Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

CLT REALTY DEVELOPMENT CORPORATION, **Petitioner,**	**G.R. No. 160684**
	Present:
- versus -	SERENO, *C.J.*, Chairperson, LEONARDO-DE CASTRO, BERSAMIN, PEREZ, and PERLAS-BERNABE, *JJ.*
HI-GRADE FEEDS CORPORATION, REPUBLIC OF THE PHILIPPINES (through the OFFICE OF THE SOLICITOR GENERAL), REGISTRY OF DEEDS OF METRO MANILA, DISTRICT III, CALOOCAN CITY , and the COURT OF APPEALS, **Respondents.**	Promulgated: SEP 02 2015

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DECISION

PEREZ, *J.:*

The properties in dispute were formerly part of the notorious Maysilo Estate left by Gonzalo Tuason, the vastness of which measures 1,660.26 hectares, stretching across Caloocan City, Valenzuela, and Malabon, covered by five (5) mother titles or Original Certificate of Title (OCT). One of the mother titles is OCT No. 994, the mother title in dispute. Later on, smaller lots forming part of the Maysilo Estate were sold to different persons. Several subsequent subdivisions, consolidations, and one expropriation of the Estate, spawned numerous legal disputes, living-up to

the name "*Land of Caveat Emptor.*"[1] One of these disputed lots was Lot 26, the property subject of this litigation.

Assailed in this Petition for Review on *Certiorari* are the Decision[2] and Resolution[3] of the Court of Appeals in CA-G.R. CV No. 53770 dated 18 June 2003 and 28 October 2003, respectively, which annulled petitioner CLT Realty Development Corporation's (CLT) TCT No. T-177013 and affirmed Hi-Grade Feeds Corporation's (Hi-Grade) TCTs No. 237450 and No. T-146941.

The conflict arose due to an overlapping of the properties of CLT and Hi-Grade, which prompted CLT to file a case for Annulment of Transfer Certificates of Title, Recovery of Possession, and Damages before the Regional Trial Court (RTC) of Caloocan City, Branch 121, docketed as Civil Case No. C-15463 against Hi-Grade.

Version of Hi-Grade

Respondent Hi-Grade is the registered owner of two (2) parcels of land covered by TCT Nos. 237450 and T-146941, derived from TCT No. 4211 of the Register of Deeds of the Province of Rizal, registered under the names of Alejandro Ruiz (Ruiz) and Mariano Leuterio (Leuterio), which is a derivative title of OCT No. 994, the mother title.[4]

Tracing the line of transfer that preceded the title of Hi-Grade, it is averred that TCT No. 4211 was registered under the names of Ruiz and Leuterio on 9 September 1918. Later, Lot 26 was sold to Francisco Gonzalez (Gonzalez), which resulted in the cancellation of TCT No. 4211 and its replacement by TCT No. 5261, registered under the name of Gonzalez.[5]

Upon Gonzalez's death, TCT No. 5261 was cancelled and replaced by TCT No. 35486, registered under the name of his surviving spouse Rufina Narciso Vda. De Gonzalez. The land covered by TCT No. 35486 was subdivided into seven (7) lots under subdivision plan Psd-21154. By virtue of Psd-21154, TCT No. 35486 was cancelled and seven (7) new titles were

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1 Associate Justice Dante Tinga, *Manotok Realty, Inc. v. CLT Realty Development Corporation*, 565 Phil. 59, 69 (2007).

2 Penned by Associate Justice Cancio C. Garcia with Associate Justices Eliezer R. De los Santos and Mariano C. Del Castillo (now a member of this Court) concurring, promulgated on 18 June 2003; *rollo*, pp. 129-151.

3 Penned by Associate Justice Mariano C. Del Castillo with Associate Justices Eliezer R. De los Santos and Amelita G. Tolentino, concurring; id. at 154.

4 Id. at 132

5 Id.

issued, TCTs No. 1368 to No. 1374, registered under the children of Gonzalez.

In 1947, the Government expropriated the seven lots.[6] By virtue of the expropriation, TCTs No. 1368 to No. 1374 were cancelled and replaced by TCTs No. 12836 to No. 12842. Afterwards, by virtue of Consolidated Subdivision Plan Psd (LRC) Pcd-1828, the Government consolidated the titles and then further subdivided the property into 77 lots.

One of the 77 lots was registered in the name of Benito Villanueva under TCTs No. 23027 to No. 23028, which was further subdivided into Lot-A and 17-B, pursuant to subdivision plan Psd-276839. One of the properties in dispute is Lot 17-B, which was later on registered in the name of Jose Madulid, Sr. (Madulid, Sr.), under TCT No. C-32979, which was later on sold to Hi-Grade.

