

THIRD DIVISION

[G.R. No. 127022, September 02, 1999]

FIRESTONE CERAMICS, INC., BOOMTOWN DEVELOPMENT CORPORATION, SPOUSES CYNTHIA D. CHING AND CHING TIONG KENG, SPOUSES CARMEN SOCO AND LORENZO ONG ENG CHONG ,SPOUSES SOLEDAD B. YU AND YU SY CHIA AND LETICIA NOCOM CHAN, PETITIONERS, VS. COURT OF APPEALS, LORENZO J. GANA, PATROCINIO E. MARGOLLES, ALICE E. SOTTO, VIRGINIA E. VILLONGCO, EDGARDO C. ESPINOSA, LUCIA E. LAPERAL, NORMA C. ESPINOSA, TERESITA E. CASAL, PELTAN DEVELOPMENT, INC., REGIONAL TRIAL COURT (FORMERLY CFI OF RIZAL) AND THE REGISTER OF DEEDS OF LAS PIÑAS, METRO MANILA, RESPONDENTS. ALEJANDRO B. REY, PETITIONER-INTERVENOR.

[G.R. NO. 127245. SEPTEMBER 2, 1999]

REPUBLIC OF THE PHILIPPINES, REPRESENTED BY THE DIRECTOR, LAND MANAGEMENT BUREAU, PETITIONER, VS. HON. COURT OF APPEALS, LORENZO J. GANA, PATROCINIO E. MARGOLLES, ALICE E. SOTTO, VIRGINIA E. VILLONGCO, EDGARDO C. ESPINOSA, LUCIA A. LAPERAL, NORMA C. ESPINOSA, TERESITA E. CASAL, PELTAN DEVELOPMENT INC., THE REGIONAL TRIAL COURT (FORMERLY CFI) OF RIZAL, AND THE REGISTER OF DEEDS OF LAS PIÑAS, METRO MANILA, RESPONDENTS.

DECISION

GONZAGA-REYES, J.:

These consolidated cases originated from the decision^[1] rendered by the respondent Court of Appeals in CA-G.R. SP No. 36280 entitled Republic of the Philippines, represented by the Director, Land Management Bureau, petitioner, against Lorenzo J. Gana, Patrocinio E. Margolles, Alice E. Sotto, Virginia E. Villongco, Edgardo C. Espinosa, Lucia A. Laperal, Norma C. Espinosa, Teresita E. Casal, Peltran Development, Inc. and the Register of Deeds of Las Piñas, Metro Manila, respondents, an action for annulment of judgment of the decision of the then Court of First Instance of Rizal in LRC Case No. 672, GLRO Record No. 30406.

The facts of the case as summarized by the respondent Court of Appeals, are as follows^[2]:

“The parcel of land involved in this case is located in Tindig na Mangga, Las Piñas, Metro Manila, with an area of 996,175 square meters, more or less, and covered by Original Certificate of Title No. 4216.

Alleged, among others, in the petition are that:

"5. The Municipality of Las Piñas, Rizal, now Metro Manila, was originally classified as a forest land and out of 2,556 hectares comprising it, 1,200 hectares were declared A and D lands in 1928 under LC Map No. 766, Project 13. The rest of the municipality was declassified as forest land and declared A and D lands only on January 3, 1968 under LC Map No. 2623, Project 13-A, pursuant to FAO No. 4-1141.

"6. It appears that on March 26, 1929, the spouses Lorenzo J. Gana and Maria Juliana Carlos obtained a certificate of title over 996,175 square meters of land located in Tindig na Mangga, Las Piñas, Metro Manila, under OCT No. 4216.

"7. The land covered by said title was purportedly surveyed on November 17, 1925 under plan Psu-49273, approved on May 12, 1926; that in 1927, they filed an application for registration of said land; that the case was docketed as Land Registration Case No. 672, Record No. 30406; and that allegedly on the basis of the decision rendered therein (see Certification re unavailability of copy of decision, Annex B), Decree No. 351823, OCT No. 4216 was issued on March 26, 1929 to the aforesaid spouses.

