

**ESPERANZA S. LONGINO, PETITIONER, VS. ATTY. LINA A. GENERAL,
OIC, COMMISSION MEMBER III; ATTY. NOEL A. GALAROSA, OIC,
COMMISSION MEMBER III; ATTY. LUZ SARMIENTO, OIC, OFFICE OF
...**

G.R. NO. 147956. February 16, 2005

Ponente: CALLEJO, SR., J.

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CALLEJO, SR., J.:

On March 1, 1988, the Philippine National Railways (PNR) executed Contract of Lease No. 10320 in favor of Julian Estrella over its property located in Polo, Valenzuela, Bulacan, with an area of 1,000 square meters and described as “between TP 228 and TP 230, left side.” The lease agreement was for a period of two years up to March 1, 1990, with an annual rental of P20,000.00. Although Estrella had unpaid rentals amounting to P100,000.00 on the initial agreement, the contract of lease was renewed until December 31, 1992. Estrella constructed his house on the property.[1]

On April 6, 1992, Estrella filed an application with the PNR for a lease of an additional 848 square meters with the intention of constructing a 12-door commercial apartment building on the said property. However, the PNR did not act on the said application.[2]

Sometime in November 1992, Estrella and Elsa Serrano, owner and operator of the I.V.B. Construction Supply at Km. 16, MacArthur Highway, Malanday, Valenzuela, Bulacan, entered into a verbal contract of lease in which one of the apartments, which were still to be constructed, would be leased to Serrano for a monthly rental of P5,000.00 with an advance rental of P10,000.00. Estrella assured Serrano that he had just renewed his lease contract with the PNR for a long term and was to pick up the contract shortly. However, Estrella failed to construct the planned 12-door apartment.[3]

Meanwhile, Serrano’s lease contract with the owner of the property where she had established her business had expired. She was compelled to construct, at her expense, a one-door commercial apartment on a portion of the property leased by Estrella from the PNR, with an area of 114 square meters. She and Estrella later agreed that she would construct another commercial apartment beside the existing one, with the latter’s assurance that the portion of the property in which the second commercial apartment would be constructed would be leased to her for a period of ten (10) years. Estrella also asked Serrano to supply him with construction materials on credit, to which Serrano agreed.[4]

Serrano caused the construction of the second commercial apartment, but was aghast to discover in September 1993 that, after the expiration of Estrella’s contract with the PNR in December of 1992, Estrella no longer had an existing lease contract with the PNR. Worse, PNR officials told her that Estrella had no right to lease a portion of its property to third persons, and advised her not to pay any more rentals to Estrella for the property occupied by the commercial apartment.[5]

On January 13, 1994, Serrano filed a Complaint for Damages against Estrella with the Regional Trial Court (RTC) of Valenzuela.[6] The case was docketed as Civil Case No. 4287-L-94. Estrella was declared in default. Serrano adduced her evidence ex parte.

On March 31, 1995, the PNR and Serrano entered into a Lease Contract over the portion of the subject property where Serrano's commercial apartment building stood. The effectivity of the contract was until December 31, 1995.

On September 28, 1995, the court rendered judgment in favor of Serrano and against Estrella. The fallo of the decision reads:

WHEREFORE, judgment is hereby rendered as follows:

- Ordering the defendant to pay plaintiff the sum of P113,652.00 as actual damages;
- Ordering the defendant to pay plaintiff the sum of P110,000.00 as moral damages;
- Ordering the defendant to pay plaintiff the sum of P20,000.00 as attorney's fees;
- Ordering the defendant to pay plaintiff the sum of P10,000.00 as litigation expenses; and
- Ordering the defendant to pay the costs of suit.

SO ORDERED.[7]

On January 22, 1996, the PNR and Serrano executed Lease Contract No. R-12666 over a portion of the property of the PNR with an area of 111.11 square meters, to expire on December 31, 1996.[8] She constructed a barber shop and a barbecue stand on a portion of the property.

