

ROSARIO S. JUAT, ET AL., PLAINTIFFS AND APPELLANTS, VS. THE LAND TENURE ADMINISTRATION, ET AL., DEFENDANTS AND APPELLEES.*G.R. No. L-17080. January 28, 1961*

Ponente: BAUTISTA ANGELO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/def39c68e9b9/>**BAUTISTA ANGELO, J.:**

Plaintiffs brought an action before the Court of First Instance of Rizal to annul the deed of sale made by the Secretary of Agriculture and Natural Resources in favor of the province of Rizal covering Lot 57-A of Block 8 of the Tambobong estate situated in Malabon, Rizal. After trial, the court dismissed the complaint without costs, having found said sale legal and valid. The case was taken on appeal to the Court of Appeals, but the latter certified the case to us on the ground that the only questions raised are purely of law.

The lot in question, which is a fishpond, forms part of Lot 57-A of Block 8 of the Tambobong estate. This lot was formerly Lot 607 of the Capellaña de Concepcion, former owner of the Tambobong estate. Originally, Mamerta Antonio de Ignacio was the holder of the leasehold right of Lot 607 who later sold it to Alberto Santos on November 2, 1919. Alberto Santos took possession thereof after the sale paying the corresponding rentals to the Capellaña. When Alberto Santos died on December 9, 1941, he left as heirs his spouse Leoncia A. Vda. de Santos and all the relatives who appear as plaintiffs herein. They took possession and administration of the lot in question. When the Tambobong estate was acquired by the government, plaintiffs continued paying the rentals of the lot to the government until 1947.

In 1954, the Bureau of Lands which was then the administrator of the Tambobong estate notified plaintiffs to enter into a contract of sale of the lot with said Bureau and to pay the purchase price within three months. Honorato Santos, representing the plaintiffs, inquired from said Bureau about the purchase price of the same and the back rentals due and asked for an indefinite extension of time within which to enter into the required contract of sale. In response to this representation, the Director of Lands under a letter dated February 20, 1954, granted plaintiffs an extension of time within which to pay the rents due as well as to enter into the contract of sale. On March 8, 1954, counsel for plaintiffs sent a letter to the Secretary of Agriculture and Natural Resources asking for reconsideration of the computation of the back rentals and of the purchase price stating therein his reasons. This letter was received on the same date, and on March 11, 1954, the Secretary of Agriculture and Natural Resources advised plaintiffs' counsel that his letter was referred to the Director of Lands for appropriate action and report and that as soon as the desired report is received, further action will be taken on the matter of which plaintiffs' counsel will be duly notified. Since then neither plaintiffs nor their counsel has received any communication from either the Director of Lands or the Secretary of Agriculture and Natural Resources regarding the lot in question.

In the meantime, the province of Rizal has shown interest in acquiring an area of 29,100 sq. m. of lot 57, Block 8, which is the lot in question, and to this effect its provincial board approved Resolution No. 479, series of 1955, requesting the Secretary of Agriculture and Natural Resources to sell it to the province for purpose of a fishery

school site. The land was finally sold to the province by the Secretary of Agriculture and Natural Resources under a deed of sale executed on March 14, 1955 for the sum of P23,260.00. After the sale, the province began dumping stones and gravel on the lot with the apparent intention of levelling it thereby giving notice to the plaintiffs that the land had already been sold. Hence, plaintiffs began the present action seeking to annul the sale and to enjoin defendants from filling up the land and to pay damages. A writ of preliminary injunction was issued by the Court pending the litigation.

Appellants' main theme is that under Section 1 of Commonwealth Act 539 they are entitled to purchase the lot in question from the government at such reasonable price and under such condition the latter may fix, they being its bona fide tenants since their predecessor-in-interest died in 1941, and since the government sold the same to the province of Rizal in utter disregard of their right of preference, the sale is null and void, it having been made in violation of the letter and spirit of the law.

Section 1 of Commonwealth Act 539 provides:

"Section 1. The President of the Philippines is authorized to acquire private lands or any interest therein, through purchase or expropriation, and to subdivide the same into home lots or small farms for resale at reasonable prices and under such conditions as he may fix to their bona fide tenants or occupants or to private individuals who will work the lands themselves and who are qualified to acquire and own lands in the Philippines."

