

REPUBLIC OF THE PHILIPPINES, PETITIONER, VS. MABELLE RAVELO AND SPOUSES EMMANUEL AND PERLITA REDONDO, RESPONDENTS.

G.R. No. 165114. August 06, 2008

Ponente: BRION, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-165114/>

BRION, J.:

The State seeks in this Petition for Review on Certiorari[1] to secure the cancellation of title and reversion of a real property granted to Mabelle Ravelo under a sales patent. Title to the property has passed on to parties who now claim that they are innocent purchasers in good faith; thus their claim cannot be defeated by any defect in the title of the original grantee.

The records show the pertinent facts summarized below.

On September 17, 1969, Jose Fernando filed a miscellaneous sales application over Lot No. 16, Block 2 (subject lot) situated in Mabayan Extension, Gordon Heights, Olongapo City. On June 10, 1970, he relinquished his right over the subject lot to Victoriano Mortera, Jr., who submitted his own patent application. On June 13, 1983, one Severino Muyco also filed a miscellaneous sales application for the same property.

The Department of Environment and Natural Resources (DENR)-Region III investigated the conflict between the two applications. On May 31, 1989, it issued an order in favor of Jose Fernando and Victoriano Mortera, Jr.

Prior to the DENR's action, specifically on February 16, 1989, the Director of Lands issued Sales Patent No. 12458 covering the same subject lot to respondent Mabelle B. Ravelo (Ravelo). She was subsequently issued Original Certificate of Title (OCT) No. P-4517 registered with the Registry of Deeds of Olongapo City. In effect, the DENR-III's Order of May 31, 1989 in the Fernando-Mortera-Muyco dispute was not enforced; on August 4, 1989 Jose Fernando filed a protest against Ravelo's title.

The petitioner Republic of the Philippines (petitioner), through the DENR-III Executive Director, filed a complaint[2] for cancellation of title against Ravelo before the Olongapo Regional Trial Court (RTC) on November 6, 1992. Assisted by the Office of the Solicitor General (OSG), the petitioner asked for the cancellation of Ravelo's OCT No. P-4517 and Sales Patent No. 12458 on the allegation that the issuance of the patent by the Director of Lands violated DENR Administrative Order (A.O.) No. 20 dated May 30, 1998. This A.O. mandates that applications for sales patent should be filed with the DENR regional office that has jurisdiction over the land applied for, not with the Director of Lands in Manila. Ravelo's application was filed with the Director of Lands in Manila although the subject lot is located in Olongapo City; the application should have been filed with DENR-III in San Fernando, Pampanga. The government also accused Ravelo of fraud for asserting in her application that the land was not occupied and was a part of the public domain.

On March 24, 1994, a notice of lis pendens (indicating the pendency of the petitioner's complaint) was inscribed as Entry No. 7219 on Ravelo's OCT No. P-4517.

In a separate development, one Antonio Chieng filed on December 13, 1989 a collection suit against Ravelo before the RTC of Olongapo City, which suit led to a judgment against Ravelo and the issuance of a writ of execution. The Notice of Levy was registered with the Register of Deeds on March 17, 1993. In the auction sale that followed, Wilson Chieng (Chieng), Antonio Chieng's son, won as highest bidder. A certificate of sale was issued to Chieng and the sale was registered with the Olongapo Registry of Deeds on May 25, 1993.

The respondent-spouses Emmanuel and Perlita Redondo (Redondos), who own and reside in a property adjacent to the subject lot, subsequently bought the subject lot from Chieng. The parties first signed an agreement for the purchase of the subject lot on May 11, 1993, and upon payment of the agreed purchase price, executed on December 20, 1993 a deed of absolute sale.

On September 23, 1994, the final deed of sale (dated June 26, 1994) covering the subject lot in favor of Chieng was inscribed as Entry No. 2419 on OCT No. P-4517. On the same date, Transfer Certificate of Title (TCT) No. T-7209 covering the subject lot was issued to Chieng. Entry No. 7219 (the petitioner's complaint for cancellation and reversion) was carried at the back of Chieng's TCT No. T-7209.