Meanwhile, the decision of the RTC in Civil Case No. 4287-V-94 became final and executory. Estrella failed to pay the amount adjudged by the court in favor of Serrano. The Sheriff sold the house owned by Estrella at public auction to Serrano on May 5, 1997 as the winning bidder.[9] Estrella vacated the house, and the Sheriff turned it over to Serrano on September 23, 1998.[10]

Serrano wanted to renew her lease with the PNR. She and her close friend, Esperanza S. Longino, a PNR retiree, executed an Agreement on August 4, 1998, in which Serrano allowed her to occupy a portion of the property without paying any rental therefor, on Longino's promise to help her secure a lease contract over a property with an area of 146 square meters. Serrano then filed her application for a lease contract. However, the application could not be acted upon by the PNR because of the suspension of its lease contracts over its property, which was a part of its North Rail Project. Moreover, Serrano still had unpaid back rentals.

Despite her agreement with Serrano, on August 6, 1998, Longino filed an application with the PNR for a lease of the property occupied by her with an area of 146.30 square meters for a period of two months.[11]

When Serrano learned of the application, she wrote the PNR on September 26, 1998, citing the decision of the RTC in Civil Case No. 4287-V-94. She, likewise, informed the latter about her purchase of Estrella's house at public auction. Serrano also cited her agreement with Longino in which the latter bound herself to help her (Serrano) secure a lease contract from the PNR. Serrano alleged that the property applied for by Longino was part of the property on which the house she had purchased at public auction from the Sheriff in Civil Case No.

4287-V-94 was located. She also declared that she had allowed Longino to occupy the said property.[12]

On November 10, 1998, Director Divina Gracia Dantes, Officer-in-Charge of the Real Estate Department of the PNR, recommended the approval of Serrano's application and the denial of that of Longino's. Dantes took into account the fact that the portion of the property applied for lease by Serrano and Longino was near the property on which the house formerly owned by Estrella, which had been sold at public auction to Serrano, was located.

Meanwhile, on January 19, 1999, the Board of Directors of the PNR approved Resolution No. 99-03, directing the PNR Management to desist from selling or leasing its properties needed for the right-of-way of its North Rail Project.[13]

However, despite the said Resolution of the Board of Directors of the PNR, the General Manager of the PNR directed Dantes to prepare the contract of lease in favor of Longino and to transmit the same for his signature on January 21, 1999. Dantes complied.

On January 26, 1999, the PNR and Esperanza Longino executed a Lease Contract over a portion of its property near the house of Serrano, formerly owned by Estrella, with an area of 146 square meters, for a period of three months up to April 26, 1999, for an annual rental of P13,684.00.[14] Longino paid the amount. After securing the requisite building permits, Longino constructed a barber shop on said property, following her demolition of the barber shop and the barbecue stand then owned by Serrano. Longino then embarked to construct her building on the property.

On February 25, 1999 Serrano filed a handwritten Complaint against Longino, with the Commission on Settlement of Land Problems (COSLAP), demanding that the PNR lease the property to her, and the eviction of Longino from the property on the ground that she had a preferential right to lease the property. Serrano alleged that the house she had purchased at public auction from Estrella was located on the said PNR property, and that Longino occupied the property on her sufferance under their August 4, 1998 agreement. She complained that Longino and other ten workers had earlier demolished her barber shop and barbecue stand and were about to construct a building thereon. Serrano prayed that she be declared entitled to lease the property and that her application for a lease contract over the property be approved by the PNR. As prayed for by Serrano, the COSLAP issued, on February 26, 1999, a status quo order.

The COSLAP opted to assume jurisdiction over the complaint and issued summons on the respondent. It also issued, on March 4, 1999, an Order directing the Real Estate Department of the PNR to implement the Status Quo Order. Longino's motion to quash the case on the ground of lack of jurisdiction was denied by the COSLAP.[15]

In her answer to the complaint, Longino alleged that the portion of the property leased by her with an area of 146.30 square meters, was outside the property formerly leased by the PNR to Estrella (with an area of 111.11 square meters)[16] as shown by the plan prepared by the PNR itself and applied for by Serrano. She claimed that she filed her application for lease because she discovered that Serrano was indebted to the PNR for back rentals; hence, was disqualified to lease the property. She also alleged that the complaint against her involved her lease contract with the PNR over which the COSLAP had no jurisdiction. She maintained that only the regular courts were vested with jurisdiction to resolve the issue of who, as between her and the complainant, was entitled to lease the property, as well as the issue of whether she was estopped by the August 4, 1998 agreement with Estrella to herself apply for a lease of the property. In her position paper, Longino reiterated that the COSLAP had no jurisdiction over the case.

