Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

REPUBLIC OF THE PHILIPPINES,

Petitioner,

- versus -

SPS. YU CHO KHAI AND CRISTINA SY YU, ALFONSO L. ANGLIONGTO, JR., represented by FELICITAS YAP VDA. DE ANGLIONGTO, the REGISTER OF DEEDS, DAVAO CITY, AGDAO RESIDENTS ASSOCIATION, INC., NICOLAS P. SOLANAN, and THE HEIRS OF SPOUSES AURELIO PIZARRO And FILOMENA PIZARRO, namely ROGELIO G. PIZARRO, MARIA EVELYN G. PIZARRO-SULIT, MISAEL G. PIZARRO, NORMAN PAUL PIZARRO, LUZVIMINDA G. PIZARRO, DELIA-THELMA PIZARRO DILLERA, VIRGILIO G. PIZARRO, ROSALINDA PIZARRO INGLES, JOSE ELVIN G. PIZARRO, LYDIA PIZARRO GUDANI, and ALICIA P. LADISLA (substituted by her Heirs, Willie L. Ladisla, Alexis P. Ladisla, Antonio P. Ladisla, Maria Belen L. Umayan, Benjamin P. Ladisla, Ramonito P. Ladisla, Flordeliza L. Bontia, Lourinda D. De Jesus, Maria Placida L. Alolod, Josephine L. Aleguiojo, Cecilia L. Aguirre, Raymond L. Ladisla, Caroline L. Adtoon, and Armando P. Ladisla),

Respondents.

G.R. No. 188587

Present:

GESMUNDO, *CJ, Chairperson*
CAGUIOA,
LAZARO-JAVIER,
[*] LOPEZ, M.V., *and*
LOPEZ, J.Y., *JJ.*

Promulgated:
NOV 23 2021

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[*] On wellness leave.

DECISION

LOPEZ, J., *J*:

This resolves the Petition for Review on *Certiorari*[1] dated August 3, 2009 filed by the Republic of the Philippines (*Republic*) assailing the June 8, 2009 Decision[2] of the Regional Trial Court (*RTC*) of Davao City in Civil Case No. 23,826-1995. In the assailed decision, the RTC dismissed the Republic's Complaint for Annulment/Cancellation of Certificates of Title to recover an alleged forest land.[3]

The Antecedents

On March 4, 1950, the Court of First Instance, Province of Davao, sitting as a cadastral court, issued Decree No. 3609[4] adjudicating a parcel of land identified as Lot No. 1226-E and covering an area of 39,044 square meters. This allowed for the registration of the said property in the names Aurelio Pizarro, Gregoria Pizarro and Teofila Pizarro.[5] As a result, Original Certificate of Title (*OCT*) No. 0-14[6] was issued to them on August 7, 1950. Subsequently, a portion of Lot No. 1226-E, measuring 11,308 square meters was conveyed to Alfonso L. Angliongto, Jr. (*Alfonso*) who was issued Transfer Certificate of Title (*TCT*) No. T-48269[7] on November 5, 1975. Later on, TCT No. T-48269 was cancelled when a portion of it, Lot No. 1226-E-2-A, was sold to Yu Cho Khai and Cristina Sy Yu (*Spouses Yu*), who were issued TCT No. T-48724[8] on December 24, 1975.

Notwithstanding these conveyances, the Secretary of Natural Resources Jose J. Leido, Jr. issued Bureau of Forest Development Administrative Order (*AO*) No. 4-1369[9] dated September 27, 1976 classifying certain lands in Davao City, including Lot No. 1226-E, as alienable and disposable. The relevant portion of AO No. 4-1369 reads:

> 1. Pursuant to the provisions of Section 1827 of the Revised Administrative Code, I hereby declare as alienable or disposable and place the same under the control of the Bureau of Lands for administration and disposition in accordance with the Public Land Act, subject to private rights, if any there be and to the conditions herein specified, the portions of the public domain situated in the City of Davao, containing an aggregate area of 183 hectares, more or less, which are designated and described as alienable or disposable on Bureau of Forest Development Map LO-2852.

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1 *Rollo*, Vol. I, pp. 9-50.
2 Penned by Presiding Judge Emmanuel C. Carpio; *id.* at 51-58.
3 *Id.* at 66-74.
4 *Id.* at 59.
5 *Id.* at 54, 59-60.
6 *Id.* at 59-60.
7 *Id.* at 61.
8 *Id.* at 62-64.
9 *Id.* at 65.