Another lot resulting from the Government's consolidation and subdivision of the Maysilo Estate into 77 lots, is Lot No. 52, which was registered in the name of Inocencio Alvarez (Alvarez) under TCT No. 7363. Soon after, Alvarez sold Lot No. 52 to Madulid, Sr. TCT No. 7363 was cancelled and TCT No. 7364 was issued to Madulid, Sr. Afterwards, Madulid, Sr. sold the lot to Hi-Grade. This is another one of the properties in dispute.

As a review, first, Hi-Grade traces its title to TCTs No. 7364 and No. C-32979, which were registered in the name Madulid, Sr., which in turn stemmed from TCT Nos. 36557-63/T-460.

TCT Nos. 36557-63/T-460 were derived from TCTs No. 1368 to No. 1374.

TCTs No. 1368 to No. 1374 stemmed from TCT No. 35486, which was subdivided into smaller lots.

TCT No. 35486 was derived from TCT No. 5261.

TCT No. 5261 stemmed from TCT No. 4211.

Finally, TCT No. 4211 was derived from OCT No. 994, the mother title.

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6 *Republic of the Philippines v. Gonzalez, et al.*, 94 Phil 956 (1954).

Version of CLT

CLT is the registered owner of TCT No. T-177013, by virtue of a Deed of Absolute Sale with Real Estate Mortgage dated 10 December 1988, executed by the former registered owner, Estelita I. Hipolito.

CLT argued that Hi-Grade's title is null and void for being fake and spurious based on the following:

1. As shown in the face of TCT No. 4211, it purports to have been derived from OCT No. 994;

2. The original copy of OCT No. 994, which is existing and in due form, on file with the Registry of Deeds of Caloocan City, contains dilapidated pages and no longer contains the pages where Lot No. 26 and some other lots are supposedly inscribed.

3. Upon examination of the original copy of OCT No. 994, it can be seen that the technical descriptions of the lots and the certificate itself are entirely written in the English language. On the other hand, the technical descriptions on the alleged TCTs No. 4211, No. 5261, and No. 35486 are still inscribed in the Spanish language.

4. The dates of the original survey of OCT No. 994, the mother title of TCT No. 4211, *i.e.*, 8-27 September, 4-21 October and 17-18 November 1911, are not indicated on TCTs No. 4211, No. 5261, and No. 35486. Rather, an entirely different date, 22 December 1917, is indicated at the end of the Spanish technical descriptions on the alleged TCTs No. 4211, No. 5261, and No. 35486.

5. The parcel of land covered successively by TCTs No. 4211, No. 5261, and No. 35486 is not identified by a lot number and there is no reference or mention of Lot No. 26 of the Maysilo Estate in the technical description of said titles.

6. There is no subdivision survey plan number indicated on TCTs No. 4211, No. 5261, and No. 35486 covering the subdivision of Lot No. 26 of the Maysilo Estate.

7. The plan Psd-21154 which subdivided the lot covered by TCT No. 35486 (formerly covered by TCT No. 4211, then TCT No. 5261), could not be traced at the official depository of plans, which is the Lands Management Bureau (LMB). According to the EDPS Listings of the Records Management Division of the LMB, there is no record of Plan Psd-21154. Said EDPS listings indicate those records which were surveyed after the Second World War. It appears, from TCTs No. 1368 to No. 1374, plan PSD-21154 was done after the war on 15, 21, 29 September and 5-6 October 1946.

8. The technical descriptions inscribed on TCTs No. 1368 to No. 1374 show that the tie points deviated from the mother lot's tie point, which is the Bureau of Lands Location Monument ("BLLM") No. 1, Caloocan. Instead, different location monuments of the adjoining Piedad Estate were used. The tie point used in TCT No. 1368 is B.M. 10, Piedad Estate; while TCTs No. 1369 and No. 1470 used B.M. No. 8, Piedad Estate; and TCTs No. 1371, No. 1372, No. 1373, and No. 1374 used B.M. No. 7, Piedad Estate. The changing tie points resulted in the shifting of the position of the seven lots in relation to the mother lot, using their technical descriptions inscribed on the face of the titles. Thus, when plotted, the seven lots do not fall exactly inside the boundary of the mother lot. The same is true when the lots described on the titles of Hi-Grade are plotted on the basis of their technical descriptions inscribed on the titles.

