

Title: National Housing Authority vs. Segunda Almeida, et al.

Facts:

1. Margarita Herrera was awarded portions of land in the Tunasan Estate, San Pedro, Laguna, by the Land Tenure Administration (LTA) on June 28, 1959, evidenced by Agreement to Sell No. 3787.
2. The Department of Agrarian Reform (DAR) succeeded the LTA under Republic Act No. 3488 and then transferred its responsibilities to the National Housing Authority (NHA) by virtue of Presidential Decree No. 757 on July 31, 1975.
3. Margarita Herrera had two daughters: Beatriz Herrera-Mercado and Francisca Herrera. Beatriz, who predeceased Margarita, left heirs.
4. Margarita Herrera passed away on October 27, 1971.
5. On August 22, 1974, Francisca Herrera executed a Deed of Self-Adjudication, claiming to be the sole surviving daughter and exclusive legal heir, based on a "Sinumpaang Salaysay" (Sworn Statement) dated October 7, 1960, allegedly executed by Margarita Herrera.
6. The heirs of Beatriz Herrera-Mercado challenged the Deed of Self-Adjudication, and the Court of First Instance of Laguna declared it null and void on December 29, 1980.
7. During the trial on the Deed of Self-Adjudication, Francisca applied with the NHA to purchase the same lots, submitting the "Sinumpaang Salaysay" as evidence.
8. The NHA granted Francisca's application on February 5, 1986, citing better preferential rights.
9. Segunda Mercado-Almeida, an heir of Beatriz, protested the decision and appealed to the Office of the President, which affirmed the NHA's resolution on January 23, 1987.
10. Francisca Herrera passed away on February 1, 1987, and her heirs executed an extrajudicial settlement and submitted it to the NHA, resulting in deeds of sale and issuance of titles in their favor.
11. Segunda Mercado-Almeida filed a complaint for "Nullification of Government Lot's Award" with the RTC of San Pedro, Laguna on February 8, 1988.
12. The RTC dismissed the case on jurisdictional grounds, but the Court of Appeals reversed this decision and remanded the case to the RTC.
13. The RTC, on March 9, 1998, ruled in favor of Almeida, stating that the "Sinumpaang Salaysay" was more akin to a will and must undergo probate, nullifying the NHA's award.
14. Both the NHA and Francisco's heirs appealed, but their motions for reconsideration were denied, and the Court of Appeals affirmed the RTC's decision on August 28, 2003.

Issues:

1. Whether the resolution of the NHA and the decision of the Office of the President were

final, and whether the principle of administrative res judicata bars further court determination of preferential rights.

2. Whether the court had jurisdiction to make an award on the subject lots.
3. Whether the NHA's award of the subject lots was arbitrary.

Court's Decision:

1. **Administrative Res Judicata:** The Supreme Court ruled that administrative res judicata applies but affirmed that quasi-judicial decisions are still subject to judicial review to check for grave abuse of discretion.
2. **Court Jurisdiction:** The Court of Appeals had previously settled the issue of RTC's jurisdiction on June 26, 1989, which became final and executory. The Supreme Court upheld that the RTC had jurisdiction since it involved title and possession.
3. **Validity of NHA's Award:** The Supreme Court agreed that the "Sinumpaang Salaysay," though presumed a will and not a deed of assignment, requiring probate first. Thus, validating RTC's judgment that NHA's award was arbitrary.

Doctrine:

1. **Administrative Res Judicata:** Final quasi-judicial agency decisions may be reviewed for grave abuse of discretion.
2. **Effectiveness of Wills:** A document purporting to dispose of property after death must undergo probate.
3. **Succession and Rights of Heirs:** Rights and obligations of decedents must be transmitted through their estate by will or operation of law.

Class Notes:

- **Administrative Res Judicata:** Quasi-judicial decisions are final but subject to judicial review for grave abuse of discretion (B.P. Blg. 129; Article VIII, 1987 Constitution).
- **Will vs. Deed of Assignment:** A purported will (Sinumpaang Salaysay) must be probated before the disposition of property can take effect (Civil Code Art. 774).
- **Judicial Hierarchy:** Jurisdiction issues resolved as per final and executory rulings (B.P. Blg. 129, §9(3)).

Historical Background:

This case underscores the procedural pathways and limitations in administrative and judicial reviews regarding property awards and succession rights. It illustrates the delineation between administrative actions and judicial probate requirements and reveals the expanded jurisdiction of courts over governmental actions following the 1987

Constitution of the Philippines. The decision reflects the nuances in property transmission upon death and upholds the probate process as fundamental in establishing legal heirs' rights.