

Title: Development Bank of the Philippines vs. The Acting Register of Deeds of Nueva Ecija

Facts:

The case centers on a dispute involving the registration of a sheriff's certificate of sale in favor of the Development Bank of the Philippines (DBP), following an extrajudicial foreclosure sale of two parcels of land. On June 13, 1980, DBP presented the certificate for registration to the Register of Deeds of Nueva Ecija, Cabanatuan City. The transaction was recorded in the Registry's Primary Entry Book as Entry No. 8191, and registration fees were paid the same day. However, the annotation of the sale on the transfer certificates of title was delayed due to the originals being missing from the Registry's files.

DBP initiated proceedings for reconstitution of the certificates, which was ordered on June 15, 1982, but not completed until June 19, 1984. On June 25, 1984, DBP sought annotation on the reconstituted titles based on the 1980 entry. The Acting Register of Deeds, uncertain about the proper action, consulted the Commissioner of Land Registration, raising questions about the validity of using the old entry for registration and whether he could sign the proposed annotation. The Commissioner's resolution deemed the original entry ineffective due to the non-availability of the certificates at the time of entry, requiring a new entry for registration.

DBP appealed this resolution to the Intermediate Appellate Court, which certified the appeal to the Supreme Court as a pure legal question.

Issues:

1. Whether the original Entry No. 8191 can be used for the registration of the certificate of sale despite the reconstituted certificates being issued four years later.
2. Whether the Acting Register of Deeds can annotate the sale based on an entry made before his tenure.
3. The interpretation and application of Section 56 of Presidential Decree No. 1529 regarding the effect of entry in the Primary Entry Book and the necessity of annotation on the certificate of title for the registration to be effective.

Court's Decision:

The Supreme Court set aside the appealed resolution and ordered the Register of Deeds to annotate the memorandum of the certificate of sale on the reconstituted certificates of title based on Entry No. 8191. The Court held that:

- A primary entry is regarded as registration from the time it is noted, serving as notice to

the world of the existence of the entered instrument. This effect attaches to the mere making of the entry without requiring immediate or subsequent annotation.

- The delay in annotation was not caused by DBP, which had fulfilled all requirements for both primary entry and annotation. The four-year gap between entry and proposed annotation did not render the entry ineffective.
- The ruling clarified that both voluntary and involuntary transactions entered in the day book and fulfilling all requirements by the registrant are considered registered, irrespective of actual annotation time, so long as the duty to annotate rests solely on the register of deeds.

Doctrine:

The Supreme Court reiterated that a primary entry in the Register of Deeds, upon payment of the required fees and presentation of relevant documents, is deemed registered from the moment of its entry. Annotation of the entry on the certificate of title, while a necessary subsequent step, does not condition the effect of registration, especially when delays are not attributable to the registrant.

Class Notes:

- Primary entry in the Register of Deeds is considered registration from the moment it is noted.
- The effect of registration (notice to the world) attaches upon making the primary entry.
- For both voluntary and involuntary transactions, compliance by the registrant with all requirements (payment of fees, presentation of documents) is crucial for registration effect.
- Delays in annotation not caused by the registrant do not invalidate the registration effect of the primary entry.

Historical Background:

This case interplays with the broader context of land registration in the Philippines under the Torrens system, facilitated by Presidential Decree No. 1529 or the Property Registration Decree. The decision underscores the procedural rigor and the significance of the primary entry book in the registration process, highlighting both the technical aspects of land registration law and the practical realities facing parties in securing the annotation of interests in registered land.