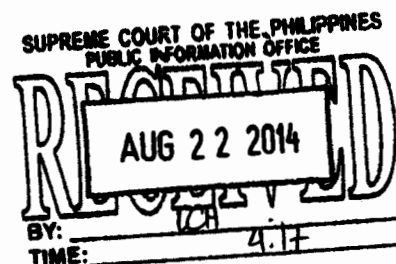




Republic of the Philippines  
Supreme Court  
Manila

FIRST DIVISION



NOTICE

Sirs/Mesdames:

*Please take notice that the Court, First Division, issued a Resolution dated July 23, 2014 which reads as follows:*

***“G.R. No. 182115 –PUERTO AZUL LAND, INC., Petitioner, v. REPUBLIC OF THE PHILIPPINES, Respondent.*”**

Petitioner Puerto Azul Land, Inc. (PALI) appeals the decision promulgated on August 30, 2007,<sup>1</sup> whereby the Court of Appeals (CA) set aside the judgment rendered in LRC Case No. NC-578 by the Regional Trial Court (RTC) in Naic, Cavite ordering the Land Registration Authority to issue “the corresponding decree of registration and certificate of title in the name of Puerto Azul land, Inc.”

The factual and procedural antecedents are summarized by the CA in its assailed decision, as follows:

On 8 April 1994, Dr. Rebecca Panlilio (“Panlilio”) filed before the court *a quo* an application for registration of two parcels of land situated in Barrio Sapang, Ternate, Cavite and described as Plan SWO-042121-003485-D and Plan SWO-042121-003486-D with areas of one hundred eighty thousand one hundred six (180,106) sq. m. and thirty three thousand two (33,002) sq. m., respectively. The case was docketed as LRC Case No. NC 578. Panlilio alleged, among others, that he and his predecessors-in-interests were in open, public, notorious and continuous possession of the said parcels of land and in the concept of owners since time immemorial and cultivated the same for agricultural purposes. There is no mortgage or encumbrance of any kind whatsoever affecting said parcels of land nor any other person having legal or equitable interest therein. Panlilio acquired subject parcels of land from Trinidad Diaz-Enriquez pursuant to a Deed of Sale dated 7 April 1994

<sup>1</sup> *Rollo*, pp. 48-75; penned by Associate Justice Japar B. Dimaampao, and concurred by Associate Justice Mario L. Guariña (retired) and Associate Justice Romeo F. Barza.

who, in turn, acquired the same through purchase from Ricardo Perena, Remedios Perena-Panganiban and Celsa Resplandor-Aure on 6 April

On 26 July 1994, while the application for registration was pending before the court *a quo*, Panlilio sold the parcels of land subject of registration to PALI. Upon motion, PALI was substituted as party applicant in lieu of Panlilio. Thereafter, trial on the merits ensued.

In its *Judgment* dated 24 January 1995, the court *a quo* granted PALI's application ruling that PALI had adduced sufficient evidence to establish its registrable rights over the land. The court *a quo* further directed the Commissioner of the Land Registration Authority to issue the corresponding decree of registration and certificate of title in the name of PALI. The pertinent portion of the *Judgment* reads as follows:

'Collectively, and without meeting any opposition, adverse claim and the like, from private sector and the government, most especially from the Land Registration Authority and the Director of Lands, with particular attention to the certification by the Lands Management Bureau, Manila and Community Environment and Natural Resources Office at Trece Martires City, that SWO-042121-003485-D and SWO-042121-003486-D, both of Ternate, Cavite are not covered by Free Patent application x x x; that after verification, plan SWO-042121-003485-D and [plan] SWO-042121-003486-D do not overlap with plan Ces-04-000724-D x x x, **uncovering the foregoing details and determinations suffice a conclusion that applicant has ample title to the above-mentioned two (2) parcels of land proper for registration and confirmation.**

In fact, the hearing trial prosecutor designated by the Solicitor General interposed no objection to the application and further moved that he will not present any controverting evidence against the applicant x x x.