9. TCT No. 4211 contains patent infirmities, inconsistencies, and irregularities indicating that it is a falsified document representing a fictitious title and is, therefore, null and void. The fact was confirmed by an examination by the Forensic Chemistry Division of the National Bureau of Investigation, which concluded that TCT No. 4211 was prepared only sometime in the 1940s and not in 1918, as it is made to appear on the face of the document. Thus, the series of titles from where Hi-Grade's titles were derived, starting from TCTs No. 4211, No. 5261, and No. 35486, and up to and including the titles of Hi-Grade, are also necessarily null and void.

During trial, CLT presented the following witnesses: (1) Ramon Velazquez (Velazquez), Officer-in-Charge of the Survey Records Section, Records Management Division of the LMB, who testified that the LMB does not have a copy of Psd 21154; (2) Norberto Vasquez, Jr. (Vasquez), Deputy Register of Deeds of Caloocan City, who identified the various titles relevant to the case; (3) Juanito Bustalino (Bustalino), a licensed Geodetic Engineer, who testified that CLT engaged his services to survey the subject

property and discovered that there was an overlap between CLT's and Hi-Grade's titles; (4) Atty. Rafael Antonio M. Santos, one of the counsel of CLT; and (5) Aida R. Villora-Magsipoc, a Forensic Chemist of the Forensic Division, National Bureau of Investigation, who examined the titles as an expert witness.

On the other hand, Hi-Grade presented its sole witness, Atty. Jose Madulid, counsel for and stockholder of Hi-Grade, and son of Hi-Grade's predecessor, Jose Madulid, Sr., who testified that his family has been occupying the subject properties under the concept of an owner for more than twenty-seven (27) years, until the properties were transferred to Hi-Grade.

The Ruling of the RTC

After trial, the RTC[7] ruled in favor of CLT. According to the RTC, Hi-Grade's title, the older title, cannot prevail over CLT's title because it suffers from patent defects and infirmities. Although Hi-Grade paid realty taxes on the subject properties, it is not considered as a conclusive proof of ownership. The dispositive portion of the Decision of the RTC dated 27 December 1995 reads:

> WHEREFORE, premises considered and by preponderance of evidence, judgment is hereby rendered in favor of the plaintiff CLT REALTY DEVELOPMENT CORP. and against defendants HI-GRADE FEEDS CORP. et. al., ordering
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> 1. TCT Nos. 237450 and 146941 in the name of the defendant null and void and accordingly ordering their cancellation;
> 2. defendant to vacate the portion of Lot No. 26 presently occupied by it and turn over possession of the same to the plaintiff; and
> 3. defendant to pay the costs of suit.
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> SO ORDERED.[8]

Aggrieved, Hi-Grade filed a Motion for New Trial and/or Reconsideration on the grounds of newly discovered evidence and serious and patent errors in the court's appreciation of evidence and factual findings based on the decision of the court in Civil Case No. C-15491, entitled *"CLT v. Sto. Niño Kapitbahayan Association."* The RTC denied the motion for utter lack of merit. According to the RTC, the ruling in favor of Hi-Grade in

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7 Penned by Presiding Judge Adoracion C. Angeles; *rollo*, pp. 411-433.

8 Id. at 432-433.

Sto. Niño is not a newly-discovered evidence, as Hi-Grade could not have failed to produce such evidence if it exercised reasonable diligence. Hi-Grade's reliance in the aforesaid case is already moot and academic as the court in *Sto. Niño* already reconsidered its decision and upheld the validity of CLT's title.

The Ruling of the Court of Appeals

Impelled by the adverse ruling of the RTC, Hi-Grade elevated the case to the Court of Appeals. During the pendency of the appeal, Hi-Grade filed a Motion to Admit and Take Judicial Notice of Committee Report on Senate Inquiry into Maysilo Estate Submitted by the Committees on Justice and Human Rights and on Urban Planning, Housing and Resettlement (Senate Report) on 1 July 1998. The Court of Appeals granted the motion in a Resolution[9] dated 31 August 1998. Included in the Resolution, however, is a statement that although the Court of Appeals takes judicial notice of the Senate Report, the Court of Appeals is not bound by the findings and conclusions therein.[10]

In the meantime, the Office of the Solicitor General (OSG), on behalf of the Republic and in representation of the Administrator of the Land Registration Authority, filed a Petition for Intervention dated 25 August 1998. The OSG averred that its intervention is indispensable as it is pursuant to its duty to preserve the integrity of the Torrens system of registration and to protect the Assurance Fund, in connection with which it can initiate necessary actions for the annulment of titles irregularly and fraudulently issued. The Court of Appeals granted the OSG motion. The Court of Appeals resolved the issue on intervention in the appealed Decision dated 18 June 2003. According to the Court of Appeals, due to the magnitude and significance that will affect the stability and integrity of the Torrens system, the State has sufficient interest in the case.