Chieng and the Redondos entered into another deed of sale in the Redondos' favor on November 21, 1994. This deed was inscribed as Entry No. 7554 at the back of TCT T-7209 on December 20, 1994. On the same day, TCT No. T-7261 covering the subject lot was issued to the Redondos.

In her Answer, Ravelo insisted that her application passed through the regular process; that she had been in possession of the property from the time of her application; and that Mortera was never in possession of the land.

The trial court received the government's evidence ex-parte after Ravelo failed to attend the trial.

On January 6, 1995, the Redondos intervened, alleging that they acquired the subject lot in good faith and for value. Emmanuel Redondo testified that Antonio Chieng's son Wilson executed a deed of sale dated December 20, 1993 in his and his wife Perlita's favor. After their purchase, they secured a certification from the Bureau of Forestry declaring the land for taxation purposes.

The Trial Court Decision

On May 12, 1998, the RTC decided in the petitioner's favor and cancelled Ravelo's Sales Patent No. 12458 and OCT No. P-4517, Chieng's TCT No. T-7209, and the Redondos' TCT No. T-7261. The court also ordered the reversion of the land to the mass of the public domain,[3] relying on the Bureau of Land's recommendation to cancel Ravelo's title and patent for being fraudulently obtained. It explained that the intervenors were not buyers in good faith because they failed to inquire with the trial court whether other cases have been filed against Ravelo. It agreed with the OSG that the land should revert to petitioner pursuant to Commonwealth Act (C.A.) No. 141 or the Public Land Act, as amended by Republic Act (R.A.) No. 6516[4] because it was sold in a public auction within the period when the alienation of lands granted through sales patent is prohibited.

The Court of Appeals Decision

The Court of Appeals, on the Redondos' appeal docketed as CA-G.R. CV No. 60665,[5] reversed and set aside the trial court's ruling and declared the Redondos as innocent purchasers in good faith. The appellate court also declared the Redondos' TCT No. T-7261 valid.[6]

The appellate court ruled that the Redondos were buyers in good faith because they and Chieng entered their agreement for the purchase of the subject lot on May 11, 1993 and executed their Deed of Sale on December 20, 1993, prior to the annotation of the notice of lis pendens on March 24, 1994, and prior as well to any awareness by the Redondos of the existence of any flaw in the vendor's title. It explained that the Redondos' conduct carried all the badges of propriety and regularity as they verified the regularity of the title to the property with the proper

registry of deeds before buying it. Ravelo's title, even if tainted with fraud, may be the source of a completely legal and valid title in the hands of an innocent purchaser for value.

The Petition and the Parties' Positions

The petitioner comes to this Court in the present petition to assail the Court of Appeals decision and submits the following assigned errors:

I.

the Court of appeals erred on a question of law in reversing the decision of the trial court[,]canceling the titles of respondents and reverting [the] subject land to the mass of public domain[,]on the ground that a fraudulent title may NOT be the basis of a valid title.

II.

the court of appeals erred on a question of law in declaring that RespondentS Redondo spouses are innocent purchasers in good faith and for value of the property.[7]

The petitioner argues that the innocent purchaser for value doctrine is inapplicable because the mother title was procured through fraud. Specifically, Ravelo's title could not have been the source of valid titles for Chieng and the Redondos because it was void in the first place. Ravelo's failure to disclose in her patent application that Victoriano Mortera, Jr. was in possession of the subject lot constituted fraud and misrepresentation -- grounds for the annulment of her title. If a public land is acquired by an applicant through fraud and misrepresentation, the State may institute reversion proceedings even after the lapse of one year.