In the meantime, on orders of the COSLAP, an ocular inspection of the property was conducted by Rene Credo. In a Report dated March 12, 1999, he declared that Serrano, the complainant in the case, had been in possession of

the property since 1992, and that Longino was in the process of constructing a building thereon.[17]

Despite the pendency of the case, the PNR and Longino executed, on May 5, 1999, a Contract of Lease over the property to expire on July 26, 1999, revocable within fifteen (15) days in the event that the Northeast Project would start in the area.[18]

On August 9, 1999, Dantes met with Serrano, informing her that she could re-apply for a lease contract covering the property in question, provided that she first settle her back rentals of P154,945.02 as of July 31, 1999.[19] On September 17, 1999, the General Manager of the PNR and Serrano reached an agreement to lease out the property with an area of 111.11 square meters where her structures were constructed, subject to the condition that she first pays her back rentals of P154,945.02 as of July 31, 1999. However, Serrano failed to pay her back rentals.

On October 27, 1999, the PNR and Longino executed Lease Contract No. R-12904 over the property, to expire on January 26, 2000. She paid the rentals agreed upon in said contract. However, the said contract was not renewed because of the implementation of the North Rail Project.[20]

During the investigation, both the complainant (Serrano) and the respondent (Longino) were questioned by the Commissioners.[21]

On December 16, 1999, the COSLAP rendered a Resolution in favor of Serrano and against Longino, holding, inter alia, that Serrano was the lawful possessor of the property and had a preferential right to lease the same. The decretal portion of the Resolution reads:

WHEREFORE, premises considered, the Commission hereby Ordered that:

- Declaring complainant as the lawful possessor and has the preferential right to lease the property in question;
- Recommending to the PNR the cancellation and/or non-renewal of the Lease Contract of the respondent; and
- After cancellation or non-renewal of the lease contract, directing respondent to immediately and peacefully vacate the premises in favor of the complainant.

SO ORDERED.[22]

Citing the ruling of this Court in *Bañaga vs. COSLAP*,[23] COSLAP held that it had jurisdiction over the dispute in question. It also ruled that Longino acted in bad faith and contrary to Article 19 of the New Civil Code, when, despite her August 4, 1998 agreement with Serrano, she nevertheless applied for and secured a lease contract from the PNR over the subject property. It declared that the RTC had allowed Serrano, the plaintiff in Civil Case No. 4287-V-94, to occupy the house of Estrella.

Longino received a copy of the Resolution on December 30, 1999 and failed to appeal the same.[24] Instead, on January 19, 2000, she sent a letter to the General Manager of the PNR, urging the latter to disregard the resolution/recommendation of the COSLAP for being partially irregular.[25] She recalled the testimonies of Dantes and of the PNR counsel before the COSLAP that only the PNR had the right to determine who was entitled to lease the land, such determination was reversible only by the regular courts.[26]

In the meantime, the October 27, 1999 Lease Contract of Longino with the PNR was not renewed after its expiration. On motion of Serrano, the COSLAP issued a Writ of Execution on February 8, 2000. Per the request of the COSLAP, the RTC of Valenzuela issued an Order, on March 2, 2000, ordering the Sheriff to implement the writ of execution. On March 31, 2000, the Sheriff served a notice on Longino to vacate the property, but she

refused. The complainant then filed a motion for the demolition of the structures constructed by the respondent on the property pendente lite, which the COSLAP granted. It forthwith issued the writ.

Longino filed a petition for prohibition against the COSLAP and Serrano with the Court of Appeals (CA), docketed as CA-G.R. SP No. 57613 for the nullification of the December 16, 1999 Resolution of the COSLAP and the February 8, 2000 Writ of Demolition issued by it, with a plea for injunctive relief. Longino alleged that in taking cognizance of Serrano's complaint, the COSLAP acted without jurisdiction; and, when it issued the said Resolutions, with grave abuse of its discretion. She averred that the COSLAP had no jurisdiction to review the lease contracts entered into between her and the PNR. She contended that she had the preferential right to lease the property.

