



Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

**LANDBANK
PHILIPPINES,**

OF THE

G.R. No. 237369

Petitioner,

Present:

GESMUNDO, C.J.,
Chairperson,
HERNANDO,
ZALAMEDA,*
ROSARIO, and
MARQUEZ, JJ.

- versus -

Promulgated:

ALBRANDO R. ABELLANA,
Respondent.

OCT 19 2022

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DECISION

HERNANDO, J.:

Before this Court is a Petition for Review on *Certiorari*¹ with prayer for Temporary Restraining Order (TRO) and/or Preliminary Injunction, seeking to set aside the October 12, 2017 Decision,² and the February 7, 2018 Resolution³ of the Court of Appeals (CA), in CA-G.R. SP No. 147827.

The facts of the case are as follows:

* On official business.

¹ *Rollo*, pp. 27-53.

² *Id.* at 7-20. Penned by Associate Justice Pedro B. Corales and concurred in by Associate Justices Japar B. Dimaampao and Amy C. Lazaro-Javier (now Members of this Court)

³ *Id.* at 21-22. Penned by Penned by Associate Justice Pedro B. Corales and concurred in by Associate Justices Japar B. Dimaampao and Amy C. Lazaro-Javier (now Members of this Court)

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Respondent Albrando R. Abellana (Abellana) was the registered owner of a parcel of land with an area of 21,887 square meters (sqms.) located in Barrio San Jose, Puerto Princessa City and covered by Transfer Certificate of Title No. (TCT) 136030.⁴

On June 28, 2000, Abellana and Ernesto V. Villaos (Villaos) executed a Real Estate Mortgage (REM) over the subject property in favor of petitioner Landbank of the Philippines (Landbank) to secure a loan taken out by Villaos worth ₱2,000,000.00.⁵

Abellana and Villaos defaulted on their loan obligation, which prompted Landbank to extrajudicially foreclose the REM.⁶

On February 25, 2004, a public auction over the subject property was held and Landbank was the winning bidder for the amount of ₱4,258,520.11. Subsequently, the corresponding Certificate of Sale was registered with the Puerto Princessa Register of Deeds (RD) on April 29, 2004.⁷

The title of the subject property was eventually consolidated in Landbank's name under TCT 174178 after the lapse of the redemption period.⁸

**Proceedings in Civil Case No. 4586
(repurchase case)**

On January 26, 2010, Abellana filed a Complaint⁹ for repurchase of real property against Landbank with the Puerto Princessa Regional Trial Court (RTC), docketed as Civil Case No. 4586 (repurchase case).¹⁰

In his complaint, Abellana alleged that he was a mere accomodation mortgagor, and that was not aware of Villaos' failure to settle his loan obligations.¹¹ Abellana claimed to have not been notified of the auction sale or the registration of the corresponding Certificate of Sale with the RD.¹² After discovering that TCT 136030 had been cancelled on July 4, 2005, he requested to buy the property back, but Landbank did not entertain him.¹³ Thus, he initiated the court action and prayed that Landbank be ordered to sell the property to him at a "fair price."¹⁴

⁴ Id. at 8.

⁵ Id.

⁶ Id.

⁷ Id.

⁸ Id.

⁹ Id. at 8-9.

¹⁰ Id.

¹¹ Id.

¹² Id.

¹³ Id. at 9.

¹⁴ Id.

On June 9, 2010, the RTC issued an order stating that it did not find any legal basis to compel Landbank, now exercising “complete dominical rights” over the property to sell the same back to Abellana.¹⁵ Abellana elevated the case to the CA, which was docketed as CA-G.R. CV No. 95839.¹⁶

On March 21, 2012 the CA issued a Decision¹⁷ affirming the findings of the RTC.¹⁸ The CA noted that Abellana never disputed the REM or the sale of the lot in favor of Landbank.¹⁹ Hence, his status as a “former owner” is insufficient to obligate Landbank to sell the property back to him.²⁰

Dissatisfied, Abellana filed a Petition for Review on *Certiorari*²¹ under Rule 45 of the Rules of Court with this Court, docketed as G.R. No. 205145.²² However, this petition was denied in a Resolution dated March 18, 2013.²³

