

EQUATORIAL REALTY DEVELOPMENT, INC., PETITIONER, VS. MAYFAIR THEATER, INC., RESPONDENT.

G.R. No. 136221. June 25, 2001

Ponente: PARDO, J.

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PARDO, J.:

This is a promethean case involving the execution of a Supreme Court decision,[1] which has been long final, ordering the (1) rescission of sale of parcels of land between Carmelo & Bauermann and Equatorial Realty Development, Inc., and (2) thereafter, the sale by Carmelo & Bauermann of the property to Mayfair Theater, Inc., the party with the right of first refusal to acquire the same.

However, the landowner (Carmelo & Bauermann) could no longer be located. Hence, there was literally no one to restitute the amount of the purchase price. And so no one could "sell" the property to Mayfair Theater, Inc. Thus, Mayfair Theater, Inc. deposited the amount of the purchase price with the trial court.

Nevertheless, in view of the absence of the vendor Carmelo & Bauermann, the Clerk of Court, as sheriff, executed the deed of sale, on the basis of which the Registry of Deeds issued new certificates of title[2] in favor of respondent Mayfair Theater, Inc.

In serving the ends of justice, we set guidelines in the execution of our decision in G.R. No. 106063. If any of the parties employ means to prevent the execution of the final decision, we must see to it that the ends of the litigation would be attained. After all, this is the commission of the courts of the land.

Thus, with respect to the transfer certificates of title issued in the name of Mayfair, the presumption of regularity of the issuance applies,[3] that is, the Registry of Deeds complied with his duty to see that all taxes and registration fees have been paid and that the titles were issued after compliance with all the legal requirements.

Considering the present situation of Mayfair Theater, Inc., it is the duty of the lower court in the execution of the decision to effectuate the ultimate result of the suit, with Mayfair Theater, Inc. as the prevailing party. Thus, the titles issued in favor of Mayfair Theater shall have to be validated. The question is, "How will the execution of the decision be carried out when the supposed vendor of the property (Carmelo & Bauermann) can no longer be located?"

To allow this stratagem would make a travesty of a duly promulgated decision of the Supreme Court that has become final and executory.[4]

This is where the courts must again exercise its power of execution in order to put an end to the dispute that was settled years ago.

Litigation must at some time be terminated, for public policy dictates that once a judgment becomes final, executory and unappealable, the prevailing party shall not be deprived of the fruits of victory by some subterfuge devised by the losing party.[5] Courts must guard against any scheme calculated to bring about that result.

Constituted as they are to put an end to controversies, courts frown upon any attempt to prolong them.[6]

WHEREFORE, the Court hereby remands the case to the trial court with instructions:

- To execute the Court's decision strictly in accordance with the ruling in G.R. No. 106063 by validating the acts of the Sheriff of Manila and the titles in the name of Mayfair Theater, Inc. issued by the Register of Deeds of Manila consistent therewith;
- In case of failure of Carmelo & Bauermann to accept the amount of P11,300,000.00 deposited by Mayfair Theater, Inc. with the Clerk of Court, Regional Trial Court, Manila, to authorize the Clerk of Court to RELEASE the amount of P11,300,000.00 deposited with the Court for the account of Carmelo & Bauermann, Inc. to petitioner;
- To devolve upon the trial court the determination of other issues that may remain unresolved among the parties relating to the execution of the Court's final decision in G.R. No. 106063.

No costs.

SO ORDERED.

Davide, Jr., C.J. (Chairman), Kapunan, and Ynares-Santiago, JJ., concur.
Puno J., no part.

[1] G.R. No. 106063, promulgated on November 21, 1996, 332 Phil. 525.

[2] TCT Nos. 235120, 235121, 235122, and 235123 in the name of Mayfair.

[3] Velasquez vs. Court of Appeals, G.R. No. 126996, February 15, 2000, citing Chan vs. CA (Special 7[th] Division), 298 SCRA 713 [1998].

[4] 332 Phil. 525 [1996].

[5] Time Transit vs. NLRC, 304 SCRA 11, 17 [1999], citing Nasser vs. Court of Appeals, 314 Phil. 871, 883 [1995].

[6] Salva vs. Court of Appeals, 304 SCRA 632, 645 [1999], citing Lim vs. Jabalde, 172 SCRA 211, 224 [1989]; Banogon vs. Serna, 154 SCRA 593, 597 [1987].

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