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Deputy Division Clerk of Court
Third Division

SEP 18 2019

SUPREME COURT OF THE PHILIPPINES
PUBLIC INFORMATION OFFICE

Republic of the Philippines
Supreme Court
Manila

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THIRD DIVISION

MILA B. RECAMARA,
Petitioner,

G.R. No. 211810

Present:

- versus -

PERALTA, J.,
Chairperson,
LEONEN,
REYES, A., JR.,
HERNANDO,* and
INTING, JJ.

REPUBLIC OF THE PHILIPPINES,
Respondent.

Promulgated:

August 28, 2019

Misael DC Batt

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DECISION

REYES, A., JR., J.:

This is a petition for review on *certiorari*¹ challenging the October 9, 2013 Decision² and February 26, 2014 Resolution³ rendered by the Court of Appeals (CA) in CA-G.R. CV No. 02859, through which the March 7, 2012 Order⁴ of the Regional Trial Court (RTC) of Dipolog City, Branch 8, in Sp. Proc. No. 786 was set aside. Before it was nullified, the trial court order decreed the judicial reconstitution of Original Certificate of Title (OCT) No. O-10245.

* On wellness leave.

¹ *Rollo*, pp. 3-26.

² Penned by Associate Justice Edgardo T. Lloren (Chairperson), with Associate Justices Marie Christine Azcarraga-Jacob and Edward B. Contreras concurring; *id.* at 42-48.

³ *Id.* at 60-61.

⁴ *Id.* at 33-37.

Reyes

The Factual Antecedents

On July 5, 2011, Mila B. Recamara (Mila) filed a petition for the judicial reconstitution of OCT No. O-10245 before the Dipolog City RTC. She alleged that her grandparents, the spouses Macario Arellano (Macario) and Damiana Dalman, were the owners in fee simple of a 486-square meter parcel of land known as Lot No. 551 of the Dapitan Cadastre.⁵

In support of her petition, Mila presented a certified true copy of Decree No. 299019,⁶ issued by the Court of First Instance (CFI) of the Province of Zamboanga on October 25, 1929. Said decree pertinently reads:

Cadastral Case No. 1, G.L.R.O. Cadastral Record No. 76, having been duly and regularly heard, in accordance with the provisions of law, it is hereby decreed that Macario Arellano, married to Damiana Dalman; of Dapitan, Province of Zamboanga, P.I. is the owner in fee simple of certain land situated in said Province of Zamboanga, more particularly bounded and described as follows:

A parcel of land (Lot No. 551 of the Cadastral Survey of Dapitan), with the improvements existing thereon, situated in the Municipality of Dapitan. x x x containing an area of four hundred and eighty-six square meters (486), more or less. x x x.⁷

On the second page of the decree is an annotation, written in Spanish, which reads:

*Inscrito el document que precede a folio 76 del Tomo 9-43 del Libro Registro de Certificados Originales como Certificado No. 10245 y queda archivado el miso bajo el Num. Q-10245.*⁸

Finding the petition sufficient in form and substance, the Dipolog RTC issued a notice, requiring the actual possessors of Lot No. 551, adjacent property owners, and all persons with an interest in the lot to appear and show cause as to why the petition should not be granted.⁹ The notice was published in the Official Gazette on August 29 and September 5, 2011, and copies thereof were posted on the bulletin boards of the Dipolog City Hall and the Dipolog RTC building.¹⁰

The Office of the Solicitor General (OSG) and the Land Registration Authority (LRA) were furnished with copies of the petition and of the

⁵ Id. at 43.

⁶ Id. at 38-39.

⁷ Id. at 38.

⁸ Id. at 39.

⁹ Id. at 33.

¹⁰ Id. at 34.

Meyer

aforementioned notice. The OSG, through a notice of appearance dated September 15, 2011, authorized the Office of the City Prosecutor of Dapitan City to appear on its behalf, while the LRA, for its part, submitted a report¹¹ on Decree No. 299019 and Lot No. 551.¹²

On January 17, 2012, when the case was called, nobody appeared to oppose the petition.¹³ As such, Mila presented her evidence, establishing the following:

After Macario's death sometime in 1969,¹⁴ his heirs extrajudicially settled his estate. Through a deed of extrajudicial partition, Lot No. 551 was divided and allocated among Filomeno, Dioscoro, and Erasmo, all surnamed Arellano. Subsequently, Pilar Arellano (Pilar), also one of Macario's heirs, purchased the portions of Lot No. 551 that were previously adjudicated to the former two.¹⁵

While the heirs were processing the issuance of separate certificates of title over the partitioned lots, they discovered that the owner's duplicate of OCT No. O-10245 was missing. This prompted them to ask for a certified true copy of the lost certificate from the Registry of Deeds of Dapitan, Zamboanga del Norte and Dipolog, but, to their dismay, no record of OCT No. O-10245 was ever found.¹⁶

Hence, Mila, Pilar's successor-in-interest, was compelled to seek the judicial reconstitution of OCT No. O-10245.