On June 6, 2013, the said resolution became final and executory.²⁴

**Proceedings in Civil Case No. 5144
(the instant case)**

On January 8, 2014, Landbank sold the subject property to a certain Joven P. Arzaga (Arzaga).²⁵ Thereafter, TCT 174178 under the name of Landbank was cancelled and in lieu thereof, TCT 074-2015000153 was issued under Arzaga’s name.²⁶

Later that year, on November 26, 2014, Abellana filed the instant declaration of nullity case before the RTC, docketed as Civil Case No. 5144.²⁷

In his complaint, Abellana alleged that he failed to settle his obligations with Landbank resulting to the foreclosure of the REM over the subject property, but he was not informed of the same.²⁸ He was also not furnished a copy of the Certificate of Sale registered with the Puerto Princessa City RD on April 29, 2004.²⁹ Given this, Abellana prayed that the extrajudicial foreclosure proceedings, final deed of sale and consolidation of ownership, and TCT 174178 be declared null and void.³⁰

¹⁵ Id.

¹⁶ Id.

¹⁷ CA *rollo*, pp. 56-62.

¹⁸ Id.

¹⁹ Id.

²⁰ Id.

²¹ *Rollo*, p. 9.

²² Id.

²³ Id.

²⁴ Id.

²⁵ Id.

²⁶ Id.

²⁷ Id.

²⁸ Id.

²⁹ Id.

³⁰ Id. at 9-10.

In response, Landbank filed its Answer³¹ with special and affirmative defenses and compulsory counterclaim raising the grounds of laches, prescription, and *res judicata*, among others.³² The RTC treated Landbank's affirmative defenses as grounds of a motion to dismiss, and held a hearing wherein Abellana opposed the said motion.³³

Ruling of the Regional Trial Court

In an Order³⁴ dated October 16, 2015, the RTC denied Landbank's motion to dismiss.³⁵ The RTC refused to apply the doctrine of laches at that stage since the circumstances of the case have not been fully determined yet.³⁶ Also, the RTC held that there is no prescription in this case as it is an action for declaration of nullity of the extrajudicial foreclosure proceedings and not an action for redemption as claimed by Landbank.³⁷

With regard to the argument that *res judicata* bars the current action, the RTC ruled in the following manner: 1) As to the doctrine of *res judicata* by former judgment, the same is not a bar to the present action as there is no identity of subject matter; 2) However, under the doctrine *res judicata* by conclusiveness of judgment, Abellana is already barred from contesting all matters essentially connected with the repurchase case.³⁸ The dispositive portion of the Order dated October 16, 2015 reads:

WHEREFORE, the Motion to Dismiss is DENIED but the plaintiff is hereby DECLARED estopped from contesting all the material facts and issues, including but not limited to the ownership of Landbank over the property subject matter of the present action, and all matters essentially connected with the litigation of Civil Case No. 4586. As this case has been previously referred to mediation, let the same resume without any further delay.

IT IS SO ORDERED.³⁹

Aggrieved, Landbank moved for reconsideration with the RTC but was denied in an Order⁴⁰ dated July 19, 2016.⁴¹ Thus, Landbank elevated the same to the CA by virtue of a Petition for *Certiorari* under Rule 65 of the Rules of Court.⁴²

³¹ Id. at 10.

³² Id. at 122.

³³ Id. at 22.

³⁴ Id. at 10.

³⁵ Id. at 99-104.

³⁶ Id. at 99-100.

³⁷ Id. at 100.

³⁸ Id. at 100-104.

³⁹ Id. at 104.

⁴⁰ Id. at 105.

⁴¹ Id.

⁴² Id. at 10.

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Ruling of the Court of Appeals

On October 12, 2017, the CA rendered the assailed Decision⁴³ dismissing Landbank's petition and affirming the orders of the RTC, to wit:

WHEREFORE, the petition for *certiorari* is DISMISSED. Accordingly, the assailed October 16, 2015 and July 19, 2016 Orders of the Regional Trial Court, Branch 52, Puerto Princesa City in Civil Case No. 5144 are hereby AFFIRMED.

