

THIRD DIVISION

[G.R. No. 135527, October 19, 2000]

SPOUSES GEMINIANO AND AMPARO DE OCAMPO AND SPOUSES PEDRO AND CRISANTA SANTOS, PETITIONERS, VS. FEDERICO ARLOS, MARY ARLOS, TEOFILO OJERIO AND BELLA OJERIO, RESPONDENTS.

D E C I S I O N

PANGANIBAN, J.:

Under the Public Land Act as amended, only titles to *alienable and disposable* lands of the public domain may be judicially confirmed. Unless a public land is reclassified and declared as such, occupation thereof in the concept of owner, no matter how long ago, cannot confer ownership or possessory rights. A suit for the reversion of such property to the State may be instituted only by the Office of the Solicitor General (OSG).

The Case

Before us is a Petition for Review on *Certiorari* assailing the August 28, 1998 Decision^[1] of the Court of Appeals (CA) in CA-GR CV No. 52048, the decretal portion of which reads as follows:^[2]

"ACCORDINGLY, for want of merit, the appeal is *DENIED* and the challenged Decision dated 26 November 1993 of the Regional Trial Court, Branch 2, Balanga, Bataan, is *AFFIRMED*. No costs."

The affirmed Decision^[3] of the Regional Trial Court (RTC) ruled on the following: (1) Land Registration Case No. N-340, filed in 1977 for confirmation of respondent's title to three parcels of land; and (2) Civil Case No. 4739, filed in 1981 for cancellation of petitioners' Sales Patents and Transfer Certificates of Title covering two of the said lots. The dispositive portion of the RTC Decision reads:^[4]

"ACCORDINGLY, judgment is hereby rendered: I. In Civil Case No. 4739 -

1. Ordering the cancellation of Sales Patent Nos. 5387 and 5388 as well as Transfer Certificate of Title Nos. T-43298 and T-44205 in the names of [herein petitioner-]spouses Geminiano de Ocampo and Amparo de Ocampo and x x x Pedro Santos and Crisanta Santos.
2. Taking judicial cognizance of the decision in Civil Case No. 3769, which ordered the cancellation of Free Patent Nos. 522697 and 502977 as well as Original Certificate of Title Nos. 296 and 297, which decision has already become final and executory;
3. Ordering [Petitioners] Geminiano de Ocampo and Amparo de Ocampo and x x x Pedro Santos and Crisanta Santos to pay jointly and severally to the plaintiffs

attorney's fees in the sum of fifty thousand pesos (P50,000.00) and the costs of suit.

II. In Land Registration Case No. N-340 -

1. Confirming [herein respondents'] title [to] the land subject of registration and ordering the registration thereof in the names of [Respondent] Teofilo D. Ojerio, of legal age, Filipino, married to Bella V. Ojerio and a resident of Cabcaben, Mariveles, Bataan - ½ share; and Cecilia P. Arlos, Jose P. Arlos, Gloria P. Arlos, Luisito P. Arlos, all of legal age, Filipinos, single and residents of 500-A, Fifth Avenue corner Baltazar Street, Grace Park, Caloocan City, Metro Manila, and Alberto U. Arlos, minor, Filipino, and a resident of 500-A, Fifth Avenue corner Baltazar Street, Grace Park, Caloocan City, Metro Manila - ½ share; and
2. As soon as this decision becomes final and executory, let an order for the issuance of the corresponding decrees be issued.

SO ORDERED."

The Facts

The undisputed facts are quoted by the CA from the RTC judgment, as follows:^[5]

"On 14 April 1977, Federico S. Arlos and Teofilo D. Ojerio filed an application for registration, docketed as Land Registration Case No. N-340, wherein they seek judicial confirmation of their titles [to] three parcels of land, namely: (1) a parcel of land covered by SGS 4140 [PLAN] with an area of 226,105 square meters; (2) a parcel of land identified as Lot 1, SGS 41241 [PLAN] with an area of 111,333 square meters; and (3) a parcel of land identified as Lot 2, SGS 4141 [PLAN] with an area of 63,811 square meters, all located at Cabcaben, Mariveles, Bataan, and having a total area of 401,159 square meters or 40.1159 hectares.

"Spouses Geminiano de Ocampo and Amparo De Ocampo and spouses Pedro Santos and Crisanta Santos opposed the application for registration, alleging that they are the co-owners of Lots 1 and 2 of Plan SGS 3062, situated at Cabcaben, Mariveles, Bataan, and their ownership is evidenced by Transfer Certificate of Title Nos. T-43298 and T-44205, and that they became owners of said lots by purchase from the government through sales patents.

"The Republic of the Philippines also opposed the application, contending that neither the applicants nor their predecessors-in-interests have been in open, continuous, exclusive and notorious possession and occupation of the lands in question for at least 30 years immediately preceding the filing of the application; and that the parcels of land applied for are portions of the public domain belonging to the Republic of the Philippines not subject to private appropriation.