The petitioner likewise contends that the Redondos as vendees cannot rely solely on the face of the title as they did not transact directly with the registered owner; they transacted with Chieng whose right to the property was based on a certificate of sale. Thus, the Redondos merely relied on the certificate of sale instead of examining the title covering the subject lot. To be deemed a buyer in good faith and for value, the vendee must at least see the registered owner's duplicate copy of the title and must have relied on it in examining the factual circumstances and in determining if there is any flaw in the title. Petitioner finally notes that lis pendens was already annotated on the title at the time the deed of sale was registered.

The respondent Redondos spouses counter they are not obliged by law to go beyond the certificate of registration to determine the condition of the property. Any alleged irregularity in the issuance of Ravelo's OCT No. P-4517 cannot affect them since a patent issued administratively has the force and effect of a Torrens Title under Act No. 496 (the Land Registration Act) and partakes of the nature of a certificate of title issued in judicial proceedings. At the time they purchased the property from Chieng with the execution of their Agreement dated May 11, 1993, there was no encumbrance on OCT No. P-4517 except the notice of levy and certificate of sale in favor of Chieng. They had full notice of the physical condition of the land, and no adverse claim of ownership or possession existed when they inspected the records of the Register of Deeds and of the City Assessor. Since their residence adjoins the subject lot, they could attest that no one used the subject lot and no improvement has been introduced showing that there was adverse possession by any party.[8]

Respondent Ravelo failed to file a comment.

Two issues are effectively submitted to us for resolution, namely:

- Whether there is basis for the cancellation of Ravelo's original title and the reversion of the subject lot to the public domain; and
- Whether the Redondos are innocent purchasers in good faith and for value, whose title over the subject lot

that could defeat the petitioner's cause of action for cancellation of title and reversion.

The Court's Ruling

We find the petition meritorious.

The Reversion Issue:

Misrepresentation in the Application

Under Section 91 of CA No. 141, the "statements made in application shall be considered essential conditions and parts of any concession, title or permit issued on the basis of such application, and any false statement therein or omission of facts altering or changing or modifying the consideration of the facts set forth in such statements . . . shall ipso facto produce the cancellation of the concession, title, or permit granted." This provision is reinforced by jurisprudential rulings that stress in no uncertain terms the consequences of any fraud or misrepresentation committed in the course of applying for a land patent.[9]

The record shows that Ravelo, the grantee, limited herself in her Answer to the position that the application passed through the regular process; that she had been in possession of the property from the time of her application; and that Mortera was never in possession of the land. Thereafter, Ravelo failed to attend trial and present evidence so that the lower court received the government's evidence ex-parte. The Redondos, who intervened after title to the property passed on to them, did not touch at all the misrepresentation aspect of the complaint on the theory that, as purchasers in good faith, the misrepresentation of Ravelo cannot affect their title.[10] Thus, the presence of fraud or misrepresentation was practically an issue that the Ravelo and the Redondos conceded to the government.

This legal situation, notwithstanding, the Court of Appeals practically disregarded the misrepresentation issue and followed the Redondos' argument that the flaw in Ravelo's title is immaterial because they were purchasers in good faith of a titled property. This reasoning brings to the fore the issues of good faith and of the annotations in the original certificate of title including the notice of lis pendens that was registered on March 24, 1994.

The Good Faith Issue

The Court of Appeals approached the issue of good faith based mainly on its view that there had been a perfected sale prior to the annotation of the notice of lis pendens. To the appellate court, the Redondos purchased the subject lot prior to the annotation of the notice of lis pendens by the petitioner, and were thus without knowledge or notice of any flaw in the title. To quote the appellate court:

Wilson Chieng and the intervenors entered into said agreement prior to the annotation of the notice of lis pendens on March 24, 1994. The consensual contract of sale was, therefore, perfected on May 11, 1993, prior to any awareness on the part of the intervenors as the existence of any flaw in the vendor's title. Said agreement has been duly notarized. There was a meeting of the minds between Wilson Chieng and spouses Redondo; there is a determinate subject which is the land covered by OCT P-4517 and a price certain in the sum of P85,000.00 which intervenors agreed to pay Wilson Chieng. Intervenors are, thus, buyers in good faith and for value under the contemplation of our laws. No evidence was presented by the other parties to refute said fact. Neither was there any evidence introduced to assail the genuineness and due execution of the agreement. It is a public instrument which enjoys the presumption of regularity.