SO ORDERED.⁴⁴

Dissatisfied, Landbank filed a Motion for Reconsideration⁴⁵ that was denied by the CA in its Resolution⁴⁶ dated February 7, 2018.⁴⁷

Hence, the instant petition, which essentially raises following issues:⁴⁸

- 1) Whether the CA seriously erred in declaring that:
 - a. The present case for declaration of nullity is not barred by prescription or *laches*;
 - b. The doctrines of *res judicata* by conclusiveness of judgment and estoppel are inapplicable;
 - c. The present case for declaration for nullity is not a collateral attack on Landbank's title; and
- 2) Whether the Landbank is entitled to be issued a TRO and/or writ of preliminary injunction to restrain the RTC from further proceeding with the present case.

Our Ruling

The petition is meritorious.

The grounds for a motion to dismiss under Rule 16 of the Rules of Court are premised upon the hypothetical admission of the allegations contained in the complaint

⁴³ Id. at 7-20.

⁴⁴ Id. at 20.

⁴⁵ Id. at 22.

⁴⁶ Id. at 21-22.

⁴⁷ Id. at 21-22.

⁴⁸ Id. at 32.

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Preliminarily, this Court must point out that the instant petition stemmed from Landbank's motion to dismiss that was denied in the Order dated October 16, 2015 by the RTC.⁴⁹

This Court has recognized two categories of motions to dismiss that may be recognized under the Rules of Court: 1) those that must be filed ahead of an answer; and 2) those that may be entertained even after an answer has been filed.⁵⁰ Motions to dismiss under the first category may plead any of the 10 grounds under Rule 16, Section 1, which are summarized as follows:

- a. That the court has no jurisdiction over the person of the defending party;
- b. That the court has no jurisdiction over the subject matter of the claim;
- c. That venue is improperly laid;
- d. That the plaintiff has no legal capacity to sue;
- e. That there is another action pending between the same parties for the same cause;
- f. That the cause of action is barred by a prior judgment or by the statute of limitations;
- g. That the pleading asserting the claim states no cause of action;
- h. That the claim or demand set forth in the plaintiff's pleading has been paid, waived, abandoned, or otherwise extinguished;
- i. That the claim on which the action is founded is unenforceable under the provisions of the statute of frauds; and
- j. That a condition precedent for filing the claim has not been complied with.

Meanwhile, those under the second category may only plead four of the above 10 grounds, namely: 1) lack of jurisdiction over the subject matter; 2) *litis pendentia*, 3) *res judicata*, and 4) prescription.⁵¹ In addition to these grounds, motions to dismiss under the second category may also plead lack of cause of action and other grounds that may only be made known after the answer was filed.⁵²

The grounds under Rule 16 of the Rules of Court partake of the nature of defenses which can be considered without even touching on the merits of the case.⁵³ Essentially, these grounds assert that even if the allegations in the complaint are hypothetically admitted to be true, the plaintiff is still in no position to proceed against the defendant.⁵⁴ The case of *Alvarado v. Ayala Land*,⁵⁵ explains:

The 1997 Rules of Civil Procedure frame a procedure where only the merits of the issues of a case are to be the subject of trial. The issues, however, will be joined only after an answer is filed. In the answer, affirmative defenses, which take the form of "confession and avoidance" may also be raised. After

⁴⁹ Id. at 99-104.

⁵⁰ *Alvarado v. Ayala Land, Inc.*, 818 Phil. 595, 598 (2017).

⁵¹ Id. at 599.

⁵² Id.

⁵³ Id. at 609.

⁵⁴ Id.

⁵⁵ *Supra*.

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the answer, no new defenses may be raised. As Rule 9, Section 1 stipulates “[d]efenses and objections not pleaded [x x x] in the answer are deemed waived.”

It is during trial where evidence to prove the parties’ respective positions on the substantive issues, as tendered in their pleadings, is received. Judgment on the questions of fact, as well as law, on these substantive issues will then follow.

However, prior to trial, there may be defenses which may be granted without touching on the merits of the case. Thus, Rule 16 provides for the vehicle called a Motion to Dismiss. The grounds under Rule 16 partake of the nature of defenses which can be considered with the hypothetical admission of the allegations in the complaint. For instance, a claim that a complaint fails to state a cause of action asserts that even if the complaint’s allegations were true, the plaintiff is still in no position to proceed against the defendant.⁵⁶ (Underscoring supplied, citations omitted)

With this in mind, this Court will discuss the following issues raised in the instant petition.