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The Agdao Residents Association, Inc. (*ARAI*) then filed a Petition[10] before the Department of Environment and Natural Resources (*DENR*) alleging that Lot No. 1225-E-2-A, now registered to the Spouses Yu, remained a forest land over which members of the ARAI exercised possession. Upon ocular inspection, the Community Environment and Natural Resources Office of Davao City East (*CENRO*) confirmed ARAI's allegations.[11]

Prompted by the foregoing developments, the Republic filed before the RTC a complaint for annulment/cancellation of certificates of title.[12] Relying on the CA's disposition in *Republic v. Bocase*[13] (*Bocase*) where the CA granted reversion over a parcel of land derived from the same mother lot from which Lot No. 1226-E-2-A was subdivided, the Republic prayed that judgment be rendered as follows:

> 1. Declaring Decree No. 3609, Original Certificate of Title No. 0-14, as well as Transfer Certificate of Title No. T-48269 and Transfer Certificate of Title No. T-48724, respectively, in the names of defendants, Alfonso L. Angliongto, Jr. and spouses Yu Cho Khai and Cristina Sy Yu, and, likewise, other derivative titles which may have been subsequently issued, as null and void;
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> 2. Ordering defendants-spouses Yu Cho Khai and Cristina Sy Yu, to surrender their owner's duplicate copies of said title to the Register of Deeds, Davao City, and directing said official to cancel the same as well as the original thereof and all transfer certificates of titles as may have been subsequently issued;
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> 3. Ordering the reversion of subject land to the mass of public domain;
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> 4. Enjoining defendants-spouses Yu Cho Khai and Cristina Sy Yu and all those claiming and acting for and in their behalf from exercising acts of ownership or possession of said land; x x x x[14]

By way of Answer,[15] Felicitas Yap Angliongto (*Felicitas*), widow of Alfonso, prayed for the dismissal of the complaint. She asserted that the Davao City Registry of Deeds already issued TCT No. T-48269 to Alfonso because of the previous conveyance to him. She also explained that the area was being utilized for residential purposes and had been the subject of subsequent transfers.

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10 *Id.* at 52.
11 *Id.* at 51 and 201.
12 Docketed as Case No. 23,826-1995; *id.* at 51-58.
13 CA-G.R. CV No. 19064, March 19, 1991.
14 *Id.* at 72-73
15 *Id.* at 77-81.

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In an Order[16] dated January 24, 1997, the RTC declared Spouses Yu in default because no submissions or representations were received from them despite notice.

Upon admission[17] as intervenors, Filomena G. Pizarro, Rogelio G. Pizarro, Maria Evelyn P. Sulit, and Nicolas P. Sulanan (*heirs of Pizarro*) filed their Answer-in-Intervention.[18] They conceded that while the property is now classified as private and not forest land, they were the real owners of Lot No. 1226-E because they were the heirs of Aurelio, Gregoria and Teofila Pizarro to whom OCT No. 0-14 was issued. Later on, they claimed that the conveyances to Alfonso and Yu Cho Khai were judicially rescinded in two separate proceedings.[19] Thus, the heirs of Pizarro prayed that the Republic's complaint be dismissed and that a new certificate of title be issued in their name.

Similarly, the RTC admitted[20] ARAI as intervenor. In their Complaint-in-Intervention,[21] ARAI sided with the Republic in as much as the subject property is a land of public domain, but asserted their vested right of possession over the portions they have purportedly been peaceably and continuously occupying.

After due proceedings, the RTC rendered the Decision[22] dated June 8, 2009 and ruled that the Republic's suit was barred by laches and estoppel since the complaint was filed only 45 years after the issuance of OCT No. 0-14, which was, if at all, a mistake attributable to State agents. The RTC stated that AO No. 4-1369 was issued "subject to private rights" already protected by OCT No. 0-14 and its derivatives, TCT Nos. T-48269 and T-48724. The RTC went on to state that the issuance of AO No. 4-1369, albeit subsequent to Decree No. 3609 and OCT No. 0-14, cured any defect in the title. Finally, the RTC declared:

> IN VIEW OF THE FOREGOING, judgment is hereby rendered DISMISSING the COMPLAINT and COMPLAINT-IN-INTERVENTION.
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> The counterclaim of DEFENDANT-INTERVENORS is likewise dismissed as:
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> 1. RTC Branch 10 and the CA has already ruled on the ownership of TCT No. T-48724 and T-48271;[23] and

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16 *Id.* at 75.

17 *Id.* at 92.

18 *Id.* at 138-160.

19 *Filomena Pizarro v. Alfonso Angliongto, Jr.*, Civil Case No. 5762, Davao City Regional Trial Court, Branch 10, for cancellation of authority to sell and rescission, annulment of deeds of sale, and damages, *id.* at 142-143; and *Filomena Pizarro v. Court of Appeals,* 187 Phil. 546 (1980), concerning the jurisdiction of Branch III of the Court of First Instance of Davao over the rescission case.

20 *Id.* at 217.