The RTC's Ruling

The Dipolog RTC granted the petition through an Order dated March 7, 2012. Relying on the report of the LRA, the trial court concluded that Lot No. 551 was, in fact, adjudicated to Macario pursuant to a decision rendered by the CFI in Cadastral Case No. 1, G.L.R.O. Cadastral Record No. 76. The RTC was also satisfied as to the loss of the owners duplicate of OCT No. O-10245, since the concerned registries of deeds issued certifications stating that the original of the certificate of title could no longer be found. Therefore, because the existence and the loss of the owners duplicate of OCT No. O-10245, were duly proved, the petition was held to be meritorious,¹⁷ and the trial court ordered the reconstitution of said certificate, viz.:

¹¹ Id. at 41-41a.

¹² Id. at 34.

¹³ Id. at 34.

¹⁴ Id. at 43.

¹⁵ Id.

¹⁶ Id. at 43-44.

¹⁷ Id. at 36.

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WHEREFORE, for all the foregoing observations, the petition is **GRANTED**. Accordingly, the Registry of Deeds of Dapitan City is hereby ordered to reconstitute OCT No. O-10245, for Lot No. 551 of the Cadastral Survey of Dapitan, situated in the Municipality of Dapitan (now Dapitan City), which contains an area of 486 square meters in the name of Macario Arellano married to Damiana Dalman using as basis the authenticated copy of Decree No. 299019 (Exh. "A"), pursuant to Section 2, par. (d), R.A. No. 26, subject however, to such encumbrances as may be subsisting in the certificate of title; and, provided further, that no certificate of title covering the same parcel of land exist in the registry.

SO ORDERED.¹⁸

Dissatisfied with the decision, the Republic, through the OSG, interposed an appeal before the CA.¹⁹

The CA's Ruling

On October 9, 2013, the CA promulgated the herein assailed decision, reversing the RTC's ruling effectively denying Mila's petition for lack of merit. The appellate court held that Mila failed to present any of the documents enumerated in Section 3 of Republic Act (RA) No. 26, which governs proceedings for the judicial reconstitution of transfer certificates of title. Because the evidence failed to establish that OCT No. O-10245 was ever issued in the name of Macario,²⁰ the CA set aside the RTC's March 7, 2012 Order, thus:

WHEREFORE, the Order dated March 7, 2012 of the Regional Trial Court of Dipolog City, 9th Judicial Region, Branch 8 in Sp. Proc. No. 786 is REVERSED and SET ASIDE. The Petition for Judicial Reconstitution of OCT No. O-10245 is DENIED for lack of merit.

SO ORDERED.²¹

After the CA denied her motion for reconsideration, Mila filed the instant petition for review on *certiorari*, raising the following issues:

The Issues

Whether or not the CA erred when it applied Section 3 of R.A. No. 26 in deciding the Republic's appeal²²

¹⁸ Id. at 37.

¹⁹ Id. at 44.

²⁰ Id. at 46.

²¹ Id. at 47.

²² Id. at 12.



Whether or not the CA erred when it failed to appreciate Decree No. 299019 as sufficient basis for the reconstitution of OCT No. O-10245²³

The Court's Ruling

While the first issue must be decided in Mila's favor, the second cannot. Thus, her petition for the judicial reconstitution of OCT No. O-10245 has to be dismissed.

A proceeding for judicial reconstitution under RA No. 26 has for its object the restoration of a lost or destroyed Torrens certificate to its original form and condition.²⁴ The purpose of the proceeding is to reproduce, after observing the procedures laid down by law, the subject certificate of title in the form it was prior to its loss or destruction.²⁵ Such proceedings presuppose the prior existence of the certificate, seeking its reissuance.²⁶

Sections 2 and 3 of RA No. 26 enumerate the source documents upon which judicial reconstitution may issue. The first provision applies to reconstitution of original certificates of title, while the second applies to reconstitution of transfer certificates of title,²⁷ viz.:

Section 2. Original certificates of title shall be reconstituted from such of the sources hereunder enumerated as may be available, in the following order:

- (a) The owner's duplicate of the certificate of title;
- (b) The co-owner's, mortgagee's, or lessee's duplicate of the certificate of title;
- (c) A certified copy of the certificate of title, previously issued by the register of deeds or by a legal custodian thereof;
- (d) An authenticated copy of the decree of registration or patent, as the case may be, pursuant to which the original certificate of title was issued;
- (e) A document, on file in the registry of deeds, by which the property, the description of which is given in said document, is mortgaged, leased or encumbered, or an authenticated copy of said document showing that its original had been registered; and

²³ Id. at 13.