The present action for declaration of nullity is not barred by prescription

In the instant petition, Landbank argues that Abellana’s present action for declaration of nullity is already “deemed barred by the lapse of the 10-year prescriptive period from the time of the foreclosure sale.”⁵⁷ Landbank further explains that it is questioning Abellana’s failure to question the regularity of the said proceedings within the 10-year prescriptive period, rather than his failure to redeem the property within the one-year redemption period.⁵⁸

This Court disagrees.

Abellana’s complaint asserts that it is an action for the declaration of nullity of the extrajudicial foreclosure proceedings, foreclosure sale, final deed of sale, consolidation of ownership and TCT 174178.⁵⁹ Hypothetically assuming this to be true, as appropriate for a motion to dismiss, then there can be no prescription. The law is clear that actions to declare the nullity or inexistence of contracts are imprescriptible.

Article 1410 of the Civil Code provides:

Art. 1410. The action or defense for the declaration of the inexistence of a contract does not prescribe.

⁵⁶ Id. at 609.

⁵⁷ *Rollo*, p. 35.

⁵⁸ Id. at 35-36.

⁵⁹ Id. at 100.

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In *Abalos v. Spouses Dimakuta*,⁶⁰ this Court discussed the imprescriptibility of declaration of nullity actions compared to the 10-year prescription of an action of reconveyance based on fraud, which is merely a voidable contract, to wit:

The Court also disagrees with the DBP's contention that for failure to institute the action within ten years from the accrual of the right thereof, prescription has set in, barring the spouses from vindicating their transgressed rights.

The DBP contends that the prescriptive period for the reconveyance of fraudulently registered real property is ten (10) years reckoned from the date of the issuance of the certificate of title.

While the above disquisition of the DBP is true, the 10-year prescriptive period applies only when the reconveyance is based on fraud which makes a contract voidable (and that the aggrieved party is not in possession of the land whose title is to be actually reconveyed). It does not apply to an action to nullify a contract which is void *ab initio*, as in the present petition. Article 1410 of the Civil Code categorically states that an action for the declaration of the inexistence of a contract does not prescribe.

The spouses' action is an action for "Annulment of Title, Recovery of Possession and Damages," grounded on the theory that the DBP foreclosed their land covered by TCT No. T-1,997 without any legal right to do so, rendering the sale and the subsequent issuance of TCT in DBP's name void *ab initio* and subject to attack at any time conformably to the rule in Article 1410 of the Civil Code.⁶¹ (Emphasis and underscoring supplied, citations ommitted)

As applied in this case, Abellana's complaint did not mention any prayer for reconveyance, but merely prayed for the declaration of nullity of the foreclosure sale and its subsequent proceedings.

Even if this Court assumes, just for the sake of argument, that the action is actually for reconveyance because of the prayer to declare null the consolidation of ownership and TCT 174178, the title of the subject property was only consolidated in Landbank's name under TCT 174178 after the lapse of the 1-year redemption period.⁶² This Court has held that the 1-year redemption period provided under Act No. 3135⁶³ should be counted from the time when the certificate of sale is registered with the Register of Deeds,⁶⁴ which in this case is on April 29, 2004. Hence, the redemption period ended on April 29, 2005,

⁶⁰ 661 Phil. 553 (2011).

⁶¹ *Id.* at 566-567.

⁶² *Rollo*, p. 8.

⁶³ Entitled "AN ACT TO REGULATE SALE OF PROPERTY UNDER SPECIAL POWERS INSERTED IN OR ANNEXED TO REAL-ESTATE MORTGAGES." Approved: March 6, 1924.

⁶⁴ *GE Money Bank, Inc. v. Spouses Dizon*, 756 Phil. 502, 511 (2015).

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which means that this is the earliest time that the ownership could have been consolidated under Landbank's name.

Given this, since the complaint was filed on November 14, 2014, which is still well within 10 years from April 29, 2005 (the earliest possible date for the title to be validly registered under Landbank's name), then there should still be no issue as to prescription.