21 *Id.* at 199-201, 212-216.

22 *Id.* at 51-58.

23 Should be read as T-48269.

2. the matter of possession and ejectment cannot be decided in this case as the issues have been delineated in the Pre-trial Order.

SO ORDERED.[24]

Undaunted, the Republic filed the instant petition.[25] Necessarily, ARAI[26] and the heirs of Pizarro[27] filed their respective submissions. Felicitas disavowed any personality in the proceedings, having previously divested ownership over the subject property.[28] As for Spouses Yu, this Court dispensed with their memorandum since they had previously been declared in default by the RTC and that no accurate return address could be ascertained.[29]

Issue

Whether or not OCT No. 0-14, as well as its derivative titles TCT Nos. T-48269 and T-48724, should be declared null and void.

Our Ruling

We deny the petition.

The Republic's complaint is in the nature of an action for reversion

In this jurisdiction, We adhere to the principle that the nature of an action is determined by the allegations in the complaint itself, not by its title or heading.[30] Jurisprudence directs us to look beyond the form and into the substance so as to render substantial justice to the parties.[31] While this case was designated as one "For: Annulment/Cancellation of Certificates of Title," the Republic's complaint is really one for reversion of public land, the implored law being Sections 101[32] and 124[33] of Commonwealth Act No. 141, or The Public Land Act.

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24 *Rollo*, p. 58.

25 Reply (To Respondent Felomina Pizarro, et al.'s Comment dated 31 May 2010) dated April 14, 2011; *id.* at 448-461; Memorandum dated August 18, 2011; *id.* at 501-532.

26 Memorandum dated September 7, 2011, *id.* at 557-626.

27 Memorandum dated August 31, 2011, *id.* at 538-555.

28 Memorandum dated September 28, 2012, *id.* at 669-715.

29 Resolution dated April 3, 3012, *id.* at 730.

30 See *Spouses Munsalud v. National Housing Authority*, 595 Phil. 750, 765 (2008).

31 *Spouses Genato v. Viola*, 625 Phil. 514, 518 (2010).

32 SECTION 101. All actions for the reversion to the Government of lands of the public domain or improvements thereon shall be instituted by the Solicitor-General or the officer acting in his stead, in the proper courts, in the name of the Commonwealth of the Philippines.

33 SECTION 124. Any acquisition, conveyance, alienation, transfer, or other contract made or executed in violation of any of the provisions of sections one hundred and eighteen, one hundred and twenty,

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In *Spouses Padilla v. Salovino*,[34] this Court discussed the nature of an action for reversion and distinguished the same from an action for declaration of nullity of title, *viz.*:

> A reversion proceeding is the manner through which the State seeks to revert land to the mass of public domain and is the proper remedy when public land is fraudulently awarded and disposed of in favor of private individuals or corporations. Reversion is not automatic as the government, through the OSG, must file an appropriate action. Since the land originated from a grant by the government, its cancellation is thus a matter between the grantor and the grantee. In other words, it is only the State which may institute reversion proceedings.
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> In *Heirs of Kionisala v. Heirs of Dacut*, the Court had clearly differentiated reversion proceedings from an ordinary civil action for declaration of nullity of certificate of title, and an action for reconveyance, to wit:
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> > An ordinary civil action for declaration of nullity of free patents and certificates of title is not the same as an action for reversion. The difference between them lies in the allegations as to the character of ownership of the realty whose title is sought to be nullified. In an action for reversion, the pertinent allegations in the complaint would admit State ownership of the disputed land. Hence in *Gabila v. Barriga* where the plaintiff in his complaint admits that he has no right to demand the cancellation or amendment of the defendant's title because even if the title were cancelled or amended the ownership of the land embraced therein or of the portion affected by the amendment would revert to the public domain, we ruled that the action was for reversion and that the only person or entity entitled to relief would be the Director of Lands.
> >
> > On the other hand, a cause of action for declaration of nullity of free patent and certificate of title would require allegations of the plaintiff's ownership of the contested lot prior to the issuance of such free patent and certificate of title as well as the defendant's fraud or mistake, as the case may be, in successfully obtaining these documents of title over the parcel of land claimed by plaintiff. In such a case, the nullity arises strictly not from the fraud or deceit but from the fact that the land is beyond the jurisdiction of the Bureau of Lands to bestow and whatever patent or certificate of title obtained therefor is consequently void *ab initio*. The real party in interest is not the State but the plaintiff who alleges a pre-existing right of ownership over the parcel of land in question even before the grant of title to the defendant. x x x x

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one-one hundred and twenty-one, one hundred and twenty two, and one hundred and twenty-three of this Act shall be unlawful and null and void from its execution and shall produce the effect of annulling and cancelling the grant, title, patent, or permit originally issued, recognized or confirmed, actually or presumptively, and cause the reversion of the property and its improvements to the State.

