349 Phil. 898

# THIRD DIVISION

# [ G.R. No. 120652, February 11, 1998 ]

## EUGENIO DE LA CRUZ, PETITIONER, VS. COURT OF APPEALS, AND CRISTINA MADLANGSAKAY VILLANUEVA, RESPONDENTS.

## D E C I S I O N

**ROMERO, J.:**

The oft-debated issue of ownership based on acquisitive prescription submits itself before the Court anew, involving a four hundred and seven (407) square meter residential lot located at Barangay San Jose, Bulacan, Bulacan. Petitioner Eugenio De La Cruz claims to be the owner and actual possessor of the lot, having possessed and occupied it openly, publicly, notoriously, adversely against the whole world, and in the concept of an owner, for more than thirty years,[1] at the commencement of this controversy on September 28, 1987. Private respondent Cristina Madlangsakay Villanueva is a purchaser of the same lot from the Ramos brothers, Rogelio and Augusto, Jr., who claim to be successors-in-interest of a previous possessor of the same.

In October 1959, petitioner contracted a loan from the parents of private respondent, Anastacio Sakay and Lourdes Manuel, in the amount of one thousand pesos (P1,000.00), mortgaging the disputed land as security. Sometime in 1973, the land became the subject of an application for registration under the Land Registration Act (Act No. 496)[2] by the Ramos brothers. They insisted that, under said Act, they had a better claim than petitioner, being successors-in-interest of a previous possessor of the land. Petitioner seasonably opposed the application which, after trial, was denied on the ground that the land, not having been reclassified for other purposes, remained part of the forest reserve, hence, inalienable.[3] Consequently, the opposition was dismissed. Shortly thereafter, the brothers successfully pursued the reclassification of the land and were granted ownership of the same. It was after this occurrence that private respondent came to purchase the disputed land from the Ramoses.

Oblivious of the Ramoses' success in claiming the land, petitioner was later surprised to learn that its ownership had been bestowed upon them, and that it was subsequently sold to private respondent. Petitioner, as plaintiff in Civil Case No. 520-M-87, entitled "*Eugenio De La Cruz versus Cristina Madlangsakay Villanueva*," filed a complaint on September 28, 1987 for reconveyance with damages against private respondent, defendant therein. The complaint was dismissed.

On appeal, plaintiff-appellant elucidated that an uncle of his had given the land to his mother, after having purchased it from a Cecilio Espiritu in 1930.[4] He sought a reversal of the decision of the lower court, praying for a reconveyance of the land in his favor. The appealed decision was affirmed *in toto* by the appellate court. A motion for reconsideration, for lack of merit, did not prosper.

The persistent petitioner, filing this petition for review, opined that the questioned decision of the trial court was incompatible with the ruling in *Republic vs. Court of Appeals and Miguel Marcelo, et al.,*[5] where this Court held that the primary right of a private individual who possessed and cultivated the land in good faith, much prior to its classification, must be recognized and should not be prejudiced by after-events which could not have been anticipated.[6] He relies on the equitable principle of *estoppel*, alleging that, by virtue of the contract of mortgage, private respondent and her parents thereby tacitly acknowledged him as the true and lawful owner of the mortgaged property. As such, they are estopped from claiming for themselves the disputed land. He prays for the reconveyance of the lot in his favor; moral damages in the amount of ten thousand pesos (₱10,000.00); exemplary damages of like amount; and attorney's fees of twenty thousand pesos (₱20,000.00), plus one thousand pesos (₱1,000.00) per court appearance and the costs of the suit.[7]

This petition cannot be given due course.

The several decades when petitioner possessed and occupied the land in question may not be considered in his favor after all. "In an action for reconveyance, what is sought is the transfer of the property which has been wrongfully or erroneously registered in another person's name, to its rightful and legal owner, *or to one with a better right*. This (sic) is what reconveyance is all about."[8]

The crucial point for resolution is this: Is petitioner vested with a better right over the residential lot to which he devoted an abundance of time, effort and resources in fencing and cultivating the same? It is sad that even the magnanimous compassion of this Court cannot offer him any spark of consolation for his assiduous preservation and enhancement of the property.

We answer in the negative.

Unfortunately for him*, Republic vs. Court of Appeals and Miguel Marcelo, et al.*[9] is inapplicable in the present case. In said case, the disputed land was classified *after* the possession and cultivation in good faith of the applicant. The Court stated that "the primary right of a private individual who possessed and cultivated the land in good faith much prior to such classification must be recognized and should not be prejudiced by after-events which could not have been anticipated."[10] Land Classification Project No. 3 was certified by the Director of Lands on December 22, 1924, whereas the possession thereof commenced as early as 1909.[11] Petitioner therein was not deprived of his possessory rights by the subsequent classification of the land. Although the classification of lands is a government prerogative which it may opt to exercise to the detriment of another, still, private interests regarding the same are not prejudiced and the possessor in good faith is respected in his right not be disturbed. This was the auspicious situation of petitioner in the abovecited case.

Here, petitioner possessed and occupied the land *after* it had been declared by the Government as part of the forest zone. In fact, the land remained part of the forest reserve until such time that it was reclassified into alienable or disposable land at the behest of the Ramoses. As succinctly stated by this Court in *Director of Lands vs. Court of Appeals,*[12] a positive act of the Government is needed to declassify land which is classified as forest, and to convert it into alienable or disposable land for other purposes. Until such lands have been properly declared to be available for other purposes, there is no disposable land to speak of.[13] Absent the fact of declassification