²⁴ *Rep. of the Phils. v. Camacho*, 711 Phil. 80, 92-93 (2013).

²⁵ *Rep. of the Phils. v. Mancao*, 764 Phil. 523, 528 (2015).

²⁶ *Heirs of Pastora Lozano v. The Register of Deeds, Lingayen, Pangasinan*, 530 Phil. 255, 267 (2006).

²⁷ *Rep. of the Phils. v. Tuastumban*, 604 Phil. 491, 502 (2009).

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(f) Any other document which, in the judgment of the court, is sufficient and proper basis for reconstituting the lost or destroyed certificate of title.

Section 3. Transfer certificates of title shall be reconstituted from such of the sources hereunder enumerated as may be available, in the following order:

- (a) The owner's duplicate of the certificate of title;
- (b) The co-owner's, mortgagee's, or lessee's duplicate of the certificate of title;
- (c) A certified copy of the certificate of title, previously issued by the register of deeds or by a legal custodian thereof;
- (d) The deed of transfer or other document, on file in the registry of deeds, containing the description of the property, or an authenticated copy thereof, showing that its original had been registered, and pursuant to which the lost or destroyed transfer certificate of title was issued;
- (e) A document, on file in the registry of deeds, by which the property, the description of which is given in said document, is mortgaged, leased or encumbered, or an authenticated copy of said document showing that its original had been registered; and
- (f) Any other document which, in the judgment of the court, is sufficient and proper basis for reconstituting the lost or destroyed certificate of title.

In this case, the CA held that Mila was not able to present any of the documents mentioned in paragraphs (a) to (e) of the above-shown Section 3.²⁸

In so ruling, the appellate court committed a reversible error.

Mila's petition for reconstitution is anchored mainly on Decree No. 299019. Verily, such is not among the classes of documents contemplated by Section 3. However, this should not have had any bearing on the CA's decision, as said provision applies to proceedings for the reconstitution of transfer certificates of title. Mila's petition was one for the reconstitution of an original certificate of title, which is governed by Section 2.

It is significant to point out that Section 2(d) sanctions judicial reconstitution based on "[a]n authenticated copy of the decree of registration x x x pursuant to which the original certificate of title was issued." In her petition for review, Mila contends that Decree No. 299019, pursuant to said provision, constitutes sufficient and proper basis for the reconstitution of

²⁸ *Rollo*, p. 45.

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OCT No. O-10245.²⁹ She also points to the LRA's report, which states that the decree was issued for Lot No. 551 in Cadastral Case No. 1, G.L.R.O. Cadastral Record No. 76, arguing that there can be no question as to the fact that the subject property was issued to Macario.³⁰

On its face, Mila's argument seems to be meritorious. Indeed, Decree No. 299019 states that Lot No. 551 was adjudicated to Macario by the CFI of Zamboanga and that OCT No. O-10245 was consequentially issued. However, both the CA and the RTC failed to assess the intrinsic authenticity of the subject decree. With this omission, the Court, before making any conclusive ruling on the instant petition, must carefully scrutinize the same, thus ensuring that reconstitution will only be granted if it can be determined with utmost certainty that a certificate of title was, in fact, issued pursuant thereto.

Reconstitution cannot be had.

In *Rep. of the Phils. v. Pasicolan, et al.*,³¹ the Court denied a petition for judicial reconstitution because the decree presented therein was of questionable authenticity. Since the decree was not signed by the Chief of the General Land Registration Office (GLRO) and the CFI judge who supposedly ordered its issuance, serious doubts were cast on the genuineness thereof. Because of the uncertainty raised by the subject decree, it was rejected as a basis of reconstitution, and the Court consequently held that the petition, if it were to be granted, had to be supported by "[a]ny other document which, x x x is sufficient and proper basis for reconstituting the lost or destroyed certificate of title," as provided by Section 2(f) of RA No. 26.³²

Going back to the instant case, a simple perusal of the second page of Decree No. 299019 will reveal that the decree suffers from the same defects as that presented in *Pasicolan*. For one, there is a blank space above the name Enrique Altavas, indicated to be the Chief of the GLRO at the time. On that space should appear his signature, as he was tasked by law to issue decrees of registration.³³ Instead, Decree No. 299019 bears the signature of the Deputy Chief of the GLRO, inscribed only for the purpose of certifying the decree as a true copy. Further, the signature of Hon. Francisco Soriano,

²⁹ Id. at 16.

³⁰ Id. at 19.

³¹ 158 Phil. 121 (2015).

³² Id. at 137.

³³ Id. at 136; The Court used as basis for this statement Section 21 of Act No. 2347, which provides:
Section 21. **Of the decree.** - Immediately after final decision by the court directing the registration of any property, the clerk shall send a certified copy of such decision to the chief of the General Land Registration Office, who shall prepare the decree in accordance with section forty of Act Numbered four hundred and ninety-six, and he shall forward a certified copy of said decree to the register of deeds of the province or city in which the property is situated. The register shall then comply with the duties assigned to him in section forty-one of Act Numbered Four hundred and ninety-six.