In her comment on the petition, Serrano averred that the petition should be dismissed because of the following: (a) the December 16, 1999 Resolution of the COSLAP had become final and executory; (b) the petitioner was estopped from assailing the jurisdiction of the COSLAP over the complaint; and (c) the COSLAP's Resolution was in accord with law and the evidence.

In its comment on the petition for a writ of preliminary injunction, the COSLAP averred that Longino had no right to the property since she was allowed to take possession of the property only at the sufferance of Serrano. It maintained that, considering that the assailed Resolution of the COSLAP had already become final and executory, the enforcement thereof can no longer be enjoined.

On April 17, 2001, the CA rendered judgment dismissing the petition. The appellate court held that the COSLAP had jurisdiction over Serrano's complaint because it merely determined who had the preferential right over the property but did not review the lease contract between the PNR and Longino. The CA also ruled that Serrano had the preferential right over the disputed lot and that the December 16, 1999 Resolution of the COSLAP had already become final and executory. Hence, the appellate court concluded that the petition for prohibition was moot and academic.

Longino, now the petitioner, filed the instant petition for review on certiorari for the reversal of the decision of the CA, raising the following issues:

- WHETHER OR NOT PUBLIC RESPONDENTS HAVE JURISDICTION TO RESOLVE THE DISPUTE BETWEEN THE PETITIONER AND THE PRIVATE RESPONDENT AND THE AUTHORITY TO ISSUE THE WRIT OF EXECUTION; AND
- WHO BETWEEN THEM HAVE A PREFERENTIAL RIGHT OVER THE PROPERTY IN QUESTION.[27]

Private respondent Serrano reiterated her comment on the petition in the CA as her comment in the petition at bench.

The issues for resolution are the following: (a) whether the petition for prohibition under Rule 65 of the Rules of Court was the proper remedy of the petitioner; (b) whether the COSLAP had jurisdiction over the complaint of the respondent herein; (c) whether the petitioner is barred from assailing the jurisdiction of the COSLAP; and (d) whether the COSLAP acted with grave abuse of discretion in causing the petitioner's eviction and the demolition of her structures on the PNR property.

On the first issue, the private respondent avers that the remedy of the petitioner from the December 16, 1999 Resolution of the COSLAP was to appeal, by way of a petition for review, to the CA under Rule 43 of the Rules of Court, instead of filing a petition for prohibition under Rule 65 of the Rules of Court, as amended. The private

respondent avers that since the petitioner opted not to appeal the resolution to the CA, she is proscribed from filing a petition for prohibition under Rule 65 of the Rules of Court.

We are not in full accord with the private respondent's contention.

Rule 65, Section 2 of the Rules of Court provides:

Section 2. Petition for prohibition. – When the proceedings of any tribunal, corporation, board, or person, whether exercising functions judicial or ministerial, are without or in excess of its or his jurisdiction, or with grave abuse of discretion, and there is no appeal or any other plain, speedy, and adequate remedy in the ordinary course of law, a person aggrieved thereby may file a verified petition in the proper court alleging the facts with certainty and praying that judgment be rendered commanding the defendant to desist from further proceedings in the action or matter specified therein.

The petition shall be accompanied by a certified true copy of the judgment or order subject thereof, together with copies of all pleadings and documents relevant and pertinent thereto.

The principal purpose for the writ of prohibition is to prevent an encroachment, excess, usurpation or assumption of jurisdiction on the part of an inferior court or quasi-judicial tribunal. It is granted when it is necessary for the orderly administration of justice, or prevent the use of the strong arm of the law in an oppressive or vindictive manner, or multiplicity of actions.[28] The writs of certiorari and prohibition, for that matter, are intended to annul or void proceedings in order to insure the fair and orderly administration of justice.[29]

For a party to be entitled to a writ of prohibition, he must establish the following requisites: (a) it must be directed against a tribunal, corporation, board or person exercising functions, judicial or ministerial; (b) the tribunal, corporation, board or person has acted without or in excess of its jurisdiction, or with grave abuse of discretion; and (c) there is no appeal or any other plain, speedy, and adequate remedy in the ordinary course of law.[30]