Departing from the trial court's findings of fact, the Court of Appeals ruled as baseless the trial court's reliance on the testimonies of CLT's witnesses, Vasquez and Bustalino, on the alleged patent infirmities and defects in TCT No. 4211. According to the Court of Appeals, Vasquez and Bustalino never testified that the issuance of TCT No. 4211 failed to conform to the registration procedures in 1917, the year it was issued. Also, Vasquez and Bustalino are incompetent to testify on the customary practices

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9 Resolution penned by Associate Justice Hilarion L. Aquino with Associate Justices Arturo B. Buena and Ramon U. Mabutas, Jr. concurring; id. at 862-864.

10 Id. at 864.

in land registration at that time. Reversing the Decision of the RTC, the Decision of the Court of Appeals reads:

> WHEREFORE, the decision appealed from is hereby REVERSED and SET ASIDE and a new one entered DISMISSING CLT's complaint *a quo* and upholding the validity of TCT Nos. 237450 and T-146941 of appellant Hi-Grade Feeds Corporation.
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> Appellant CLT is further ordered to surrender its owner's duplicate copy of TCT No. T-177013 to the Registrar of Deeds of Caloocan City who is hereby directed to effect its cancellation.
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> The other incidents are resolved as above indicated.
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> No pronouncements as to costs.
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> SO ORDERED.[11]

Hence, the present Petition for Review on *Certiorari*. In addition to the factual issues raised in the trial court, the Petition raised the following arguments:

> I. The Court of Appeals went beyond the issues resolved by the trial court and formulated its own issue regarding the date when OCT No. 994 was originally registered which it resolved on the basis of extraneous purported evidence not presented before the trial court in the instant case, in violation of petitioner CLT Realty's rights to due process of law.
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> II. The Court of Appeals perfunctorily, arbitrarily and blindly disregarded the findings of fact and conclusions of the trial court arrived at after a careful evaluation of the evidence presented by the parties and established on record and substituted and supplanted the same with its own conclusions based on extraneous evidence not presented and admitted in evidence before the trial court.
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> III. The Court of Appeals reversed the decision of the trial court despite the fact that respondent Hi-Grade has failed to present evidence to refute the established fact that the alleged titles from where its alleged titles are derived from, *i.e.*, the alleged TCT Nos. 4211, 5261, 35486 and 1368 to 1374, contain patent and inherent technical defects and infirmities which render them spurious, void and ineffective.
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> IV. The Court of Appeals unjustly made a wholesale rendition in its questioned decision despite the pendency of important prejudicial

[11] Id. at 150-151.

motions or incidents which it thereby either peremptorily resolved or rendered moot and academic, thus, violating petitioner CLT Realty's right to due process of law.

V. The Court of Appeals totally disregarded the rules on evidence and surrendered the independence of the judiciary by giving full faith and credence to the findings and conclusions contained in the Senate Committee Report No. 1031 by taking judicial notice of the same, which report was rendered pursuant to proceedings initiated and conducted without notice to petitioner CLT Realty and thus in gross violation of its right to due process, and was based on documents that were never authenticated.

VI. The Court of Appeals erroneously relied on the allegation raised in the Republic's petitioner for intervention although the State has no legal interest in the subject matter of the litigation of the instant case and may not validly intervene in the instant case since the matter in litigation are admittedly privately owned lands which will not revert to the Republic.

VII. The Court of Appeals blindly ignored the fact and worse, failed and refused to rule on the issue that respondent Hi-Grade is guilty of forum-shopping for which reason the latter's appeal before the Court of Appeals should have been dismissed. [12]

Issues

I.
Whether or not the Court of Appeals committed a reversible error when it took judicial notice of the Senate Report

II.
Whether or not the Court of Appeals committed a reversible error when it admitted the Office of the Solicitor General's Petition for Intervention

III.
Which of the OCTs 994, that dated 19 April 1917 or that dated 3 May 1917, is the valid title?

Our Ruling

First, the incidental matters.

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[12] Id. at 13-15.

