

FIFTH DIVISION

[CA-G.R. SP NO. 77350, August 17, 2006]

**REPUBLIC OF THE PHILIPPINES, PETITIONER, VS. HON.
ADORACION G. ANGELES, PRESIDING JUDGE, RTC CALOOCAN
CITY, BRANCH 121 AND SPOUSES ANGEL CRUZ AND ROSARIO
CLARIDAD, RESPONDENTS.**

D E C I S I O N

GUARIÑA III, J.:

A petition for certiorari and mandamus has been filed by the Republic to set aside the orders of the court below denying its motion for execution of a decision in which the titles of the spouses Angel and Rosario Cruz were declared null and void. The court has refused to issue the writ on the basis of the doctrine of supervening events. It adopted the view of the private respondents that a case pending in the Supreme Court involving the powers and jurisdiction of the Commission on the Settlement of Land Problems (COSLAP) relative to the boundary dispute between San Jose del Monte Bulacan and Caloocan City would spell out whether the court would have jurisdiction over the lands covered by the challenged titles. This is claimed to be the supervening event warranting a suspension of the execution of the decision.^[1]

A brief but concise overview of the case is necessary.

In December 1986, the National Housing Authority filed civil case C-12725 with the Regional Trial Court of Caloocan City against the spouses Cruz to nullify and cancel their Transfer Certificate of Title No. T-37092 (M).^[2] Derived from Original Certificate of Title No. O-6104 issued in April 1973, the title shows on its face that the covered property is situated in Barrio Gaya-Gaya, Municipality of San Jose del Monte, Bulacan. But it is physically and actually in Caloocan City. The NHA alleges that the property under T-37092 (M) encroaches on the Tala Estate titled in the name of the Commonwealth, now Republic, as TCT No. T-34626 and T-34629 issued in April 1938. Pursuant to Proclamation 843 in 1971, a 598-hectare portion of the Tala Estate which included the land was reserved for housing and resettlement under the administration of the NHA. The spouses were found to be intruding into this property, making their own constructions and resisting the development of the area by NHA.

In October 1989, the defendants Cruz filed an answer with a motion to dismiss.^[3] Baring the history of their title, they admitted that the property with an area of one hectare was originally titled as O-6104. When it was subdivided into two lots, TCT No. T-72.353 and T-88.949 were issued to them. They contended that C-12725 should be dismissed because the property is located in San Jose del Monte, Bulacan, not Caloocan City, and that under the rules, the case should be filed in the proper court where the property is located. In August 1989, through a school owned and

operated by them and known as Golden Valley Academy,^[4] they filed an action to quiet title with the RTC of Bulacan to stop the Republic from occupying the property. It was docketed as civil case 427-M-89. They posited that the pendency of this case is another reason why C-12725 should be dismissed.

A pre-trial order was subsequently issued embodying the agreement of the parties on the background facts.^[5] The defendants are the registered owners of a one-hectare property located at Gaya-gaya San Jose del Monte under TCT No. T-37092 (M) which is derived from O-6104. The property under T-37092 was subdivided into lots covered by T-72.353 (M) and T-88.949 (M) and are presently in their possession. They established a school on the property known as Golden Valley Academy and, in its name, filed case 427-M-89 against the Republic, through the NHA, with The RTC of Malolos Bulacan. An order was eventually issued by Branch 6 of the court dismissing the complaint.

The parties formulated the following issues for determination by the court : (1) *whether or not the land in question is situated in Bulacan or Caloocan City* and (2) *whether or not this land is owned by the Government*.

After trial, on November 8, 1991, the court rendered a decision. ^[6] In the light of the evidence, it upheld the position of the NHA that the Tala Estate was carved out a vast tract of land that was titled in the name of the government since the commonwealth era. In the course of developing the area, the NHA was drawn into conflict with the defendants over a one-hectare portion that was also registered in their names as T-72.353 and T-88.949. Through their school Golden Valley Academy, they sued NHA before the RTC of Malolos Bulacan in case 427-M-89. This action was dismissed by the court on July 17, 1990 – *pursuant to a relocation survey report of a committee created by the court which stated that the lots under T-72.353 and T-88.949 are inside the Tala Estate in Caloocan City and not in San Jose del Monte, Bulacan, overlapping the lots of the Estate described in T-34626 and T-34629*. The dismissal was thus anchored on wrong venue.