[34] G.R. No. 232823, August 28, 2019.

> In other words, the alleged ownership of the property in question is crucial in delineating reversion proceedings from other ordinary civil actions such as declaration of nullity of certificate of title or reconveyance. In reversion proceedings, State ownership over the parcel of land is uncontroverted and the only question to be resolved is whether a title over the contested lot had been fraudulently or erroneously issued in the name of the defendant. Meanwhile, in both actions for declaration of nullity of certificate of title and reconveyance, complainants allege ownership over the property such that should the action be ruled in their favor, ownership of the property does not revert to the State as it is directly conveyed to private individuals as the rightful owner of the property.[35]

Indeed, in reversion proceedings, the cancellation of the grantee's title is an incident necessary to revert the property back to the mass and assert its proper classification as land of the public domain.[36]

Here, a perusal of the complaint clearly demonstrates that it is one for reversion and not for cancellation of title. *First*, the interest asserted is one belonging to the State pursuant to *jura regalia*,[37] and not a pre-existing right of ownership inuring to any other person.[38] *Second*, the Republic prayed for a judgment "[o]rdering the reversion of the subject land to the mass of public domain."[39] *Third*, the action was not premised on a supposed fraud or mistake, as in an action for cancellation of title, but from the irregular, erroneous, and improper issuance of title by the pertinent government bodies.[40]

Undoubtedly, the Republic's assertion of ownership over the land in question and the claim for its return to the mass of the public domain points to a case for reversion.[41]

The Republic failed to rebut the presumption that the subject property is now alienable and disposable

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35 Citations omitted, underscoring supplied.

36 See *Republic v. Development Resources Corp.*, 623 Phil. 490, 493 (2009): "Since a complaint for reversion can upset the stability of registered titles through the cancellation of the original title and the others that emanate from it, the State bears a heavy burden of proving the ground for its action." (Citation omitted)

37 *Republic v. Santos*, 691 Phil. 367, 375 (2012): "We start our analysis by applying the principle of *Jura Regalia* or *the Regalian* Doctrine. *Jura Regalia simply means that the State is the original proprietor of all lands and, as such, is the general source of all private titles. Thus, pursuant to this principle, all claims of private title to land, save those acquired from native title,* must be traced from some grant, whether express or implied, from the State. 36 Absent a clear showing that land had been let into private ownership through the State's *imprimatur*, such land is presumed to belong to the State." (Citations omitted, italics in the original)

38 *Rollo*, p. 70.

39 *Id.* at 72.

40 *Supra* note 38.

41 *Heirs of Kionisala v. Heirs of Dacut*, 428 Phil. 249, 260 (2002): "In an action for reversion, the pertinent allegations in the complaint would admit State ownership of the disputed land. Hence in *Gabila v. Barriga* where the plaintiff in his complaint admits that he has no right to demand the cancellation or amendment of the defendant's title because even if the title were canceled or amended the ownership of the land embraced therein or of the portion affected by the amendment would revert to the public domain, we ruled that the action was for reversion x x x x"

As held in *Saad Agro-Industries, Inc. v. Republic*,[42] the Republic bears the burden of proof to establish State ownership in reversion proceedings: "It is but judicious to require the Government, in an action for reversion, to show the details attending the issuance of title over the alleged inalienable land and explain why such issuance has deprived the State of the claimed property."[43] Since the present case is one for reversion, a review of the evidence reveals that the Republic failed to discharge its burden to prove that the land in question rightfully belongs to it pursuant to the standards laid down in *Republic v. Espinosa*[44] and *Republic v. Cabrera.*[45]

In *Espinosa*, the State sought the reversion of a supposed timberland or forest land which, at the time the action was filed, was already decreed alienable and disposable by the cadastral court. In fact, the subject land was already issued an original certificate of title and conveyed to the defendant, who had since been issued a transfer certificate of title. In said case, the Court ruled that the Republic failed to overcome the burden to warrant the reversion of the property.[46]

Further, the Court differentiated the party who bears the burden of proof for land registration and reversion proceedings as follows:

> In land registration proceedings, the applicant has the burden of overcoming the presumption of State ownership. It must establish, through incontrovertible evidence, that the land sought to be registered is alienable or disposable based on a positive act of the government. Since cadastral proceedings are governed by the usual rules of practice, procedure, and evidence, a cadastral decree and a certificate of title are issued only after the applicant proves all the requisite jurisdictional facts — that they are entitled to the claimed lot, that all parties are heard, and that evidence is considered. As such, the cadastral decree is a judgment which adjudicates ownership after proving these jurisdictional facts.
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> Since the case is one for reversion and not one for land registration, the burden is on the State to prove that the property was classified as timberland or forest land at the time it was decreed to Espinosa. To reiterate, there is no burden on Caliston to prove that the property in question is alienable and disposable land. At this stage, it is reasonable to presume that Espinosa, from whom Caliston derived her title, had already established that the property is alienable and disposable land considering that she succeeded in obtaining the OCT over it. In this reversion proceeding, the State must prove that there was an oversight or mistake in the inclusion of the property in Espinosa's title because it was of public dominion. This is consistent with the rule that the burden of proof rests on the party who, as determined by the pleadings or the nature of the case, asserts the affirmative of an issue.