"8. On the basis of investigations conducted by the then Bureau of Lands, now Lands Management Bureau, it was found that the property covered by OCT No. 4216 was, at the time of its issuance on March 26, 1929, still formed part of the forest zone and, hence, incapable of registration as private property.

"8.1. Thus, it was only on January 3, 1968 when that portion of the Municipality of Las Piñas, which includes the property embraced by OCT No. 4216, was declassified from its category as forest land and declared A and D land under LC Map No. 2623, Project 13-A, pursuant to FAO No. 4-1141.

"8.2. Even assuming, however, that the same property was included in the area declared as A and D land in 1928 under LC Map No. 766, Project 13, still it could not be the subject of registration since possession thereof prior to 1928, when it was still within the forest zone, could not ripen into private ownership."

Private respondent Virginia E. Villongco, in behalf of the other private respondents filed a "MANIFESTATION WITH MOTION TO DISMISS" alleging that the issue raised in this petition which is the validity of OCT No. 4216 has already been passed upon by the Supreme Court in two cases: G.R. No. 109490

entitled "Patricinio E. Margolles, et al. vs. Court of Appeals, et al." decided in their favor on February 14, 1994 and G.R. No. 112036 entitled "Golden Rod, Inc. vs. Court of Appeals, et al. wherein the petition which questions the validity of OCT No. 4216 was denied.

Private respondent PELTAN DEVELOPMENT, INC., thru counsel filed a motion to dismiss on the grounds that:

I

THIS HONORABLE COURT HAS NO JURISDICTION OVER THE SUBJECT MATTER OR NATURE OF THE PRESENT ACTION OF THE GOVERNMENT.

II

THE VENUE OF THE PRESENT ACTION OF THE GOVERNMENT IS IMPROPERLY LAID BEFORE THIS HONORABLE COURT.

III

THE PRESENT ACTION OF THE GOVERNMENT IS BARRED BY PRIOR JUDGMENT AND/OR BY STARE DECISIS.

In the private respondent's Supplemental Motion to Dismiss an additional reason for the dismissal of the petition is that:

"failure to attach to the petition a certified true copy of the decision sought to be annulled is a fatal defect for the Court has no basis on which to rule that the alleged judgment is null and void.

The petitioner claims that the said judgment is fatally defective in that it ordered the registration of forest land in the name of the Gana spouses.

Indeed, such claim may be a mere conjecture as there is no copy of the questioned decision which this Court could examine in order to determine why such judgment is null and void. As pointed out by the private respondents, what if the decision stated that the land is alienable and disposable public land, or that the Director of Land and Director of Forestry did oppose the Gana spouses' aforesaid application for registration but failed to prove that it was forest land or that the Gana spouses submitted a valid title under the Spanish regime or that they were already owners of the said parcel of land upon the transfer of sovereignty from Spain to the United States of America.

Before this Court in the present proceedings, was filed a motion for leave to intervene by Firestone Ceramics, Inc., Boomtown Development Corporation, Spouses Cynthia Ching and Ching Tiong Keng, Spouses Carmen Soco and Lorenzo Ong Eng Chong, Spouses Soledad Yu and Yu Sy Chia and Leticia Nocom Chan. They claim that they have a direct and material interest in the property under litigation because they own 18.8 hectares more or less thereof, covered by various titles in their names derived from the decision of the then Court of First Instance of Rizal dated July 22, 1969 in Land Registration Case No. N-6625 in which OCT No. A-S-47 was issued, and the said portion of 18.8 hectares within OCT No. 4216 must be excluded from the area to be reverted to the government, and if the position of the government is upheld, and OCT No. 4216 is nullified, their titles "become the only title to the 188,254 square meters in litigation."

Private respondents opposed the aforesaid motion for intervention on the ground that the movants' said titles, derived from OCT No. A-S-47, were nullified in the decision of the Supreme Court in G.R. No. 109490 entitled "Patrocinio Margolles, et al. v. Court of Appeals, et al." (230 SCRA 97) which decision is final and in view of such finality, the titles of the movants can no longer be revived.