We find this approach to be simplistic as it disregards, among others, the nature of a sale of registered real property, as well as other material and undisputed developments in the case. For example, while the appellate court was correct in its general statement about the perfection of a contract of sale, it did not take into account that the subject matter of the sale was a registered land to which special rules apply in addition to the general rules on

sales under the Civil Code. Section 51 of Presidential Decree No. 1529 which governs conveyances of registered lands provides:

Sec. 51. Conveyance and other dealings by registered owner. An owner of registered land may convey, mortgage, lease, charge or otherwise deal with the same in accordance with existing laws. He may use such forms of deeds, mortgages, leases or other voluntary instruments as are sufficient in law. But no deed, mortgage, lease or other voluntary instrument, except a will purporting to convey or affect registered land, shall take effect as a conveyance or bind the land, but shall operate only as a contract between the parties and as evidence of authority to the Register of Deeds to make registration.

The act of registration shall be the operative act to convey or affect the land in so far as third persons are concerned, and in all cases under this Decree, the registration shall be made in the office of the Register of Deeds for the province or city where the land lies.

Thus, bereft of registration, any sale or transaction involving registered land operates only as a contract between the parties and shall not affect or bind the registered property.

One material development that affected the subject lot as a registered property was the notice of levy that the sheriff caused to be annotated in Ravelo's OCT No. P-4517 on March 17, 1993 pursuant to the order of the court in the collection case filed by Antonio Chieng against Ravelo. This was followed by the Certificate of Sale that was again annotated in Ravelo's title on May 25, 1993.

Another material development was the annotation of a notice of lis pendens on March 24, 1994 at the instance of the government, to reflect the pendency of the State's claim for cancellation of title and the reversion of the subject lot against Ravelo.

Interestingly, the annotation of the levy in execution and the certificate of sale did not merit any consideration in the decisions of both the trial and the appellate courts. We, however, consider these developments material as they embody notices to the whole world of transactions affecting the registered subject lot; they should be the starting point of any consideration of the existence of good or bad faith of the parties dealing with the land. These annotations signify that Chieng's purchase of the subject lot in the execution sale constituted a prior and superior claim in time over the subject lot by any of the dramatis personae in the present case.

Thus, barring any defect in the sale itself and assuming that Chieng did not have any prior knowledge, constructive or otherwise, of any defect in Ravelo's title, Chieng has a prior claim to the property that is protected by the fact of registration and by his status as an innocent buyer in good faith and for value. The legal protection offered by registration under the Torrens system compels us to recognize the validity of the claim of an innocent purchaser for value despite any defect in the vendor's title.[11] Likewise, it does not matter that the final deed of sale and transfer of registration of the title to Chieng, as innocent purchaser for value at an auction sale, occurred subsequent to the annotation of the intervening notice of lis pendens, as the final deed of sale and transfer are the necessary consequences of the previously registered notice of levy and certificate of sale.[12]

The Redondos came into the picture when they contracted with Chieng for their purchase of the subject property. Their inspection of the records at the Registry of Deeds should have confirmed to them that the subject lot was a registered land and that Chieng, their seller, was not yet the registered owner, but one who merely had a sheriff's Certificate of Sale. Contrary to the lower courts' reading of the May 11, 1993 transaction between Chieng and the Redondos, what Chieng sold was not the subject lot because he was not yet a registered owner who could effectively convey the property at that point. What Chieng sold was "his rights under a Certificate of Sale on the property covered by Original Certificate of Title No. P-4517." [13] Significantly, this May 11, 1993 agreement was not registered nor annotated in OCT No. P-4517 because it was technically a side agreement relating to but

not directly affecting the registered property, and was thus enforceable only between the parties - Chieng and the Redondos. Thus, the government cannot be effectively put on notice of the May 11, 1993 agreement when it registered its notice of lis pendens on March 24, 1994. Consequently, too, the Redondos are differently situated in terms of the determination of their good faith and cannot simply claim what Chieng can personally claim as innocent purchaser for value of the subject lot at an execution sale.