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42 534 Phil. 648 (2006).
43 *Id.* at 656.
44 808 Phil. 408 (2017).
45 820 Phil. 771 (2017).
46 *Supra* note 44, at 418.

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> The result would have been different had the State proved that the property was already classified as part of forest land at the time of the cadastral proceedings and when title was decreed to Espinosa in 1962. However, it failed to discharge this burden; the grant of title which carries with it the presumption that Espinosa had already proved the alienable character of the property in the cadastral proceedings stands.[47]

Looking back, We pointed out in *Espinosa* that by the time a decree and title is issued in favor of a grantee, the presumption of State ownership under the regalian doctrine is overturned and overtaken by a presumption that the land is alienable and disposable, *viz.*:

> Here, it is undisputed that Espinosa was granted a cadastral decree and was subsequently issued OCT No. 191-N, the predecessor title of Caliston's TCT No. 91117. Having been granted a decree in a cadastral proceeding, Espinosa can be presumed to have overcome the presumption that the land sought to be registered forms part of the public domain. This means that Espinosa, as the applicant, was able to prove by incontrovertible evidence that the property is alienable and disposable property in the cadastral proceedings.
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> x x x At this stage, it is reasonable to presume that Espinosa, from whom Caliston derived her title, had already established that the property is alienable and disposable land considering that she succeeded in obtaining the OCT over it.[48]

However, the afore-cited doctrines must be distinguished from Our pronouncement in *Republic v. Heirs of Sin*[49] (*Heirs of Sin*) where it was held that:

> x x x the failure of petitioner Republic to show competent evidence that the subject land was declared a timberland before its formal classification as such in 1960 does not lead to the presumption that said land was alienable and disposable prior to said date. On the contrary, the presumption is that unclassified lands are inalienable public lands.

In *Heirs of Sin*, the Court explained that the claimants therein had yet to institute an application for judicial confirmation of imperfect title, hence it was their obligation to demonstrate a positive act of the State declassifying inalienable public land into disposable land for agricultural or other purposes.[50] Consistent with *Espinosa*, as no title had been decreed in their favor, the claimants in *Heirs of Sin* were not protected by any presumption that the land was alienable and disposable.

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47 *Id.* at 423. (Citations omitted, underscoring supplied)
48 *Id.* at 416-417. (Citations omitted, underscoring supplied)
49 730 Phil. 414, 426 (2014).
50 *Id.* at 425.

The Court elaborated in *Cabrera* that for the State to secure the reversion of titled property, the testimonial and documentary evidence must establish a positive act of classification as public land at the time the title was decreed.[51] The summary of the evidentiary findings of the CA in said case disclose that, as to the disputed property, the Land Classification Verifier could not point to any law or decree classifying the same as part of the public domain at the time it was decreed, but could do so for other parcels of land.

Applying the principles laid down in *Espinosa* and *Cabrera*, We find that the Republic's action for reversion has no leg to stand on, based on these circumstances:

First, AO No. 4-1369 does not constitute a positive act whereby the area covering Lot No. 1226-E-2-A was explicitly and conclusively declared as forest land. The Republic only proffers as negative evidence the pronouncement of such land as alienable and disposable to conclude that the same was not alienable and disposable prior to the issuance of BFD AO No. 4-1369. This only begs the question. As instructed by *Espinosa* and *Cabrera*, the Republic must have presented an executive proclamation that the land was inalienable land of the public domain prior to Decree No. 3609 and the issuance of OCT No. 0-14 on July 20, 1950. The Republic presented no such evidence in the instant proceedings. Hence, We cannot retrospectively apply the Regalian doctrine so as to sweep away OCT No. 0-14 and its derivative titles TCT Nos. T-48269 and T-48724. As cautioned in Espinosa, "[t]o allow a reversion based on a classification made at the time when the property was already declared private property by virtue of a decree would be akin to expropriation of land without due process of law."[52]

Second, the declaration in AO No. 4-1369 was explicitly made "subject to private rights, if any there be[.]" As to what constitutes "private rights," Our ruling in *Gordula v. Court of Appeals*[53] is instructive:

> In *Director of Lands v. Reyes*, [W]e held that a settler claiming the protection of "private rights" to exclude his land from a military or forest reservation must show "...by clear and convincing evidence that the property in question was acquired by [any] ...means for the acquisition of public lands."
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> In fine, one claiming "private rights" must prove that he has complied with C.A. No. 141, as amended, otherwise known as the Public Land Act, which prescribes the substantive as well as the procedural requirements for acquisition of public lands. This law requires at least thirty (30) years of open, continuous, exclusive and notorious possession and occupation of agricultural lands of the public domain, under a bona fide claim of acquisition, immediately preceding the filing of the application for free patent. The rationale for the 30-year period lies in the presumption that the land applied for pertains to the State,

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51 *Supra.* note 44, at 780.
52 808 Phil. 408, 420 (2017).
53 348 Phil. 670 (1998).

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> and that the occupants and/or possessors claim an interest therein only by virtue of their imperfect title or continuous, open and notorious possession.[54]

Considering that at the time BFD AO No. 4-1369 was adopted, OCT No. 0-14, and TCT Nos. T-48269 and T-48724 were already issued, the respective titleholders had already acquired private rights over the subject property. Clearly, private ownership over Lot No. 1226-E-2-A was implicitly upheld by BFD AO No. 4-1369, placing such parcel of land beyond the administration of the then Bureau of Lands for further disposition.

To be clear, BFD AO No. 4-1369 was not the operative act by which the presumption of State ownership was overturned. Rather, according to *Espinosa* and *Cabrera*, Lot No. 1226-E, as well as its derivative Lot No. 1226-E-2-A, were clothed with the presumption of alienability and disposability as of the issuance of the OCT. The burden had then shifted to the State, to establish in reversion proceedings, that the contested property was declared land of the public domain prior to the issuance of the title in favor of private individuals.

Finally, the CA's *Bocase*[55] decision invoked by the Republic does not find application in this case. To begin with, the *Bocase* ruling does not bar the present action by *res judicata*. While the property subject thereof was purportedly derived from the same mass of land from which Lot No. 1226-E-2-A is also derived, the CA's disposition in *Bocase* did not cover the entirety of the mass of purported forest land but only a portion thereof distinct from the subject of the present controversy.

Neither is *Bocase* considered *stare decisis*. The doctrine becomes operative only when judicial precedents are set by pronouncements made by this Court, to the exclusion of other courts. While decisions of lower courts are logically or legally sound, the doctrine of *stare decisis* only applies to decisions issued by this Court as to form part of the legal system.[56]

Finally, even *Bocase* made a pronouncement which, by the standards of subsequent jurisprudence, defeats its applicability in the present proceedings:

> Apart from BFD Administrative Order No. 4-1369 issued on September 27, 1976, there is no showing that Lot No. 510 had been previously declassified through any official proclamation or positive act of the proper government agency.

From such premise and in the absence of any conclusive evidence regarding the property's classifications, the issuance of Decree No. 3609 and OCT No. 0-14 overturned the presumption of State ownership and

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54 *Id.* at 686. (Citations omitted, underscoring supplied)
55 *Supra* note 13.
56 *See United Coconut Planters Bank v. Spouses Uy*, 823 Phil. 284, 295 (2018).

accordingly clothed the property subject of this case with the presumption of alienability. Necessarily, Lot No. 1226-E-2-A must be considered under private ownership.

In conclusion, one of the primary and fundamental purposes of the registration of land under the Torrens system is to secure to the owner an absolute, indefeasible title, free from all encumbrances and claims whatsoever, except those mentioned in the certificate of title, and, so far as it is possible, to make the certificate issued to the owner by the court, absolute proof of such title.[57] As the Republic failed to discharge its burden to show that the properties subject of OCT No. 0-14, and its derivative titles TCT Nos. T-48269 and T-48724 belong to the public domain, private ownership thereon must be respected.

WHEREFORE, the Petition for Review is **DENIED**. The Decision dated June 8, 2009 of the RTC Davao City, Branch 16, in Civil Case No. 23,826-1995, is **AFFIRMED**. Accordingly, the validity of Original Certificate of Title No. 0-14, as well as its derivative titles Transfer Certificates of Title Nos. T-48269 and T-48724, is **UPHELD**.

SO ORDERED.

JHOSEP Y. LOPEZ
Associate Justice

WE CONCUR:

ALEXANDER G. GESMUNDO
Chief Justice

See Separate Concurring Opinion

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

AMY C. LAZARO-JAVIER
Associate Justice

MARIO V. LOPEZ
Associate Justice
(On wellness leave)

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57 *Roman Catholic Bishop of Lipa v. Municipality of Taal*, 38 Phil. 367, 375 (1918).