A motion for leave to admit attached complaint in intervention was also filed by intervenor Alejandro Rey adopting the government's petition seeking the nullification of private respondents' title based on OCT No. 4216, without prejudice to his free patent application over a portion of the land covered by the private respondents' titles.

Private respondents also opposed the complaint for intervention of Alejandro Rey for the reason that there is a pending case filed by him against private respondents in Civil Case No. LP-8852-P before the Regional Trial Court of Pasig and having chosen such forum to ventilate his complaint he should not be allowed to participate in this case."

On June 28, 1996, the respondent Court rendered the assailed decision, the dispositive portion of which reads as follows:[3]

"WHEREFORE, THE PETITION IS DISMISSED FOR LACK OF MERIT. THE MOTION FOR INTERVENTION OF FIRESTONE CERAMICS, INC., ET AL. AND THE COMPLAINT FOR INTERVENTION OF ALEJANDRO REY, ARE LIKEWISE DENIED. NO PRONOUNCEMENT AS TO COSTS."

Motions for reconsideration were filed by petitioner, movant-intervenor Firestone Ceramics, et al. and movant-intervenor Alejandro Q. Rey, however, the respondent Court denied for lack of merit all the motions in a Resolution dated October 28, 1996.[4]

Petitioners Firestone Ceramics, Inc., et al., and petitioner-intervenor Alejandro Q. Rey, filed their respective petitions for review from the decision of the respondent Court which were docketed as G.R. No. 127022. Petitioner Republic also filed its petition for review with this Court which was docketed as G. R. No. 127245. Petitioner Republic's motion for the consolidation of these two (2) cases on the ground that the two cases involve interrelated issues and a common set of facts was granted in our Resolution dated July 9, 1997.

G. R. No. 127022:

In G.R. No. 127022, Petitioners Firestone Ceramics, Inc., et al., filed their petition for review assailing the decision of the respondent Court dated June 28, 1976 in CA-G.R. CV No. 36280 denying petitioners' motion for leave to intervene and the resolution dated October 28, 1996, denying petitioners' motion for reconsideration.

Petitioners Firestone Ceramics, Inc., et al., support the petition filed by the government through the Office of the Solicitor General for the annulment of OCT No. 4216, recovery of possession and reversion alleging that it is reasonable and logical to defend the government's case because it is upon the success thereof where their fate and fortune depended; that although petitioners as defeated parties in G.R. No. 109490 (Margolles case) are bound to comply with the said decision, they should be allowed to intervene because they still have a direct and material interest in the outcome of the instant case since in the event that the government succeeds in annulling the title of the respondents, petitioners' titles, which emanated from OCT A-S-47 issued by virtue of the decision in Land Registration Case No. 6625, after the declassification of subject land from its category as forest land and its declaration as alienable and disposable land, would be valid, and their titles become the only titles to the extent of 188,424 square meters portion of the subject land which should be excluded from the total portion of the property to be reverted to the government.

Alejandro Q. Rey also filed his petition for review in intervention from the respondent Court's decision denying his complaint for intervention. Alejandro Rey alleges that he has a legal interest in the instant case filed by the government against private respondents because the cancellation of the latter's titles would pave the way for his free patent application, thus he has to intervene and join the government in seeking the cancellation of private respondents' titles. Petitioner-intervenor Rey also alleges that the complaint he filed with the Regional Trial Court of Pasay City seeking the annulment of the titles of private respondents is not a bar to his intervention in this case because no incompatibility exists between the two cases; that petitioners found it imperative to intervene in this instant case not only to protect his interest but in order not to be deemed to have waived his rights in his pending application for free patent if and when the government succeeds in reverting the subject tract of land for the state.

We find both petitions of Firestone Ceramics, Inc., et al. and Alejandro Rey to be devoid of merit.

In denying the motion to intervene by petitioner Firestone Ceramics, Inc., et al., the respondent Court said:^[5]

"As regards the motion for intervention, as previously discussed, the decision in G.R. No. 109490 is final. This means that the movants' titles,