For grave abuse of discretion to prosper as a ground for prohibition, it must first be demonstrated that the lower court or tribunal has exercised its power in an arbitrary and despotic manner, by reason of passion or personal hostility, and it must be patent and gross as would amount to an evasion or to a unilateral refusal to perform the duty enjoined or to act in contemplation of law. Excess of jurisdiction signifies that the court, board or office has jurisdiction over the case but has transcended the same or acted without authority.[31] The writ of prohibition will not lie to enjoin acts already done.[32] However, as an exception to the rule on mootness, courts will decide a question otherwise moot if it is capable of repetition yet evading review.[33]

In a case where a lower court or quasi-judicial body commits an error in the excess of its jurisdiction, if such error is one of judgment, it is revocable only by appeal. On the other hand, if the act complained of was issued by such court or body with grave abuse of discretion, which is tantamount to lack or in excess of jurisdiction, the remedy of the aggrieved party is to file a petition for certiorari and/or prohibition under Rule 65 of the Rules of Court.[34] Indeed, a decision of a court without jurisdiction is null and void. It could never become final and executory; hence, appeal therefrom by writ of error is out of the question. The aggrieved party should file a petition for certiorari or prohibition under Rule 65 of the Rules of Court.[35]

A remedy is considered plain, speedy and adequate if it will promptly relieve the petitioner from the injurious effects of the judgment or rule, order or resolution of the lower court or agency.[36] While ordinarily, certiorari or prohibition for that matter is unavailing where the appeal period had lapsed, the same may be availed of whereas in the present case, public welfare and the administration of public policy dictates; where the broader interest of justice so requires; where the writs issued are null and void; where the questioned order amounts to an oppressive excess of judicial authority.[37]

In the present case, the petition for prohibition filed with the CA by the petitioner could have been dismissed by the CA because the structures on the property had already been demolished; hence, the acts sought to be enjoined by the petitioner had already been effected by the respondent sheriff. For another reason, the lease contract of the petitioner and the PNR had not been renewed after its expiration on January 26, 2000. Manifestly, the petitioner was obliged to vacate the property and remove her structures thereon. Nevertheless, the CA took cognizance of the petition and resolved the same on its merits, precisely because the issues raised therein, namely, whether the COSLAP had jurisdiction over the complaint of the private respondent; and whether the COSLAP exceeded its jurisdiction in declaring the private respondent the legal possessor of the property and of having priority in leasing the subject property raised in the petition, were substantial.

We agree with the petitioner that the CA erred in ruling that the COSLAP had jurisdiction on the complaint of the private respondent and that the latter was the legal possessor and had preferential right to lease the property. Consequently, the Resolution of the COSLAP dated December 16, 1999, as well as the writ issued by it are null and void.

The COSLAP had no jurisdiction over the complaint of the private respondent herein, who was the complainant before the COSLAP. The rule is that jurisdiction over the nature and subject matter of the case is conferred by law and determined by the allegations of the complaint.[38] The nature of the action, as well as which court or body has jurisdiction over it, is determined based on the allegations in the complaint irrespective of whether or not the plaintiff is entitled to the relief prayed for. Jurisdiction over the action does not depend on the defenses set forth in the answer, or in a motion to dismiss of the defendant.[39] Even if a tribunal or a quasi-judicial body of the government has jurisdiction over an action but exceeds its authority in the course of the proceedings, such act is null and void.[40]

Administrative agencies, like the COSLAP, are tribunals of limited jurisdiction and, as such, could wield only such as are specifically granted to them by the enabling statutes.[41] In relation thereto is the doctrine of primary jurisdiction involving matters that demand the special competence of administrative agencies even if the question involved is also judicial in nature. Courts cannot and will not resolve a controversy involving a question within which the jurisdiction of an administrative tribunal, especially when the question demands the sound exercise of administrative discretion requiring special knowledge, experience and services of the administrative tribunal to determine technical and intricate matters of fact. The court cannot arrogate into itself the authority to resolve a controversy, the jurisdiction of which is initially lodged with the administrative body of special competence.[42] But disputes requiring no special skill or technical expertise of an administrative body and which could be resolved by applying pertinent provisions of the Civil Code are within the exclusive jurisdiction of the regular courts.[43]