To complete the whole picture of the series of developments involved, it was not until September 23, 1994 that the final Bill of Sale dated June 26, 1994 in favor of Chieng was inscribed as Entry No. 2419 on OCT No. P-4517. OCT No. P-4517 was thereafter cancelled and TCT No. T-7209 in Chieng's name was issued (carrying the government's notice of lis pendens as Entry No. 7219). It was only at this point that Chieng, as registered owner, could have sold or could have done an act binding the subject lot. A deed of sale dated November 21, 1994 in favor of the Redondos was inscribed at the back of Chieng's TCT No. T-7209 on December 20, 1994. On the same day, TCT No. T-7261 in the Redondos' name was issued, still carrying the lis pendens Entry No. 7219.[14]

From these perspectives, we cannot see how the Redondos could have been purchasers in good faith in May 1993 when they were not even purchasers of the subject lot at that point. Specifically, it was not until Chieng and the Redondos executed their November 21, 1994 deed of sale over the subject lot that they had a contract of sale that would have served as evidence of authority to the Register of Deeds to make registration. It was only then when a sale of real property by a registered owner was concluded where good faith or bad faith on the part of the buyer would have mattered - but at that point a notice of lis pendens had already been annotated.

The Notice of Lis Pendens

Lis pendens literally means "a pending suit," while a notice of lis pendens, inscribed in the certificate of title, is an announcement to the whole world that the covered property is in litigation, serving as a warning that one who acquires interest in the property does so at his own risk and subject to the results of the litigation.[15] This is embodied in Section 76 of Presidential Decree (P.D.) No. 1529 which provides that no action to recover possession of real estate, or to quiet title thereto, or to remove clouds upon the title thereof, or for partition, or other proceedings of any kind in court directly affecting the title to land or the use or occupation thereof or the buildings thereon, and no judgment, and no proceeding to vacate or reverse any judgment, shall have any effect upon registered land as against persons other than the parties thereto, unless a memorandum or notice stating the institution of such action or proceeding and the court wherein the same is pending, as well as the date of the institution thereof, together with a reference to the number of the certificate of title, and an adequate description of the land affected and the registered owner thereof, shall have been filed and registered. The notice that this provision speaks of - the notice of lis pendens - is not a lien or encumbrance on the property, but simply a notice to prospective buyers or to those dealing with the property that it is under litigation.[16]

As our above discussion shows, the government's notice of lis pendens came after the execution sale and thus cannot affect Chieng and the conveyance to him of the subject lot. However, the notice affects all transactions relating to OCT No. P-4517 subsequent to its registration date - March 24, 1994. From that date, there was a binding notice to the whole world that any subsequent claim on OCT No. P-4517 would be subject to the annotated pending action. Specifically, the sale by Chieng to the Redondos of the subject lot on December 20, 1994 was subject to the notice of lis pendens duly annotated on Chieng's title.

Cancellation and Reversion

Separately from the misrepresentation that tainted Ravelo's sales patent, the RTC decision points to a supervening cause for cancellation and reversion that transpired after the filing of the petitioner's complaint on November 6, 1992 - the sale on execution of the subject lot. According to the RTC, this was sale prohibited under Section 29 of

the CA No. 141 since it was made within ten years from the grant of the patent[17] and should have the legal effect of voiding the sale on execution of the subject lot.