I.
Whether or not the Court of Appeals committed a reversible error when it took judicial notice of the Senate Report

CLT avers that taking judicial notice of the Senate Report is a violation of the Rules of Court and CLT's right to due process. First, the Senate Report is inadmissible and should not be given any probative value because it was obtained in violation of Rule 132 of the Rules of Court, considering that the Senate Report is unauthenticated and is thus deemed hearsay evidence. Contrary to the mandatory procedure under Rule 132 of the Rules of Court, which requires examination of documentary and testimonial evidence, the Senate Report was not put to proof and CLT was deprived of the opportunity to conduct a cross-examination on the Senate Report. And it is also contended that the right of CLT to due process was violated because the proceedings in the Senate were conducted without notice to CLT. Finally, the admission in evidence of the Senate Report violated the time-honored principle of separation of powers as it is an encroachment into the jurisdiction exclusive to the courts.

CLT misses the point. Taking judicial notice of acts of the Senate is well within the ambit of the law. Section 1 of Rule 129 of the Revised Rules on Evidence provides:

> SECTION 1 . Judicial notice, when mandatory. — A court shall take judicial notice, without the introduction of evidence, of the existence and territorial extent of states, their political history, forms of government and symbols of nationality, the law of nations, the admiralty and maritime courts of the world and their seals, the political constitution and history of the Philippines, **the official acts of legislative**, executive and judicial departments of the Philippines, the laws of nature, the measure of time, and the geographical divisions. (1a) (Emphasis and underscoring supplied)

Judicial notice is the cognizance of certain facts that judges may properly take and act on without proof because these facts are already known to them;[13] it is the duty of the court to assume something as a matter of fact without need of further evidentiary support.[14] Otherwise stated, by the taking of judicial notice, the court dispenses with the traditional form of presentation of evidence, *i.e.* the rigorous rules of evidence and court proceedings such as cross-examination.[15]

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13 *Republic v. Sandiganbayan*, G.R. No. 152375, 13 December 2011, 662 SCRA 152, 212, citing Ricardo J. Francisco,7 *The Revised Rules of Court in the Philippines, Evidence*, Part I, 1997 ed., pp. 628-629.

14 Supra.

15 Id.

The Senate Report, an official act of the legislative department, may be taken judicial notice of.

CLT posits that the Court of Appeals violated the time-honored principle of separation of powers when it took judicial notice of the Senate Report. This contention is baseless. We adopt the pronouncements of this Court in *Angeles v. The Secretary of Justice:*[16]

> To be sure, this Court did not merely rely on the DOJ and Senate reports regarding OCT No. 994. In the 2007 *Manotok* case, this Court constituted a Special Division of the Court of Appeals to hear the cases on remand, declaring as follows:
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> > Since this Court is not a trier of fact[s], we are not prepared to adopt the findings made by the DOJ and the Senate, or even consider whether these are admissible as evidence, though such questions may be considered by the Court of Appeals upon the initiative of the parties. x x x **The reports cannot conclusively supersede or overturn judicial decisions, but if admissible they may be taken into account as evidence on the same level as the other pieces of evidence submitted by the parties. The fact that they were rendered by the DOJ and the Senate should not, in itself, persuade the courts to accept them without inquiry. The facts and arguments presented in the reports must still undergo judicial scrutiny and analysis, and certainly the courts will have the discretion to accept or reject them.**[17] (Emphasis and underscoring supplied)

Thus, the Senate Report shall not be conclusive upon the courts, but will be examined and evaluated based on its probative value. The Court of Appeals explained quite pointedly why the taking of judicial notice of the Senate Report does not violate the republican principle. Thus:

> However, the question of the binding effect of that Report upon this Court is altogether a different matter. Certainly, a determination by any branch of government on a justiciable matter which is properly before this Court for adjudication does not bind the latter. The finding of the Senate committees may be the appropriate basis for remedial legislation but when the issue of the validity of a Torrens title is submitted to a court for resolution, only the latter has the competence to make such a determination and once final, the same binds not only the parties but all agencies of government.[18]

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16 628 Phil. 381 (2010).
17 Id. at 400.
18 *Rollo*, pp. 149-150.

That there is such a document as the Senate Report was all that was conceded by the Court of Appeals. It did not allow the Senate Report to determine the decision on the case.

II.

Whether or not the Court of Appeals committed a reversible error when it admitted the Office of the Solicitor General's Petition for Intervention

The Republic maintains that the proliferation of spurious or fake titles covering the infamous Maysilo Estate poses a serious threat to the integrity of the Torrens system and the Assurance Fund. The Republic asserts that because it is bound to safeguard and protect the integrity of the Torrens system and Assurance Fund, it is duty-bound to intervene in the present case. In granting the intervention, the Court of Appeals ruled that considering the magnitude and significance of the issues spawned by the Maysilo Estate, enough to affect the stability and integrity of the Torrens system, the Republic is allowed to intervene.