Under Executive Order No. 251, which took effect on July 31, 1970, the President created the Presidential Action Committee on Land Problems (PACLAP) to expedite and coordinate the investigation of land disputes between small settlers, members of cultural minorities and other claimants and between small settlers and big landowners. It was also tasked to streamline and shorten administrative procedures, adopt, hold and decide measures to solve land problems and/or recommend other solutions. Under Presidential Decree No. 832, the President enlarged the functions and duties of the PACLAP, to include quasi-judicial functions, thus:

- Direct and coordinate the activities, particularly the investigation work, of the various government agencies and agencies involved in land problems or disputes, and streamline administrative procedures to relieve small settlers and landholders and members of cultural minorities of the expense and time-consuming delay attendant to the solution of such problems or disputes;

- Refer for immediate action any land problem or dispute brought to the attention of the PACLAP, to any member agency having jurisdiction thereof: Provided, That when the Executive Committee decides to act on a case, its resolution, order or decision thereon, shall have the force and effect of a regular administrative resolution, order or decision, and shall be binding upon the parties therein involved and upon the member agency having jurisdiction thereof;[44]

The PACLAP was abolished by E.O. No. 561 which took effect on September 21, 1979, and was replaced by the COSLAP, composed of three members: a Commissioner and two Associate Commissioners. Among the powers and functions of the COSLAP are administrative and quasi-judicial.

- Coordinate the activities, particularly the investigation work, of the various government offices and agencies involved in the settlement of land problems or disputes, and streamline administrative procedures to relieve small settlers and landholders and members of cultural minorities of the expense and time-consuming delay attendant to the solution of such problems or disputes;

- Refer and follow-up for immediate action by the agency having appropriate jurisdiction over any land problem or dispute referred to the Commission: Provided, That the Commission may, in the following cases, assume jurisdiction and resolve land problems or disputes which are critical and explosive in nature considering, for instance, the large number of the parties involved, the presence or emergence of social tension or unrest, or other similar critical situations requiring immediate action:

- (a) Between occupants/squatters and pasture lease agreement holders or timber concessionaires;
- (b) Between occupants/squatters and government reservation grantees;
- (c) Between occupants/squatters and public land claimants or applicants;
- (d) Petitions for classification, release and/or subdivision of lands of the public domain; and
- (e) Other similar land problems of grave urgency and magnitude.

The Commission shall promulgate such rules and procedures as will insure expeditious resolution and action on the above cases. The resolution, order or decision of the Commission on any of the foregoing cases shall have the force and effect of a regular administrative resolution, order or decision and shall be binding upon the parties therein and upon the agency having jurisdiction over the same.[45]

Under the law, the COSLAP has two options in acting on a land dispute or problem lodged before it, namely, (a) refer the matter to the agency having appropriate jurisdiction for settlement/resolution; or (b) assume jurisdiction if the matter is one of those enumerated in paragraph 2(a) to (e) of the law, if such case is critical and explosive in nature, taking into account the large number of the parties involved, the presence or emergence of social tension or unrest, or other similar critical situations requiring immediate action. In resolving whether to assume jurisdiction over a case or to refer the same to the particular agency concerned, the COSLAP has to consider the nature or classification of the land involved, the parties to the case, the nature of the questions raised, and the need for immediate and urgent action thereon to prevent injuries to persons and damage or destruction of property. The law does not vest jurisdiction on the COSLAP over any land dispute or problem.

The complaint of the private respondent herein, who was the complainant in the COSLAP, was for the PNR to lease the property to her and deny the application of the petitioner, the respondent therein; and to have the petitioner evicted from the property upon the non-renewal of the lease contract with the PNR upon its expiration on January 26, 2000. The complaint was anchored on the private respondent's claim that she had acquired the

house of Estrella which was located near the property subject of her application; and that the petitioner was estopped by their August 4, 1998 agreement to apply for the lease of the subject property. The private respondent alleged that the petitioner promised to help her secure a lease contract over the property. The private respondent thus sought a ruling from the COSLAP that she was the lawful possessor of the property, having merely allowed the petitioner herein to occupy the same.