The determination of whether the doctrine of laches is applicable to this case is premature as the same cannot be established by mere allegations

Aside from prescription, Landbank contends that Abellana slept on his rights and hence, pursuant to the doctrine of laches, the latter's action must be dismissed.

It must be reiterated that this Court has declared that the elements of laches must be proven positively because the same is evidentiary in nature and thus, mere allegations are insufficient in establishing the same. The aforementioned case of *Abalos v. Spouses Dimakuta*⁶⁵ is instructive:

Laches, on the other hand, is a doctrine meant to bring equity - not to further oppress those who already are. Laches has been defined as neglect or omission to assert a right, taken in conjunction with lapse of time and other circumstances causing prejudice to an adverse party, as will operate as a bar in equity. It is a delay in the assertion of a right which works disadvantage to another because of the inequity founded on some change in the condition or relations of the property or parties.

The elements of laches must, however, be proved positively because it is evidentiary in nature and cannot be established by mere allegations in the pleadings. These are but factual in nature which the Court cannot grant without violating the basic procedural tenet that, as discussed, the Court is not trier of facts. Yet again, the records as established by the trial court show that it was rather the DBP's tactic which delayed the institution of the action. DBP made the spouses believe that there was no need to institute any action for the land would be returned to the spouses soon, only to be told, after ten (10) years of *naïveté*, that reconveyance would no longer be possible for the same land was already sold to Abalos, an alleged purchaser in good faith and for value.⁶⁶

As applied in the instant case, there can possibly be no determination of laches yet, as the basis of this motion to dismiss is merely the allegations in the complaint.

⁶⁵ *Supra*.

⁶⁶ *Id.* at 566. Citations omitted.

The final judgment in Civil Case No. 4586 does not constitute a bar to the action for declaration of nullity, however Abellana is estopped from denying his judicial admissions in the said case

Landbank argues that the lower courts erred in ruling that *res judicata* does not apply in this case and that there is no estoppel involved.⁶⁷ This argument is partially meritorious.

Res judicata is inapplicable as a bar to the instant action as it alleges different and distinct causes of action from the repurchase case

“*Res judicata* literally means ‘a matter adjudged; a thing judicially acted upon or decided; a thing or matter settled by judgment.’⁶⁸ *Res judicata* lays the rule that an existing final judgment or decree rendered on the merits, and without fraud or collusion, by a court of competent jurisdiction, upon any matter within its jurisdiction, is conclusive of the rights of the parties or their privies, in all other actions or suits in the same or any other judicial tribunal of concurrent jurisdiction on the points and matters in issue in the first suit.”⁶⁹

This Court has consistently held that there are two distinct concepts of *res judicata*, namely: (1) bar by former judgment; and (2) conclusiveness of judgment.⁷⁰ The elements of the first concept of *res judicata* are:

- (1) the judgment sought to bar the new action must be final;
- (2) the decision must have been rendered by a court having jurisdiction over the subject matter and the parties;
- (3) the disposition of the case must be a judgment on the merits; and
- (4) there must be as between the first and second action identity of parties, subject matter, and causes of action.⁷¹

Given that the instant complaint for declaration of nullity, when taken on its face, involves a different and distinct cause of action from the previous repurchase case, then the judgment of the latter cannot be a bar to the the present action.

⁶⁷ *Rollo*, pp. 36-45.

⁶⁸ *Spouses Torres v. Medina*, 629 Phil. 101, 111 (2010).

⁶⁹ *Id.* Citations omitted.

⁷⁰ *Id.*

⁷¹ *Id.*

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There is no identity of issues in the repurchase case and the present case, hence the concept of conclusiveness of judgment is inapplicable.

“The second concept - conclusiveness of judgment - states that a fact or question which was in issue in a former suit and was there judicially passed upon and determined by a court of competent jurisdiction, is conclusively settled by the judgment therein as far as the parties to that action and persons in privity with them are concerned, and cannot be again litigated in any future action between such parties or their privies, in the same court or any other court of concurrent jurisdiction on either the same or different cause of action, while the judgment remains unreversed by proper authority.⁷² It has been held that in order that a judgment in one action can be conclusive as to a particular matter in another action between the same parties or their privies, it is essential that the issue be identical.⁷³ If a particular point or question is in issue in the second action, and the judgment will depend on the determination of that particular point or question, a former judgment between the same parties or their privies will be final and conclusive in the second if that same point or question was in issue and adjudicated in the first suit. [In this case,] identity of cause of action is not required, but merely identity of issues.”⁷⁴