We have no quarrel with the view that once a private land is acquired by the government thru purchase or expropriation by virtue of the authority granted by the law as abovequoted, it becomes its duty to subdivide the same into small lots "for resale at reasonable prices and under such conditions as he (President of the Philippines) may fix to their bona fide tenants or occupants or to private individuals who will work the lands themselves." It may also be stated that the avowed policy behind the adoption of such measure is, as aptly observed by the Court of Appeals, "to provide the landless elements of our population with lots upon which to build their homes and small farms which they can cultivate and from which they can derive their livelihood without being beholden to any man" (Pascual vs. Lucas, 51 Off. Gaz., No. 5, p. 2429), such measure having been adopted in line with the policy of social justice enshrined in our Constitution to remedy and cure the social unrest caused by the concentration of landed estates in the hands of a few by giving to the landless elements a piece of land they can call their own.

But, while such is the avowed policy of the law, it should not however be overlooked that Congress has likewise decreed that the President may sell to the provinces or municipalities portions of the lands thus acquired of sufficient size and convenient location "for public squares or plazas, parks, streets, markets, cemeteries, schools, municipal or town hall, and other public buildings", without stating any qualification for the exercise of the authority. Thus, Section 10 of the same Commonwealth Act 539 provides:

"Sec. 10. The President may sell to the provinces and municipalities portions of lands acquired under this Act of sufficient size and convenient location for public squares or plazas, parks, streets, market, cemeteries, schools, municipal or town hall, and other public buildings."

Since said section does not exclude the lots that may be sold under Section 1 from sales under Section 10 in the sense, that lots acquired under the former cannot be disposed of for purposes contemplated in the latter, it follows as a logical conclusion that the choice or discretion to sell lands under either section is with the President whose choice, once exercised, becomes final and binding upon the government. This is what was done in the instant case. The Secretary of Agriculture and Natural Resources deemed it proper under the circumstances to sell the land to the province of Rizal for a school site. And it can be said that the act of the Secretary in making the sale has the same effect as if done by the President himself by virtue of the legal truism that the acts of a department

secretary are presumed to be the acts of the Chief Executive. (Donnelly vs. Agregado, 95 Phil., 142; 50 Off. Gaz., [10] 4269; Villena vs. Secretary of Interior, 67 Phil., 451.)

Neither can it be contended that by allowing the President to sell portions of the lands acquired under section 1 of Commonwealth Act 539 for purposes other than what is therein provided, or to those who are not the persons therein intended, would be in violation of the avowed policy to give land to the landless as enshrined in our Constitution, for it cannot be denied that the authority given to him under Section 10 of the same Act is likewise for the same purpose, which is to promote public policy or the education of our youth. It should be here emphasized that the main purpose of giving the land to the province of Rizal is to utilize the same as, a site, for a proposed vocational school dedicated primarily to courses in fishery and other related subjects, and this is in line with the mandate of the Constitution to our government to establish and maintain a complete and adequate system of public instruction, including vocational efficiency (Article XIV, Section 5).

Assuming arguendo that under Section 1 of Commonwealth Act 539 it is mandatory for the President to subdivide the lands acquired thereunder into small lots for resale to the persons therein mentioned to the exclusion of all others, it should be noted however that said section 1 requires that the recipient of the privilege be a bona fide tenant or occupant in the sense that he should be up to date in the payment of his rentals to the landowner. Here, however, this condition is not present, for plaintiffs are not bona fide tenants of the land in controversy. The record shows that plaintiffs only paid the rentals for the lot up to the month of December, 1947 but ceased to pay the same since that year to the time of this litigation. In fact, they failed to present evidence showing that they complied with the requisite condition that would entitle them to purchase the lot within the purview of the law.

Wherefore, we hereby affirm the decision of the trial court, without pronouncement as to costs.

Paras, C. J., Bengzon, Padilla, Labrador, Concepcion, Reyes, J. B. L., Barrera, Gutierrez David, Paredes, and Dizon, JJ., concur.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.