The property subject of the application of both parties is not public land but property belonging to the PNR, which is a part of its North Rail Project. The private respondent is a businesswoman, while the respondent is a retired PNR employee and, likewise, a businesswoman. The parties wanted to lease the property for their respective business enterprises, such as the putting up of a bakery. Neither of them is a squatter, patent lease agreement holder, government reservation grantee, public land claimant or occupant, or a member of any cultural minority. The dispute between the parties was not critical and explosive in nature so as to generate social tension or unrest, or a critical situation which required immediate action. The issues raised by the parties in their pleadings involved the application of the New Civil Code in relation to the Charter of the PNR, which clearly do involve the application of the expertise of the COSLAP.

We note that under paragraph 2(e) of E.O. No. 561, the COSLAP is vested with jurisdiction over complaints involving “other similar land problems of grave urgency” and is undisputable. But the principle in statutory construction of *eiusdem generis*, i.e., “where general words follow an enumeration of persons or things, by words of a particular and specific meaning,” such general words are not to be construed in their widest extent but are to be held as applying only to persons or things of the same kind as clear as those specifically mentioned.[46] Hence, the provision should not be interpreted to apply to a dispute between two businesswomen claiming a priority right to lease a 146-square meter property of the PNR, the petitioner claiming that the private respondent is disqualified from leasing the property because she is indebted to the PNR for back rentals, and the private respondent claiming that she has the preferential right to lease the property merely because the house which she purchased from another was near the subject property.

The COSLAP and the private respondent cannot find surcease in the ruling of the Court in *Bañaga v. COSLAP*.^[47] In that case, the petitioner therein, Guillermo Bañaga, et al., filed a free patent application with the Bureau of Lands over a public land with an area of 30 hectares. Therein private respondent Gregorio Dopreza filed a separate application over the same property with the Bureau of Lands. But the Bureau of Lands failed to resolve the application and conduct any investigation for a considerable period of time. Based on the letter of Dopreza, the COSLAP opted to exercise jurisdiction over the controversy. Guillermo Bañaga questioned the jurisdiction of the COSLAP and this Court sustained its jurisdiction, since the controversy involved the conflicting free patent applications of the petitioners and the private respondent therein over a parcel of disposable public land with an area of 30 hectares. The Court declared that the jurisdiction of the COSLAP is not confined to the cases mentioned in paragraph 2(a) to (e) of E.O. No. 561 but includes land problems in government, in general, which are frequently the source of conflicts among settlers, landowners and cultural minorities. Undeniably, the COSLAP had jurisdiction over land dispute between the parties who were claimants/applicants of public lands. Moreover, the Court noted, the petitioners therein were estopped from assailing the jurisdiction of the COSLAP because they failed to assail the same jurisdiction on appeal.

In the present action, the petitioner questioned the jurisdiction of the COSLAP in her answer to the complaint and in her position paper, and prayed for its dismissal on that ground. In fact, the only relief prayed for by the petitioner from the COSLAP was the dismissal of the complaint of the private respondent against her.

The Court, likewise, rules that the COSLAP had no jurisdiction over the issues raised by the parties because as early as January 19, 1999, the Board of Directors of the PNR had approved Resolution No. 99-03, directing the

PNR Management to desist from selling or leasing its properties needed for the right-of-way of its North Rail Project, to wit:

RESOLUTION No. 99-03

RESOLVED, as it is hereby RESOLVED, that Management cease and desist from disposing (whether through sale or lease) PNR properties which would eventually be part of the right-of-way of the North Rail project, be APPROVED, as it is hereby APPROVED.

Notwithstanding the Resolution of the Board of Directors, the COSLAP declared the private respondent the legal possessor of the property and had the priority to lease the same. When to lease property owned by it, whom to lease such property, as well as the terms and conditions thereof, are matters addressed to the PNR.

The COSLAP's records show that the private respondent owed the PNR the huge amount of P154,945.02 as of July 31, 1999 by way of back rentals. The PNR had agreed to lease its property to the private respondent, provided that she paid her back rentals. The private respondent failed to do so. As aforesaid, the Board of Directors of the PNR, as early as January 19, 1999, had approved a Resolution prohibiting the sale or lease of its properties, including the property subject of the private respondent's complaint, needed for the right-of-way of its North Rail Project. And yet, the COSLAP declared the private respondent the lawful possessor of the property and as having the preferential right to lease the same. By its Resolution, the COSLAP set aside the Resolution of the PNR Board of Directors and abetted the private respondent's obstinate refusal to pay her back rentals to the PNR amounting to P154,945.02. The COSLAP had no authority to override the January 19, 1999 Resolution of the Board of Directors of the PNR and to impose its resolution on the PNR.