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the CFI judge who allegedly issued Decree No. 299019, is nowhere to be found. Relatedly, March 1, 1917 appears as the date during which the judge witnessed the decree. However, the decree was issued only on October 25, 1929, more than 12 years later. It cannot be gainsaid that such a considerable lapse of time between the witnessing of the decree and the issuance thereof lends to the Court's incertitude as to whether the same was, in fact, duly issued.

To add, Decree No. 299019 lacks the seal of the issuing court. On the left-hand side of the decree's second page, there is a space where the words "seal of the court" appear. Section 41 of Act No. 496 provides: "[i]mmediately upon the entry of the decree of registration the clerk shall send a certified copy thereof, under the seal of the court to the register of deeds for the province, or provinces or city in which the land lies."³⁴ Apparently, the seal referred to in said provision was never affixed on the space provided on Decree No. 299019. Coupled with the absence of the issuing judge's signature, the lack of the Zamboanga CFI's seal serves only to raise more questions about the decree's authenticity.

What is more, the Spanish annotation on Decree No. 299019, aside from exhibiting erasures and unnecessary markings, does not state the exact date when OCT No. O-10245 was issued. While "29" and "Nov." appear on the spaces provided for the day and month of the certificate's issuance, respectively, there is no way of determining the year when it was issued. It is settled that in the absence of any documentary evidence displaying the precise date of issuance, the reconstitution of a certificate of title is not warranted.³⁵

All told, the foregoing defects leave much to be desired. It bears emphasizing that courts should do well to exercise the greatest caution³⁶ in granting petitions for reconstitution "lest they become unwitting accomplices in the reconstitution of questionable titles, instead of being instruments in promoting the stability of our land registration system."³⁷ Careful scrutiny of the documentary evidence presented in reconstitution cases is required by the very nature of such proceedings. Verily, spurious certificates of title constitute serious threats to our Torrens system,³⁸ the efficacy and integrity of which must be preserved in order to ensure the reliability of our country's system of land registration and to otherwise suppress the social unrest that could potentially be spawned by controversial land ownership.³⁹

³⁴ Act No. 496, Section 41.

³⁵ *Tahanan Development Corp. v. Court of Appeals, et al.* 203 Phil. 652, 692 (1982).

³⁶ *Alabang Dev. Corp., et al. v. Hon. Valenzuela, etc., et al.* 201 Phil. 727, 743 (1982), citing the Concurring Opinion of Associate Justice Claudio Teehankee in *Director of Lands v. Court of Appeals*, 190 Phil. 311 (1981).

³⁷ *Rep. of the Phils. v. Heirs of Julio Ramos*, 627 Phil. 123, 128 (2010).

³⁸ *Dela Paz v. Republic*, G.R. No. 195726, November 20, 2017, 845 SCRA 34, 45.

³⁹ *The Director of Lands v. CA*, 190 Phil. 311, 385 (1981).

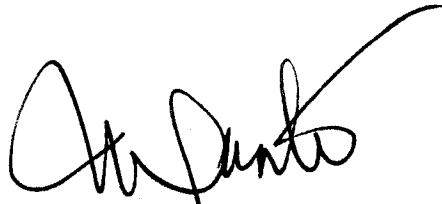
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WHEREFORE, the October 9, 2013 Decision and February 26, 2014 Resolution of the Court of Appeals in CA-G.R. CV No. 02859 are **AFFIRMED**.

SO ORDERED.


Reyes
ANDRES B. REYES, JR.
Associate Justice

WE CONCUR:


DIOSDADO M. PERALTA
Associate Justice
Chairperson


MARVIC M.V.F. LEONEN
Associate Justice

(on wellness leave)
RAMON PAUL L. HERNANDO
Associate Justice


HENRI JEAN PAUL B. INTING
Associate Justice

ATTESTATION

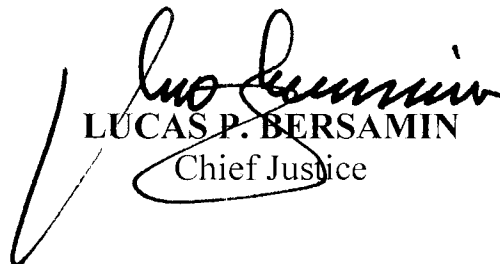
I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



DIOSDADO M. PERALTA
Associate Justice
Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



LUCAS P. BERSAMIN
Chief Justice

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Misael DC Batt
MISAELE DOMINGO C. BATTUNG III
Deputy Division Clerk of Court
Third Division

SEP 18 2019