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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

FIRST DIVISION

G.R. No. 188587 — REPUBLIC OF THE PHILIPPINES, *petitioner, versus* **SPOUSES YU CHO KHAI and CRISTINA SY YU, ALFONSO L. ANGLIONGTO, JR., represented by FELICITAS YAP VDA. DE ANGLIONGTO, THE REGISTER OF DEEDS, DAVAO CITY, AGDAO RESIDENTS' ASSOCIATION, INC., NICOLAS P. SONALAN, and THE HEIRS OF SPOUSES AURELIO PIZARRO and FILOMENA PIZARRO, ET AL.,** *respondents.*

Promulgated:

NOV 23 2021

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SEPARATE CONCURRING OPINION

CAGUIOA, *J.*:

I concur in the result.

I agree that the Petition for Review on *Certiorari*[1] (Petition) should be denied. However, I submit that such denial is more appropriately anchored on the fact that Original Certificate of Title (OCT) No. 0-14[2] had been issued pursuant to a decree resulting from a compulsory cadastral proceeding initiated by the Republic of the Philippines (Republic).[3] To my mind, this fact constitutes positive evidence that the property subject of this case was already alienable and disposable at the time OCT No. 0-14 was issued.

I expound.

The case centers on a parcel of land situated in Davao City identified as Lot No. 1226-E covering an area of 39,044 square meters (subject property).

In this Petition, the Republic assails the June 8, 2009 Decision[4] (assailed Decision) of the Regional Trial Court of Davao City, Branch 16 (RTC), in Civil Case No. 23,826-1995. The assailed Decision dismissed the Republic's complaint which prayed for: (i) the cancellation of OCT No. 0-14 and its derivative transfer certificates of title (TCTs) issued in favor of respondents herein; and (ii) the reversion of the subject property in favor of the Republic.[5]

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1 *Rollo*, Vol. I, pp. 9-50.
2 Id. at 59-60.
3 See id. at 339.
4 Id. at 51-58. Penned by Presiding Judge Emmanuel C. Carpio.
5 Id. at 72.

The Republic elevated the case directly to the Court *via* Rule 45, raising pure questions of law. Here, the Republic maintains that the RTC gravely erred in dismissing its complaint since the subject property could not have been alienable and disposable at the time OCT No. 0-14 was issued to respondent-heirs' predecessors-in-interest on **July 20, 1950**, considering that Bureau of Forest Development Administrative Order (BFDAO) No. 4-1369[6] classifying the subject property as alienable and disposable was only issued on **September 27, 1976**. Hence, the Republic argues that the subject property was still part of the public domain at such time.[7]

The *ponencia* denies the Petition since the Republic failed to rebut the presumption that the subject property was already alienable and disposable upon issuance of OCT No. 0-14. Citing *Republic v. Espinosa*[8] and *Republic v. Cabrera*,[9] the *ponencia* holds:

> *First,* [BFDAO] No. 4-1369 does not constitute a positive act whereby the area covering [the subject property] was explicitly and conclusively declared as forest land. The Republic only proffers as negative evidence the pronouncement of [the subject property] as alienable and disposable to conclude that the same was not alienable and disposable prior to the issuance of [BFDAO] No. 4-1369. This only begs the question. As instructed by *Espinosa* and *Cabrera*, the Republic must have presented an executive proclamation that the land was inalienable land of the public domain prior to Decree No. 3609 and the issuance of OCT No. 0-14 on July 20, 1950. The Republic presented no such evidence in the instant proceedings. Hence, [the Court] cannot retrospectively apply the Regalian doctrine so as to sweep away OCT No. 0-14 and its derivative titles x x x. As cautioned in *Espinosa,* "[t]o allow a reversion based on a classification made at the time when the property was already declared private property by virtue of a decree would be akin to expropriation of land without due process of law."
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> *Second,* the declaration in [BFDAO] No. 4-1369 was explicitly made "subject to private rights, if any there be[.]" x x x[10]

As stated at the outset, I submit that the denial is more appropriately anchored on the fact that OCT No. 0-14 stemmed from a decree of registration issued in a compulsory cadastral proceeding filed by the Republic pursuant to Act No. 2259.[11]

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6 Id. at 65. BFDAO No. 4-1369 reads, in part:

> x x x Pursuant to the provisions of Section 1827 of the Revised Administrative Code, I hereby declare as alienable or disposable and place the same under the control of the Bureau of Lands for administration and disposition in accordance with the Public Land Act, subject to private rights, if any there be and to the conditions herein specified, the portions of the public domain situated in the City of Davao x x x which are designated and described as alienable or disposable on Bureau of Forest Development Map LO-2852.

7 See id. at 34.

8 808 Phil. 408 (2017).