Upon the expiration of the January 22, 1996 Lease Contract of the private respondent and the PNR on December 31, 1996, she had no more right to possess the leased property. Indeed, the PNR had the right to have her evicted therefrom. And yet, the COSLAP declared, by its Resolution, that the private respondent herein, who was heavily indebted to the PNR, was the lawful possessor of the property.

When the COSLAP issued its December 16, 1999 Resolution declaring the private respondent the lawful possessor of the property, the lease contract between the PNR and the petitioner had yet to expire on January 21, 2000. In issuing such declaration, the COSLAP thereby branded the petitioner herein, who was not indebted to the PNR for any rentals, a possessor of the property without any right. By its Resolution, the COSLAP, for all intents and purposes, thereby declared the October 27, 1999 lease contract between the petitioner and the PNR ineffective. In fine, the COSLAP acted beyond its competence.

The bare fact that the private respondent's house was located near the property subject of her complaint does not give her any priority right to lease the property. Only the PNR, being the owner of the property, has the right to determine when, to whom and under what conditions to lease its property.

IN LIGHT OF ALL THE FOREGOING, the petition is **PARTIALLY GRANTED**. The assailed Decision of the Court of Appeals and the Resolution dated December 16, 1999 of the COSLAP are **SET ASIDE** and **REVERSED**. The petitioner's petition for prohibition to enjoin the demolition of her structures on the property is **DENIED** for being moot and academic. No costs.

SO ORDERED.

Puno, (Chairman), Austria-Martinez, Tinga, and Chico-Nazario, JJ., concur.

[1] Records, pp. 137-140.

[2] Ibid.

[3] Id.

[4] Id.

[5] Id.

[6] Id. at 444-451.

[7] Id. at 134.

[8] Id. at 180.

[9] Id. at 16.

[10] Id. at 17-18.

[11] Id. at 27.

[12] Id. at 128.

[13] Id. at 117.

[14] Id. at 28.

[15] Id. at 151-153.

[16] Id. at 32-34.

[17] Id. at 115-116.

[18] Id. at 169.

[19] Id. at 568.

[20] Id. at 460.

[21] Id. at 231-250.

[22] Id. at 137.

[23] 181 SCRA 599 (1990).

[24] Id. at 364.

[25] Id. at 304-305.

[26] Id. at 305.

[27] Rollo, p. 12.

[28] Planas v. Gil, 67 Phil. 62 (1939).

[29] Vasquez v. Alinio, 271 SCRA 67 (1997).

[30] Martin, Rules of Court of the Philippines, 2[nd] ed., Vol. 3, p. 172.

[31] Vergara v. Rugue, 78 SCRA 312 (1977).

[32] Tolentino v. Commission on Elections, G.R. No. 148334, January 21, 2004.

[33] Ibid.

[34] Fortich v. Corona, 289 SCRA 624 (1998).

[35] Derero v. Court of Appeals, 373 SCRA 11 (2002).

[36] National Irrigation Administration v. Court of Appeals, 318 SCRA 255 (1999).

[37] Chua v. Court of Appeals, 344 SCRA 136 (2000).

[38] Sumndad v. Harrigan, 381 SCRA 8 (2002).

[39] Ty v. Court of Appeals, 356 SCRA 661 (2002).

[40] People of the Philippines v. Court of Appeals, G.R. No. 144332, June 10, 2004.

[41] Sumndad v. Harrigan, *supra*.

[42] Villaflor v. Court of Appeals, 280 SCRA 297 (1997).

[43] Ty v. Court of Appeals, *supra*.

[44] *Id.* (Italics supplied)

[45] *Id.*

[46] United Residents of Dominican Hell, Inc. v. COSLAP, 353 SCRA 782 (2001).

[47] 181 SCRA 599 (1990).

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