CLT, on the other hand, contends that the Republic's intervention is baseless. According to CLT, the Republic has no legal interest in the properties as the subject properties are not public lands and as such, will not revert to the Republic. Further, there is no threat or claim against the Assurance Fund. Anchoring on Presidential Decree No. 478 and Administrative Code of 1987, CLT claims that the only action which the Office of the Solicitor General may file on behalf of the Republic in connection with registered lands is an action for the reversion to the Government of lands of the public domain and improvements thereon, as well as lands held in violation of the Constitution.[19]

This time, we agree with CLT.

Intervention is only allowed before or during trial. Citing *Sps. Oliva v. CA*,[20] CLT argues that the Petition for Intervention was time-barred for having been filed beyond the period prescribed in Section 2, Rule 19 of the Rules of Court, *i.e.*, before rendition of judgment. In *Oliva*, the Court clarified that intervention is unallowable when the case has already been submitted for decision, when judgment has been rendered, or when judgment has already became final and executory. And, intervention is only allowed when the intervenors are indispensable parties.

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19 Sec. 1(1)(e) of P.D. 478; Administrative Code, Book IV, Title III, Chapter 12, Sec. 35(5).

20 248 Phil. 861, 865 (1998).

Although we are cognizant of the exception that the Court may wield its power to suspend its own rules and procedure in lieu of substantial justice and for compelling reasons, [21] the attendant circumstances are not availing in the present case.

The Republic is not an indispensable party in the instant litigation. An indispensable party is a party-in-interest without whom no final determination can be had of an action, and who shall be joined either as plaintiffs or defendants.[22] Here, even without the Republic as participant, a final determination of the issues can be attained.

Anent the opportuness of intervention, the Court held in *Cariño v. Ofilada*[23] that it may be allowed only before or during trial. The term trial is used in its restricted sense, *i.e.,* the period for the introduction of evidence by both parties. The period of trial terminates when the judgment begins. As this case was already in its appeal stage when intervention was sought, it could no longer be allowed.

CLT further avers that because there was no claim against the Assurance Fund, intervention is improper. Section 95 of P.D. 1529 provides for the grounds when a party can claim against the Assurance Fund:

> **Section 95.** *Action for compensation from funds.* A person who, without negligence on his part, sustains loss or damage, or is deprived of land or any estate or interest therein in consequence of the bringing of the land under the operation of the Torrens system of arising after original registration of land, through fraud or in consequence of any error, omission, mistake or misdescription in any certificate of title or in any entry or memorandum in the registration book, and who by the provisions of this Decree is barred or otherwise precluded under the provision of any law from bringing an action for the recovery of such land or the estate or interest therein, may bring an action in any court of competent jurisdiction for the recovery of damages to be paid out of the Assurance Fund.

Indeed, whatever party is favored in this case, the losing party may file a claim against the Assurance Fund as the present case involves the operation of the Torrens system. However, the action to claim against the Assurance Fund may be dealt with in a separate proceeding.

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21 *Strategic Alliance Development Corporation v. Radstock Securities Limited*, 622 Phil. 431, 475-476 (2009).

22 *In the Matter of the Heirship (Intestate Estates) of the late Hermogenes Rodriguez v. Robles*, 653 Phil. 396, 404 (2010).

23 G.R. No. 102836, 18 January 1993, 217 SCRA 206, 216.

Now, the merits of this case.

Parenthetically, although the general rule is that the factual findings of the trial court are accorded respect and are not generally disturbed on appeal, the aforesaid rule does not apply in the case at bar, as the findings of the trial court and the appellate court are contradictory.[24]

We shall now discuss the bottom issues.

III.
Which of the OCTs 994, that dated 19 April 1917 or that dated 3 May 1917, is the valid title?

The mother title, OCT 994

The arguments of the parties come from apparently the same document. Notably, however, the parties' OCTs No. 994 contain different dates of registration, namely:

CLT's OCT No. 994 is dated 19 April 1917

Hi-Grade's OCT No. 994 is dated 3 May 1917

A title can only have one date of registration, as there can only be one title covering the same property. The date of registration is reckoned from the time of the title's transcription in the record book of the Registry of Deeds.[25] Therefore, the date appearing on the face of a title refers to the date of issuance of the decree of registration, as provided in Sections 41 and 42 of the Land Registration Act or Section 40 of the P.D. 1529:

> **Section 41. Immediately 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, and the register of deeds shall transcribe the decree in a book to be called the "Registration Book," in which a leaf, or leaves, in consecutive order, shall be devoted exclusively to each title. The entry made by the register of deeds in this book in each case shall be the original certificate of title, and shall be signed by him and sealed with the seal of the court.** x x x

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24 *Castillo v. CA*, 329 Phil. 150, 160 (1996).