The court notes in addition the unrebutted testimony of an NHA employee connected with the Bagong Silang Settlement Project at Caloocan City that the property claimed by the defendants is in Phase VIII of the Project. It shares the conclusion that the property is in reality in Caloocan City despite the recitals in the titles of the defendants. The location plan of the spouses that attempt to show differently was of no help, since it did not contain boundaries, lacked the approval of the Bureau of Lands and was not identified by the surveyor who allegedly prepared it. The court encapsulates its judgment in these pithy words : *the parcels of land in question are portions of the Tala Estate situated in Caloocan City whose titles issued in 1938 in the name of the Commonwealth are superior to the titles of the defendants which are of 1973 vintage*. It decreed :

Wherefore, judgment is hereby rendered declaring defendants' Transfer Certificate of Titles Nos. T-72.353 (M) and T-88.949 (M) null and void. There is no pronouncement as regards Transfer Certificate of Title T-37092 issued in the names of the herein defendants by the Register of Deeds of Meycauayan Bulacan, inasmuch as the same title had already been cancelled when the property was subdivided into two lots which were eventually covered and embraced by defendants' aforesaid Transfer

Certificate of Title Nos. T-72.353 (M) and T-88.949 (M).

Defendants' counterclaim is dismissed for lack of merit, and without pronouncement as to costs. [7]

The decision was appealed to the Court of Appeals as CA-GR CV No. 36471 and affirmed on August 31, 2001. [8] On the issue of whether the defendants' lands were parts of the Tala Estate in Caloocan City, the appellate court made an affirmative finding based on the survey plan of the Director of Lands which the defendants failed to overcome with weak and hearsay evidence. But what is more, the fact that the land is located in Caloocan City in such a way that it encroaches on the Tala Estate had already been adjudicated in case 427-M-89. *The Court declared that the principle of conclusiveness of judgment bars the defendants from re-opening the issue in the instant case.*

The issue at center stage of the appeal was thus dealt with by the pronouncement that the land in question is part of and encroaches the Tala Estate in Caloocan City. There were four other assignments of error, but as the Court said, they hardly mattered to the primordial question of whose title was superior. It concurred in the view of the lower court that the older title of the government should prevail.

The CA decision became final and executory and was entered in the book of entries of judgments on September 29, 2001. [9] As expected, the victorious plaintiff moved before the trial court for a writ of execution. [10] But the defendants, refusing to accept defeat, found a way to resist execution. Or so they thought. They came out with a June 22, 1998 resolution of the COSLAP that was rendered in a boundary dispute between the Municipality of San Jose del Monte and the NHA. Finding that the NHA had elevated this resolution to the Supreme Court, they plead the pending incident as a supervening event that should warrant the suspension of the decision. [11]

They remonstrated that by this resolution, the property of the defendants and other similarly situated lands were declared to be within the territorial boundaries of San Jose del Monte. This would mean that the Caloocan court had no jurisdiction over the land in question and no authority to take cognizance of case C-12725. We are told that since the resolution is pending review by the Supreme Court, we ought to suspend proceedings out of courtesy to the highest court, in the event it renders judgment that will oust the court of its jurisdiction in the case.

The trial court was persuaded by the argument and, in the disputed order of December 16, 2002, denied the motion for execution. [12] It made this disquisition :

"It is not for this Court to preempt the Supreme Court by ruling on the powers and jurisdiction of the COSLAP. Suffice it to state, however, that the resolution of the case before the Supreme Court relative to the boundary dispute between the city of San Jose del Monte, Bulacan and Caloocan City would spell out whether or not this Court has jurisdiction over the subject lands.

The controversy regarding the boundary of the two cities is indeed a