For having offered in evidence (Exh. H) that applicant conveyed the aforesaid parcels of land in favor of Puerto Azul Land, Inc. executed on July 26, 1994 which appears apparently valid and enforceable for all legal purposes, let the decree of registration be, as it is hereby Ordered, issued to Puerto Azul Land, Inc. with principal office address at 15<sup>th</sup> Flr., PCIB Tower II, Makati Avenue corner H.V. de la Costa Street, Salcedo Village, Makati, Metro Manila (now chartered city).

Wherefore, upon finality of this Judgment, the Commissioner of the Land Registration Authority, Quezon City, is hereby Ordered to issue the corresponding decree of registration and certificate of title in the name of Puerto Azul land, Inc.

SO ORDERED.' (Emphasis supplied)

The aforesaid decision became final and executory on 14 March 1995. Consequently, **OCT No. 0-2962** (Decree of Registration No. N-211669- Plan SWO-042121-003486-D with an area of 33,002 sq.m.) and **OCT No. 0-2961** (Decree of Registration No. 211668- Plan SWO-042121-003485-D with an area of 180,106 sq. m.) were issued in the name of PALI.

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77-A



On 4 September 1997, petitioner Republic of the Philippines (“Republic”), represented herein by the Director of the Lands Management Bureau, through the Office of the Solicitor General filed before the [CA] a *Petition for Annulment of Title and Reversion of Land* seeking to (1) annul and set aside the court *a quo*'s *Judgment* dated 24 January 1995; (2) cancel OCT No. 0-2961 issued to PALI for being null and void; and (3) revert back to the public domain the said land covered by OCT No. 0-2961.

In its *Comment*, PALI moved for the outright dismissal of the *Petition* asserting that: (1) the *Petition* was in the nature of a reversion suit, original jurisdiction of which lies with the regional trial court; (2) it was fatally defective for failure to comply with Section 1, Rule 47 of the 1997 Rules of Civil Procedure; and, (3) the Republic, as petitioner, was guilty of forum shopping because an amended complaint against PALI was previously filed before the Sandiganbayan and docketed as Civil Case No. 0175.

In a *Resolution* dated 8 October 1998 of [the CA's] Former Special Fourteenth Division, [the CA] gave due course to the *Petition* and set the case for pre-trial conference.

Undaunted, PALI assailed the aforesaid *Resolution* before the Supreme Court through a *Petition for Certiorari* docketed as G.R. No. 136344. However, in its *Resolution* dated 14 July 1999, the Supreme Court denied the said *Petition* and directed [the CA's] Former Fourteenth Division to proceed with the case expeditiously, thus:

‘Having found that the appellate court committed no error in not dismissing the petition for annulment of judgment, the filing of this petition with this Court is premature. We need not discuss the indefeasibility of OCT No. 0-2961, which is an issue that should be threshed-out before the appellate court.

**WHEREFORE**, we **DENY** the petition. Let the proceedings in CA-GR SP No. 45174 proceed with deliberate dispatch.’

PALI's motion for reconsideration thereof was denied in a *Resolution* dated 23 August 1999.<sup>2</sup>

Hence, PALI is now appealing, insisting that: (a) the CA had no jurisdiction over the Republic's petition for annulment of title and reversion of land; (b) the title based on the decree of registration in favor of the petitioner had become incontrovertible after the lapse of one year; and (c) the Republic was guilty of forum shopping due to the complaint filed by the Republic against PALI in the Sandiganbayan.<sup>3</sup>

We deny the petition for review on *certiorari*.

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<sup>2</sup> Id. at 49-52.

<sup>3</sup> Id. at 17.

In the resolution in G.R. No. 136344,<sup>4</sup> the Court ruled that the CA had properly taken cognizance of the petition for annulment of title and reversion of land filed by the Republic.<sup>5</sup> With the Court having already ruled on the matter with finality, we need not anymore consider and pass upon whether or not the CA validly took cognizance of the petition for annulment of title and reversion.

