

****Title:**** Durisol Philippines, Inc. v. Court of Appeals, et al.

****Facts:****

- On January 17, 1962, and December 5, 1969, Durisol Philippines, Inc. (“Durisol”) obtained industrial loans amounting to P1,213,000.00 and P2,698,800.00 from the Development Bank of the Philippines (DBP), secured by mortgages on two parcels of land in Polo, Bulacan, covered by TCT Nos. 29906 and 29909.
- After defaulting on the loans, on August 21, 1970, DBP filed for extrajudicial foreclosure. DBP was the highest bidder at the foreclosure sale.
- Durisol’s president borrowed the titles from DBP on March 6, 1972, under the pretense of obtaining new titles in line with an approved subdivision plan, agreeing to maintain DBP’s encumbrances on new titles.
- Despite foreclosure, Durisol filed a complaint to annul foreclosure in the CFI, which upheld the validity. The Court of Appeals affirmed, making it final on April 30, 1975.
- Durisol acquired new TCTs (T-167751, T-167752, T-187023 to T-187027) in their name but did not return them to DBP.
- On February 25, 1977, DBP filed a petition for the surrender of these duplicate titles in the CFI (AD Case No. 35-V-77, LRC Record No. 5941), claiming Durisol did not redeem the auctioned properties.
- CFI ruled in summary judgment on April 15, 1977, ordering Durisol to surrender the certificates. Durisol’s motion for reconsideration was denied on August 22, 1977.
- Durisol appealed, and the IAC ordered further proceedings due to genuine issues, but on remand, the trial court again ruled in favor of DBP after Durisol failed to appear.
- Durisol’s subsequent motion for reconsideration was untimely and denied, leading to the issuance of new titles to DBP. These were later sold to other parties.
- More than four years later, on September 2, 1994, Durisol filed a petition to annul the trial court’s 1989 decision based on lack of jurisdiction, which the Court of Appeals dismissed.

****Issues:****

1. Whether the trial court had jurisdiction over issuing a new duplicate owner’s certificate of title.
2. Whether Durisol was estopped from questioning the court’s jurisdiction after active participation in previous proceedings.

****Court’s Decision:****

1. **Jurisdiction Over the Case:**

- The Supreme Court ruled that the regional trial court, as a general jurisdiction court, had authority over proceedings involving real property titles, including issuing new certificates of title in accordance with Section 107 of the Property Registration Decree (PD 1529). Durisol's argument of lack of jurisdiction was unfounded as the RTC had the jurisdiction.

2. **Estoppel:**

- The Court noted Durisol did not challenge jurisdiction previously, actively participating in proceedings over two decades. They couldn't challenge jurisdiction post-final judgment due to estoppel. Jurisdiction, initially unchallenged, cannot be voided post-final judgment due to inaction when laches or estoppel has supplanted.

Doctrine:

- **Jurisdiction of RTC in Land Title Cases:** The Supreme Court reinforced that the RTC retains jurisdiction over all real estate title matters unless specifically exempt, even if initially challenged, especially in the context of cadastral functions post-PD 1529.

- **Principle of Estoppel and Laches:** Engaging in court proceedings without jurisdiction objection precludes later raising this issue; a decision, once final, stands.

Class Notes:

- **Regional Trial Courts Jurisdiction:** Authority in land registration arises from both general and specialized jurisdiction under PD 1529; distinct from original jurisdiction typified in specific statutes.

- **Doctrine of Estoppel:** Parties engaged throughout proceedings may not later assert jurisdictional claims once a judgment is final.

- **Procedural Timeliness:** Raises bar against judicial challenges introduced post-finality arising from non-contested jurisdictional scope.

Historical Background:

The case reflects a transformation within the Philippines' judicial system moving away from bifurcated roles for trial courts, notably prevalent pre-1978, when jurisdiction constraints limited trial courts operating within dual functional mandates. Post-PD 1529, this singularity aimed at resolving multiplicity, enhancing administrative efficiency gravitating towards comprehensive jurisdictional coverage.