

Title: Dinah C. Castillo vs. Antonio M. Escutin, Aquilina A. Mistas, Marietta L. Linatoc, and The Honorable Court of Appeals

Facts:

Dinah C. Castillo was a judgment creditor of Raquel K. Moratilla and was in search of assets to satisfy the judgment. Castillo found that Moratilla, alongside her mother Urbana Kalaw and sister Perla K. Moratilla, co-owned a property designated as Lot 13713. Following several verifications regarding the ownership of the lot and obtaining necessary documents and clearances, Castillo levied on execution Lot 13713, resulting in a scheduled public auction sale.

Castillo learned that Lot 13713 was within Summit Point Golf and Country Club Subdivision owned by Summit Realty. She met with the Vice President of Summit Realty yet claimed no proof of ownership for Lot 13713 was provided, and instead was met with a purported threat.

Despite this, Castillo proceeded with the public auction, acquiring a 1/3 share in Lot 13713. Post-purchase, she sought to have her documents recorded, which was completed, and she was subsequently issued a Tax Declaration for her share.

Upon attempting to pay the real estate taxes, Castillo discovered that her Tax Declaration had been canceled without her knowledge, and that Lot 13713 was now part of a larger parcel of land registered under a different name. Alleged irregularities surrounding the acquisition of the lot by Summit Realty came to light, prompting Castillo to file a complaint with the Office of the Deputy Ombudsman for Luzon against several public officers and private individuals, asserting an illicit conspiracy to deprive her of property.

After various pleadings, the Deputy Ombudsman dismissed the complaint for lack of evidence, and the Court of Appeals affirmed their resolution. Castillo then appealed to the Supreme Court.

Issues:

1. Whether the Court of Appeals erred in affirming the cancellation of Castillo's Tax Declaration in violation of Section 109 of Presidential Decree 1529, The Property Registration Act.
2. Whether the Court of Appeals erred in ruling that the respondents could not be held administratively liable for allegedly favoring Summit Realty to the damage and prejudice of Castillo.

Court's Decision:

The Supreme Court denied the Petition for Review on Certiorari, affirming the decision of the Court of Appeals in full. The Court clarified that title is different from a certificate of title, with the latter being merely evidence of ownership, and the certificate of title at issue was indicative of Summit Realty's ownership of Lot 1-B - which encompassed the 5,000 square meters Castillo claimed.

The claimed irregularities regarding the sale of Lot 1-B to Summit Realty by its former registered owner's attorney-in-fact were beyond the Office of the Ombudsman for Luzon's jurisdiction, and a certificate of title is not subject to a collateral attack.

On the administrative liability of respondents, the Supreme Court stated that there was no grave misconduct as the reliable evidence required to substantiate such a claim was lacking. The findings by the Deputy Ombudsman for Luzon were based on substantial evidence and were accorded finality.

Doctrine:

1. A certificate of title is an absolute and indefeasible evidence of ownership of the property in favor of the person whose name appears therein. It is binding and conclusive upon the whole world.
2. In administrative proceedings, the quantum of evidence required is only substantial evidence.
3. A certificate of title cannot be subject to collateral attack and can only be altered, modified, or cancelled in a direct proceeding in accordance with the law.

Class Notes:

- Distinction between "title" and "certificate of title."
- The principle of indefeasibility of a title.
- The burden of proof in administrative cases is substantial evidence.
- The principle that a certificate of title cannot be collaterally attacked.

Historical Background:

The case reflects a dispute arising from property levied upon to satisfy a judgment debt which then became embroiled in disputes over registration and official corruption allegations, showcasing the legal intricacies involved in conflicts over real property ownership, the authoritative weight of certificates of title under the Torrens system in the Philippines, and the mechanisms of administrative redress through the Ombudsman and the

judiciary.