On whether or not PALI's title already attained indefeasibility because of the lapse of more than one year from the RTC's judgment ordering the issuance of the certificates of title in its favor, it is enough to mention that the right of the State to recover inalienable lands mistakenly registered under private ownership is imprescriptible.<sup>6</sup> We agree with the CA that any certificate of title issued to cover a parcel of land that was inalienable was a nullity. According to *Collado v. Court of Appeals*,<sup>7</sup> the possession of inalienable lands could not ripen into private ownership.<sup>8</sup> Consequently, any title erroneously issued to confirm ownership of inalienable lands should be struck down as null and void.

Lastly, we find the allegation of forum shopping by the respondent to be unfounded. The two actions were distinct and separate from one another. To start with, the subject matter of this action was different from that stated in the amended complaint of the PCGG. The real properties subject of the respondent's petition in the CA were covered by original certificates of titles (OCT), specifically: OCT No. 0-2961 and OCT No. 0-2962, but the subject matter of the action in the Sandiganbayan were lands covered by transfer certificates of title (TCT), as borne out in the excerpts from the prayer for reliefs contained in the complaint thereat, to wit:

WHEREFORE, the foregoing considered, it is respectfully prayed of the Honorable [Sandiganbayan] to act as follows:

x x x x

7. Following trial on the merits, the Honorable [Sandiganbayan] render judgment as follows:

7.1 Under the first cause of action, holding defendants PANLILIOS, PALI, TDC, MSDC and ODMC as solidarily liable to account for, return or reconvey the parcels of land with an aggregate area of 338 hectares, more or less, located in Ternate, Cavite and covered by such transfers certificates of title (TCT) issued by the Register of Deeds for the Province of Cavite, as follows:

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<sup>4</sup> Id. at 195-197.

<sup>5</sup> Id.

<sup>6</sup> *Martinez v. Court of Appeals*, G.R. No. L-31271, April 29, 1974, 56 SCRA 647, 655.

<sup>7</sup> G.R. No. 107764, October 4, 2002, 390 SCRA 343.

<sup>8</sup> Id. at 364.

TCT nos. 404201, 404202, 404203, 404204, 404432, 404433, 404434, 404435, 498127 to 498282 (derived from 496600), 496573, 496596, 496598, 496579, 496578, 496586, 496593, 496594, 496582, 496583, 515075, 515076, 546239 and 598340 to 598601 (which is derived from 496590) and any and all titles which have been derived from the foregoing enumerated titles.<sup>9</sup>

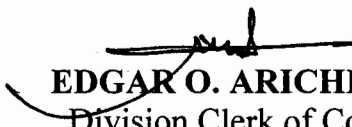
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And, secondly, the petition in the CA sought to annul OCT No. 0-2961 and OCT No. 0-2962 on the ground of the land registration court's lack of jurisdiction over inalienable lands of the public domain, but the complaint in the Sandiganbayan challenged the transfer of the properties subject of the action for being in violation of the PCGG's sequestration order. Clearly, the two cases did not arise from the same transaction or occurrence, and had no identity of causes of action.

**WHEREFORE**, the Court **DENIES** the petition for review on *certiorari*; **AFFIRMS** the decision promulgated on August 30, 2007; and **ORDERS** the petitioner to pay the costs of suit.

**SO ORDERED.”**

Very truly yours,

  
**EDGAR O. ARICHETA**  
Division Clerk of Court

677-A

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Supreme Court

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(LRC Case No. NC-578)

SR

Court of Appeals (x)  
Manila  
(CA-G.R. SP No. 45174)

The Solicitor General (x)  
Makati City

Public Information Office (x)  
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Supreme Court  
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No. 12-7-1-SC)

<sup>9</sup> *Rollo*, pp. 157, 159.