The main issue in the repurchase case is whether Abellana is entitled to repurchase the subject property from Landbank based on the former's status as the former owner. This means that the whole premise of Abellana's complaint in the repurchase case is lodged on the fact that Landbank is the valid owner of the subject property, because otherwise, if Abellana did not acknowledge the validity Landbank's ownership over the subject property, he would not have filed the repurchase case and instead, filed an action for reconveyance or similar action to recover ownership of the subject property.

Given this, there is clearly no identity of issues between the repurchase case and the present case, as the validity of the foreclosure proceedings leading to Landbank's ownership of the subject property was never an issue in the former case (as opposed to the present case) because Abellana himself already admitted Landbank's ownership of the subject property. Simply put, in contrast to the present case, the only issue in the repurchase case was Abellana's entitlement to repurchase his former property from Landbank; there was no controversy as to the validity of the foreclosure proceedings and Landbank's ownership, and thus, there was no need for the same to be adjudicated by the courts in that case. Therefore, since there is no identity in causes of action and

⁷² Id. at 113-114.

⁷³ Id. at 114. Citation omitted.

⁷⁴ Id.

issues with the repurchase case, both concepts of *res judicata* are inapplicable to the present case.

Abellana is estopped from challenging his own judicial admissions in the repurchase case as the same are already conclusive against him. Thus, the instant action, being essentially contradictory to his position in the repurchase case, must fail

However, this Court finds merit in Landbank's position that Abellana is already estopped from raising the existence, validity, or regularity of the foreclosure proceedings that ultimately vested ownership to Landbank.

We take notice of Abellana's judicial admissions contained in the records of the repurchase case, docketed as G.R. No. 205145, which include the following admissions in his appellant's brief dated April 25, 2011 filed before the CA in CA G.R. CV No. 95839:⁷⁵

When his property was foreclosed, plaintiff-appellant kept on reminding co-defendant Ernesto V. Villaos to redeem the property but until the [lapse] of grace period he failed to redeem it; Plaintiff-appellant lost his property due to the negligence and irresponsibility of Ernesto V. Villaos;⁷⁶

x x x x

It is admitted that the Bank now the owner, has full right and privilege as to whom to [sic] said land would be sold, but plaintiff-appellant being the former owner of the same has also a right to recover the same, he is not taking the land from the Bank for free, he is willing to buy it at the price of the latter.⁷⁷

In fact, aside from these admissions, the CA in that case, taking note of the trial court's decision, found that Landbank was able to prove that the extrajudicial foreclosure of the subject property went through the required process, to wit:

However, aside from his self-serving claim, plaintiff-appellant utterly failed to substantiate his right to repurchase the property. On the other hand, Land Bank proved that the extrajudicial foreclosure of the said subject property went through the required process. The court *a quo* found, thus:

⁷⁵ *Rollo*, pp. 107-113.

⁷⁶ *Id.* at p. 108.

⁷⁷ *Id.* at p. 111.

Based on the allegation of the complaint, it is quite clear that the matter of the foreclosure of subject property arose out of the alleged failure on the part of Ernesto Villaos to settle his obligation in favor of the bank. The plaintiff does not question the authority on the part of Ernesto Villaos to mortgage the property belonging to plaintiff after having been provided with the authority to do so. Neither does plaintiff directly question the propriety, regularity, validity of the foreclosure of the property as instituted by defendant bank.⁷⁸

It is axiomatic that the existence of a cause of action is determined by the allegations in the complaint. In plaintiff-appellant's complaint, he did not dispute the mortgage or the sale in favor of Landbank. Plaintiff-appellant also did not point to a right which had been violated by Landbank, instead, he merely asked that Landbank be compelled to sell back to him the subject property on the basis of his former ownership thereof. Unfortunately, contrary to plaintiff-appellant's posturing, his status as the former owner of subject lot is not sufficient to compel Landbank to sell back to him the subject property.⁷⁹

This Court affirmed the above CA's findings in its Resolution dated March 18, 2013, and ruled as follows:

