent UP's Motion for Reconsideration was denied, hence, it elevated the order to the Court of Appeals *via* a petition for *certiorari* under Rule 65 of the Revised Rules of Court, alleging grave abuse of discretion amounting to lack of jurisdiction on the part of the trial court. It raised the following issues:

- I. WHETHER OR NOT RESPONDENT JUDGE GRAVELY ABUSED HIS DISCRETION IN HOLDING THAT THE COMPLAINT FOR QUIETING OF TITLE IS NOT A COLLATERAL ATTACK ON THE UNIVERSITY'S TITLE.

II. WHETHER OR NOT RESPONDENT JUDGE GRAVELY ABUSED HIS DISCRETION IN HOLDING THAT THE PROCEEDINGS IN CIVIL CASE NO. Q-91-5467 WERE VALID DESPITE LACK OF NOTICE TO THE UNIVERSITY, AN INDISPENSABLE JURISDICTIONAL REQUIREMENT.

[27]

The Court of Appeals found in favor of respondent UP. The dispositive portion of its Decision states:

WHEREFORE, premises considered, the Orders dated April 23, 1998 and September 15, 1998 of the respondent Judge are hereby REVERSED and SET ASIDE, and respondent Domingo A. Cañero's complaint for "Quieting of Title and cancellation of Entry in the Tax Declaration" is hereby DISMISSED.[28]

On January 2, 2004, petitioner filed his Motion for Reconsideration of the Court of Appeals' decision. UP filed its Opposition. The Special Former Third Division of the Court of Appeals denied petitioner's Motion.

On January 8, 2003, petitioner raised the matter to this Court through an ordinary appeal. Petitioner posted the following issues:

- I. Whether or not the reversal and/or nullification by the Honorable Court of Appeals of the April 23, 1998 and September 15, 1998 orders of the Honorable Regional Trial Court of Quezon City-Branch 222, which denied Respondent's motion to dismiss the complaint in Civil Case No. Q-94-21587, is/are in accord with law and/or with the applicable decisions of this Most Honorable Court.
- II. Whether or not the Honorable Court of Appeals deprived the Petitioner of his constitutional and statutory right to due process in reversing and/or nullifying the April 23, 1998 and September 15, 1998 orders of the Honorable Regional Trial Court of Quezon City-Branch 222, which denied Respondent's motion to dismiss the complaint in Civil Case No. Q-94-21587.[29]

In a Manifestation which he filed with the trial court, petitioner declared that the lot here in dispute is the **same property** as the lot in Civil Case No. Q-93-18569.[30] The said case was raised to the Court of Appeals, and later to the Supreme Court as **Heirs of Pael vs. Court of Appeals**.[31]

We rule that the lot subject of the case at bar belongs to respondent UP. In numerous earlier jurisprudence, we have held that this subject lot is part of the mass of land owned by respondent UP under TCT No. 9462. The most recent case, **Heirs of Pael vs. Court of Appeals**, cannot be more categorical. There, we stated:

The disputed property, however, is part of the UP Diliman Campus, covered by TCT No. 9462. It was established, after the survey conducted by the Department of Environment and Natural Resources, National Capital Region (DENR-NCR) that the property claimed by Chin and Mallari overlaps the property covered by UP's title. x x x