25 *Manotok Realty, Inc. v. CLT Realty Development Corporation*, supra note 1, at 96.

> **Section 42.** The certificate first registered in pursuance of the decree of registration in regard to any parcel of land shall be entitled in the registration book, "original certificate of title, entered pursuant to decree of the Court of Land Registration, dated at" (stating the time and place of entry of decree and the number of case). **This certificate shall take effect upon the date of the transcription of the decree.** Subsequent certificates relating to the same land shall be in like form, but shall be entitled "Transfer from number" (the number of the next previous certificate relating to the same land), and also the words "Originally registered" (date, volume, and page of registration). (Emphases and underscoring supplied)

Based on Decree No. 36455 in Land Registration Case No. 4429, the decree registering OCT No. 994, the date of the issuance is 19 April 1917 while on the other hand, OCT No. 994 was received for transcription by the Register of Deeds on 3 May 1917. In this case, the date which should be reckoned as the date of registration of the title is the date when the mother title was received for transcription, 3 May 1917. As correctly found by the Court of Appeals:

> For sure, the very copy of OCT No. 994, presented by Appellee CLT no less and marked as its Exhibit "D", shows on its face that the date April 19, 1917 refers to the issuance of the decree of registration by the Honorable Norberto Romualdez, while May 3, 1917 pertains to the date when the same decree was "Received for transcription in the Office of the Register of Deeds.[26]

Therefore, as the date of transcription in the record book of the Registry of Deeds is 3 May 1917, we rule that the genuine title is the title of Hi-Grade.

The derivative title, TCT No. 4211

As correctly ruled by the Court of Appeals, CLT failed to prove by preponderance of evidence, the alleged defects and infirmities in TCT No. 4211, the title from whence Hi-Grade's titles were derived.

CLT failed to prove that TCT No. 4211 did not conform to the registration procedures at the time it was prepared. Contrary to the findings of the trial court, the Court cannot give credence to the testimony of CLT's witnesses, Vasquez[27] and Bustalino.[28] Vasquez is the Deputy Register of Deeds of Caloocan City, while Bustalino is a Geodetic Engineer. For their

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26 CA Decision in CA-G.R. CV No. 53770; *rollo*, p. 146.
27 TSN, Norberto Vasquez, Jr., 29 September 1994.
28 TSN, Juanito Bustalino, 27 January 1995.

testimonies to matter, CLT must first establish their competence as regards the registration rules in land registration in 1918, at the time TCT No. 4211 was prepared. CLT failed to discharge such burden.

On CLT's allegation that the Lands Management Bureau (LMB) has no records of Psd 21154, we note that CLT did not prove that the LMB indeed has no such records. CLT's witness, Velasquez, merely testified that he cannot ascertain whether or not Psd 21154 was burned or lost during the world war.[29] Just as important, while Psd 21154 could not be located, it was not only testified to that it may have been lost or burned during the world war; a blue print copy of the same is being kept in the vault of the Register of Deeds of Pasig City.

As regards the findings of the NBI Forensic Chemist on the age of TCT No. 4211, the Court of Appeals correctly found that such findings are inconclusive because the Chemist did not conclusively state that TCT No. 4211 could not have been prepared in 1918.[30] Also, the Chemist, in her cross-examination, admitted that she did not know who supplied her copies of the TCTs and that she has not seen any standard document dated 1918.[31]

On the matter regarding the discrepancy between the dates of survey and issuance, tie points, and language used in TCT No. 4211 and OCT No. 994, CLT's contention must fail for the obvious reason that the basis of CLT's allegation is the non-existent mother title, OCT No. 994 dated 19 April 1917. Thus, as OCT No. 994 dated 19 April 1917 has been established as null and void, it cannot serve as precedent for ascertaining the genuineness of TCT No. 4211.