"Spouses Placido Manalo and Rufina Enriquez and spouses Armando Manalo and Jovita Baron also opposed the application for registration.

"Almost four years after the filing of the land registration case or, to be exact, on 20 February 1981, applicant Arlos and his spouse, Mary Alcantara Arlos, and applicant Ojerio and his spouse Bella V. Ojerio, filed Civil Case No. 4739, seeking to cancel; (1) the free patent title of defendants-spouses Placido Manalo and Rufina Enriquez, that is, Original Certificate of Title (OCT) No. 296-Bataan, covering Lot, 1, Plan F-(III-4) 508-D with an area of 155,772 square meters, and Lot 2, same plan, containing an area of 43,089 square meters, or a total area of 198,861 square meters or 19.8861 hectares; (2) the free patent title of defendants Armando Manalo and Jovito Baron, that is, OCT No. 297-Bataan, covering Lot, 1, F-(III-4) 510-D with an area of 72,065 square meters or 7.2065 hectares; and (3) the sales patent title of defendants-spouses Geminiano de Ocampo and Amparo de Ocampo and defendants-spouses Pedro Santos and Crisanta Santos, that is, Transfer Certificate of Title Nos. T-44205-Bataan with an area of 225,011 square meters or 22.5011 hectares, and T-43298-Bataan with an area of 111,333 square meters or 11.1333 hectares.

"In the Order dated 31 July 1991 of the RTC, Branch 1, Balanga, Bataan, Civil Case No. 4739 which was then assigned to said Branch was ordered consolidated with the land registration cases assigned to Branch 2.

"Of relevance to this case on appeal is the Decision of the Supreme Court dated 26 April 1989 in G.R. 64753 involving Civil Case No. 3769 entitled '*Spouses de Ocampo et al. v. Manalo, et al.*' which annulled the free patent titles of the spouses Manalo and declared as valid the sales patent title issued in favor of the spouses De Ocampo and spouses Santos involving the same properties subject of this appeal."

Ruling of the Court of Appeals

Affirming the factual findings of the trial court, the CA ruled that petitioners had failed to comply with the Public Land Act, which required sales patent applicants to be the actual occupants and cultivators of the land. It held that the testimonies of petitioners, which were "incongruous with reality," bolstered the "finding that [they had] never occupied, cultivated or made improvements on the property." It explained:

"On the basis of its own findings, the trial court, after evaluating the evidence presented, concluded that [herein respondents] and their predecessors-in-interest were in actual possession of the subject lands in 1947 and continuously up to the present. In contrast, the checkered testimonies of [petitioners] reveal that they have never been in possession of the lands. And because of the absence of the actual occupancy on their part, the sales patents and titles issued in their favor are null and void citing therein the ruling in *Republic v. Mina* (114 SCRA 946) that 'the alleged misrepresentation of the applicant that he had been occupying and cultivating the land are sufficient grounds to nullify the patent and title under Section 9 of the Public Land Laws.'

"On this particular note, we find no reason to disturb the factual findings of the trial court. x x x."^[6]

Debunking petitioners' reliance on *Manalo v. IAC and de Ocampo*,^[7] the CA ratiocinated as follows:

"[Herein respondents] do not challenge the Decision of the High Court dated 26 April 1989 in GR No. 64753 which annulled the free patent titles of defendants-appellants Manalos and granted the issuance of sales patent titles of [Petitioners] De Ocampos and Santosos.

"What is being disputed is that the issuance of the sales patents of the subject property in favor of the Santosos and the De Ocampos was allegedly tainted by fraud and misrepresentation on their part by misrepresenting themselves to be actual occupants of the subject properties when in fact the subject properties were being actually occupied by the [respondents] since 1947 way back when the land still formed part of the military reservation and further on when it was declared to be public agricultural land. x x x."^[8]

Hence, this Petition.^[9]

The Issues

In their Memorandum, petitioners submit the following issues for our consideration:
^[10]

"I

Whether or not the Court of Appeals committed an error in disregarding the Decision of the Supreme Court in G.R. No. 64753 entitled, 'Placido Manalo, et al. vs. Spouses Geminiano de Ocampo and Amparo de Ocampo, et al.,' wherein the validity and legality of petitioners' TCT No. T-44205 and TCT No. T-43298 [pertaining to] the land in dispute were upheld.

"II

Whether or not the Court of Appeals committed an error in ordering the cancellation of petitioners' Sales Patent as well as TCT Nos. T-43298 and T-44205 considering that private respondents are not the proper party to institute the action for annulment of petitioners' titles [to] the lots.

"III

Whether or not the Court of Appeals committed an error in ruling that petitioners committed an act of misrepresentation in their Application for Sales Patent.

"IV

Whether or not the Court of Appeals committed an error in ordering petitioners to pay private respondents the amount of P50,000.00 representing attorney's fees." In short, petitioners ask this Court to determine the propriety of (1) the registration of respondents' title under the Public Land Act and (2) the cancellation of petitioners' Sales Patents and Transfer Certificates of Title (TCTs).