9 820 Phil. 771 (2017).

10 *Ponencia*, p. 10.

11 AN ACT PROVIDING CERTAIN SPECIAL PROCEEDINGS FOR THE SETTLEMENT AND ADJUDICATION OF LAND TITLES, otherwise known as the CADASTRAL ACT, February 11, 1913.

The relevant portions of Act No. 2259 state:

> SECTION 1. Whenever, in the opinion of the Governor-General, the public interests require that the titles to any lands be settled and adjudicated, upon the order of the Governor-General, the Director of Lands or the private surveyor named by the landowners, if the Director of Lands approves, shall make a survey and plan of such lands. The Director of Lands shall give notice to persons claiming an interest in the lands, and to the general public, of the day on which such survey will begin, giving as full and accurate a description as possible of the lands to be surveyed. x x x
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> x x x x
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> SECTION 9. Any person claiming any interest in any part of the lands, whether named in the notice or not, shall appear before the court by himself, or by some person in his behalf and shall file an answer on or before the return day or within such further time as may be allowed by the court. x x x
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> x x x x
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> SECTION 11. The trial of the case may occur at any convenient place within the province in which the lands are situated or at such other place as the court, for reasons stated in writing and filed with the record of the case, may designate, and shall be conducted in the same manner as ordinary trials and proceedings in the Court of Land Registration, and shall be governed by the same rules. Orders of default and confession shall also be entered in the same manner as in ordinary cases in the same court and shall have the same effect. **All conflicting interests shall be adjudicated by the court and decrees awarded in favor of the persons entitled to the lands or the various parts thereof, and such decrees, when final, shall be the basis for original certificates of title in favor of said persons, which shall have the same effect as certificates of title granted on application for registration of land under the Land Registration Act**, and except as herein otherwise provided all of the provisions of said Land Registration Act, as now amended, and as it hereafter may be amended, shall be applicable to proceedings under this Act, and to the titles and certificates of title granted or issued hereunder. (Emphasis and underscoring supplied)

A cadastral proceeding under Act No. 2259 is initiated by the State precisely for the purpose of adjudicating and settling title over land when public interest so requires. Hence, instead of waiting for individual claimants to file their respective applications for registration, the State initiates a cadastral proceeding to settle claims over a specific parcel of land.

With respect to private claimants, the cadastral proceeding may result in either of two outcomes. First, the cadastral court may issue a decision declaring the land in question, or any part thereof, as part of the public domain should the private claimant/s concerned fail to show acquisition by any of the legal modes under law.[12] Second, the cadastral court may issue a decree of registration in favor of the private claimant/s concerned should the

[12] See *Director of Lands v. Court of Appeals*, G.R. No. 45061, November 20, 1989, 179 SCRA 522, 527.

latter prove acquisition of the land in question or any portion thereof by any of the legal modes of acquisition under law.

In this light, it becomes clear that the institution of a cadastral proceeding under Act No. 2259 and the consequent recognition of a private claim through a decree of registration issued in favor of the successful claimant/s, when taken together, serve as positive evidence that the land subject of said decree was alienable and disposable at the time the decree and the resulting Torrens title were issued. In the absence of controverting evidence, these facts should be sufficient to preclude reversion in favor of the Republic.

The records show that this is the precise scenario contemplated in this Petition. As narrated by respondents:

> After almost 70 years of possession and cultivation of the land in question by Pizarro and their predecessors-in-interest, the [Republic], through the President of the Philippines and the Director of Lands, by authority of Sections 1 and 5 of the Cadastral Act (Act 2259) x x x conducted a cadastral survey on the land, prepared the cadastral plan, the cadastral plotting, and [instituted] compulsory cadastral proceedings against the holders, claimants, possessors, or occupants of the land in question.
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> Thus, Aurelio Pizarro and his sisters[13] filed their answer thereto; and on March 4, 1950 after due hearing, the [c]adastral [c]ourt in Cad. Case No. 1, G.L.R.O. Cad. Record No. 317 issued Decree No. 3609, whereunder [the predecessors-in-interest of respondent-heirs] were declared the owners in fee simple of the undivided shares of the land aforesaid, now designated as Lot 2015, before Lot 1226-E of the cadastral survey of Davao. In consequence thereof, OCT No. 0-14 was issued in their names.[14]

Hence, as stated at the outset, my concurrence is primary anchored on the fact that OCT No. 0-14 had been issued as a result of a decree issued in a compulsory cadastral proceeding. As stated, such fact constitutes positive evidence that the subject property had been classified as alienable and disposable at the time of the issuance of OCT No. 0-14.

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

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13 Predecessors-in-interest of respondent-heirs.

14 *Rollo*, Vol. I, pp. 344-345.