What matters most in this case is that CLT questioned the title of Hi-Grade for the purpose of having CLT's own title upheld. Instead of establishing the genuineness of its own title, CLT attacked Hi-Grade's titles. However, CLT failed to establish the chain of titles linking its TCT No. T-177013 to the mother title, OCT No. 994. It failed to prove the "circumstances under which its predecessor-in-interest acquired the whole of Lot 26 of the Maysilo Estate. Ironically, it is even by CLT's presentation of OCT No. 994 and of the succession of titles previous to those held by appellant Hi-Grade that the latter's titles [was] established as genuine derivative titles of OCT No. 994."[32]

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29 TSN, Ramon Velasquez, 1 September 1994, p. 12.
30 TSN, Aida Viloria Magsipoc, 9 June 1995, p. 15.
31 Id. at 18.
32 CA Decision in CA-G.R. CV No. 53770; *rollo*, p. 148.

Indeed, CLT's evidence must stand or fall on its own merits and cannot be allowed to draw strength from the alleged weakness of the evidence of Hi-Grade. As already shown, such allegation was proven wrong by documents on records.

As opposed to CLT's evidence on the alleged infirmities in Hi-Grade's titles, Hi-Grade presented muniments of title, tax declarations or realty tax payments, on the subject properties.[33] While tax declarations and receipts are inconclusive evidence of ownership or of the right to possess land, they are *prima facie* proof of ownership or possession and may become the basis of a claim for ownership when it is coupled with proof of actual possession of the property.[34] In the case at bar, Hi-Grade is the actual possessor of the subject property.[35]

To sum up, Hi-Grade was able to establish the chain of titles linking its titles, TCTs No. 237450 and T-14691, to the derivative title, TCT No. 4211, to the mother title, OCT No. 994.[36] As borne by the records, TCT No. 4211 was registered as a derivative title of OCT No. 994 on 9 September 1918.[37] On the other hand, CLT's title, TCT No. R-17994,[38] was registered also as a derivative title of OCT No. 994 only on 12 September 1978. Thus, the reference of both parties is OCT No. 994, but with different dates: CLT's OCT No. 994 is dated 19 April 1917, while Hi-Grade's OCT No. 994 is dated 3 May 1917.

This factual issue of which OCT No. 994 is genuine is not a novel matter. This Court, in *Angeles v. The Secretary of Justice*,[39] citing *Manotok Realty, Inc. v. CLT Realty Development Corporation*,[40] exhaustively passed upon and ruled that the true and valid OCT No. 994 was dated 3 May 1917, not 19 April 1917.

In the recent case of *Syjuco v. Republic of the Philippines*,[41] this Court, reiterated the rulings in *Angeles v. The Secretary of Justice*[42] *and Manotok Realty, Inc. v. CLT Realty Development Corporation*, that the true and valid OCT No. 994 was registered on 3 May 1917, not on 19 April

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33 Exhibits "3"-"16," folder of exhibits for defense, pp. 2-8.
34 *Cequeña v. Bolante*, 386 Phil. 419, 431 (2000).
35 Exhibit "24," folder of exhibits for defense, p. 10.
36 Exhibits "E"-"O," folder of exhibits for plaintiffs.
37 Exhibit "E," id.
38 Exhibit "B," id.
39 Supra note 16, at 399.
40 Supra note 1 at, 89.
41 *Syjuco v. Republic of the Philippines*, G.R. 148748, 14 January 2015.
42 Supra note 16, at 399.

1917, and that any title that traces its source from OCT No. 994 dated 19 April 1917, is deemed void and inexistent.[43]

As we have priorly pronounced, any title that traces its source to a void title, is also void. The spring cannot rise higher than its source. *Nemo potest plus juris ad alium transferre quam ipse habet.* All titles that trace its source to OCT No. 994 dated 19 April 1917, are therefore void, for such mother title is inexistent.[44] CLT so traces its title to OCT No. 994 dated 19 April 1917, the title of CLT is void.[45]

WHEREFORE, the petition is hereby **DISMISSED**. The Decision and Resolution of the Court of Appeals in CA-G.R. CV No. 53770, entitled *"CLT Realty Development Corporation v. Hi-Grade Feeds Corporation, Register of Deeds of Metro Manila, District III,"* dated 18 June 2003 and 28 October 2003, respectively, are hereby **AFFIRMED**.

SO ORDERED.

JOSE PORTUGAL PEREZ
Associate Justice

WE CONCUR:

MARIA LOURDES P. A. SERENO
Chief Justice
Chairperson

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43 Supra note 41.
44 Id.
45 Id.

TERESITA J. LEONARDO-DE CASTRO
Associate Justice

LUCAS P. BERSAMIN
Associate Justice

ESTELA M. PERLAS-BERNABE
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, it is hereby certified 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.

MARIA LOURDES P. A. SERENO
Chief Justice