After a judicious perusal of the record, the Court resolves to AFFIRM the March 21, 2012 Decision and December 5, 2012 Resolution of the Court of Appeals (CA) in CA-G.R. CV No. 95839 and DENY the instant petition for failure of Albrando R. Abellana (petitioner) to show that the CA committed any reversible error in upholding the dismissal of his complaint against Land Bank of the Philippines (LBP) for lack of cause of action. As correctly pointed out by the CA, petitioner failed to substantiate his right to repurchase the property that LBP validly acquired through foreclosure proceedings.

x x x x

SO ORDERED.⁸⁰

Abellana did not file any motion for reconsideration or any further pleadings to challenge the above resolution, hence the judgment lapsed into finality on June 6, 2013.⁸¹ Clearly, Abellana's own admissions and failure to challenge the pronouncements of the courts in the repurchase case, prohibit him from challenging the same in the present case. This Court's pronouncements in *Alfelor v. Halasan* are instructive:⁸²

To the Court's mind, this admission constitutes a "deliberate, clear and unequivocal" statement; made as it was in the course of judicial proceedings, such statement qualifies as a judicial admission. A party who judicially admits a fact cannot later challenge that fact as judicial admissions are a waiver of

⁷⁸ Id. at 92-93.

⁷⁹ Id.

⁸⁰ Id. at 96-97.

⁸¹ Id. at 97.

⁸² 520 Phil. 982 (2006).

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proof; production of evidence is dispensed with. A judicial admission also removes an admitted fact from the field of controversy. Consequently, an admission made in the pleadings cannot be controverted by the party making such admission and are conclusive as to such party, and all proofs to the contrary or inconsistent therewith should be ignored, whether objection is interposed by the party or not. The allegations, statements or admissions contained in a pleading are conclusive as against the pleader. A party cannot subsequently take a position contrary of or inconsistent with what was pleaded.⁸³ (Underscoring supplied)

As applied in this case, Abellana's judicial admissions in the repurchase case as to the validity of the foreclosure proceedings and Landbank's ownership are now conclusive as to him. This does not only mean that Abellana cannot take a position contrary or inconsistent with what he has pleaded, but also that production of evidence is dispensed with and all proofs contrary or inconsistent with what he has pleaded should likewise be ignored.

Thus, since Abellana already recognized and admitted in the repurchase case the validity of the subject foreclosure proceedings and Landbank's ownership over the subject property, he has no cause of action to institute the present complaint for the declaration of nullity of the same. Consequently, the instant action should be dismissed outright for lack of cause of action as there is no need to go to trial for a non-issue.

Since there is no actual controversy as to the ownership of the property, there is no need to discuss the issue of whether the present action is a collateral attack on the certificate of title

As exhaustively discussed above, the issue of ownership over the subject property was already settled, and consequently, there is also no issue as to the certificate of title representing such ownership. Thus, the question of whether the complaint is a collateral attack to Landbank's certificate of title is moot and academic.


Moreover, given that this petition is granted and this Court has ruled that the case should be dismissed, there is no need for the issuance of interlocutory orders such as a TRO or preliminary injunction.

WHEREFORE, the petition is **GRANTED**. The October 12, 2017 Decision and the February 7, 2018 Resolution of the Court of Appeals in CA-G.R. SP No. 147827 are **REVERSED** and **SET ASIDE**.

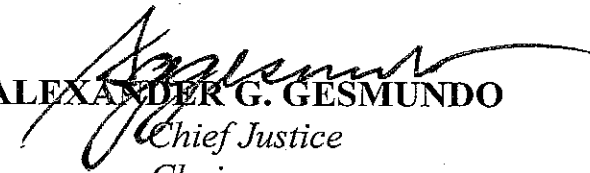
⁸³ Id. at 990-991. Citations omitted.

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SO ORDERED.


RAMON PAUL L. HERNANDO
Associate Justice

WE CONCUR:


ALEXANDER G. GESMUNDO
Chief Justice
Chairperson

on official business
RODIL V. ZALAMEDA
Associate Justice


RICARDO R. ROSARIO
Associate Justice


JOSE MIDAS P. MARQUEZ
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


ALEXANDER G. GESMUNDO
Chief Justice