We disagree with this conclusion as the applicable law in the sale of land of the public domain for residential purposes is R.A. No. 730,[18] as amended by P.D. No. 2004.[19] While R.A. No.730 originally carried the same prohibition that Sec. 29 of CA No. 141 has, P.D. No. 2004 dated December 30, 1985 removed this prohibition for lands sold for residential purposes under R.A. No. 730. Thus, the execution sale of the subject lot in 1993 was undertaken without any attendant legal impediment.

Conclusion

In sum, we hold that the Court of Appeals erred in concluding that the Redondos were buyers in good faith. They purchased the subject lot from Chieng subject to the government's notice of *lis pendens*; hence, their purchase was at the risk of the outcome of the State's complaint for cancellation and reversion which we find to be meritorious. The subject lot must therefore revert back to the public domain.

WHEREFORE, premises considered, we GRANT the petition. We REVERSE the decision of the Court of Appeals in CA-G.R. CV No. 60665 and accordingly declare void respondent Mabelle B. Ravelo's Miscellaneous Sales Patent No. 12458 and OCT No. P-4517. We likewise order the CANCELLATION of Transfer Certificate of Title No. T-7261 issued in the name of Emmanuel and Perlita Redondo and the reversion to the mass of the public domain of the property it covers - Lot 16, Block 2, located in Mabayuan Extension, Gordon Heights, Olongapo City.

SO ORDERED.

Quisumbing, (Chairperson), Corona, Carpio Morales, and Velasco, Jr., JJ., concur.

* Designated additional member of the Second Division per Special Order No. 512 dated July 16, 2008.

[1] Filed pursuant to Rule 45 of the Revised Rules of Court.

[2] Rollo, pp. 43-48.

[3] *Id.*, pp. 49-62.

[4] An Act providing for the Sale of Agricultural Public Lands and Authorizing Land Officers in Every Province of the Bureau of Lands to Sign Patents or Certificates Covering Lands not Exceeding Five hectares, further Amending for the Purpose Commonwealth Act No. 141.

[5] Dated August 24, 2004, with Associate Justice Arcangelita M. Romilla-Lontok as ponente, and Associate Justice Rodrigo V. Cosico and Associate Justice Danilo B. Pine (both retired), concurring.

[6] Rollo, pp 36-42.

[7] *Id.*, p. 19.

[8] Respondent-spouses' Comment; *id.*, pp. 67-79.

[9] See *Heirs of Carlos Alcaraz v. Republic of the Philippines, et al.*, G.R. No. 131667, July 28, 2005, 464 SCRA 280; *Republic of the Philippines v. Heirs of Felipe Alejaga, Sr., et al.*, G.R. No. 146030, December 3, 2002, 393 SCRA 361; *Republic of the Philippines v. de Guzman*, G.R. No. 105630, February 23, 2000, 326 SCRA 267; *Baguio v. Republic of the Philippines*, G.R. No. 119682, January 21, 1999, 301 SCRA 450.

[10] See RTC Decision, p. 7; rollo, p. 55.

[11] Cruz v. Court of Appeals, G.R. No. 120122, November 6, 1997, 281 SCRA 491.

[12] Prineda v. Court of Appeals, G.R. No. 114172, August 25, 2003, 409 SCRA 438.

[13] Court of Appeals Decision, p. 5; rollo, p. 40.

[14] Id., pp. 38 -39.

[15] Heirs of Eugenio Lopez, Sr. v. Enriquez, G.R. No. 146262, January 21, 2005, 449 SCRA 173; Legarda v. Court of Appeals, G.R. No. 94457, October 16, 1997, 280 SCRA 642.

[16] People v. Regional Trial Court of Manila, G.R. No. 81541, October 4, 1989, 178 SCRA 299.

[17] Section 29. After title has been granted, the purchaser may not, within a period of ten years from such cultivation or grant, convey or encumber or dispose said lands or rights thereon to any person, corporation or association, without prejudice to any right or interest of the Government in the land; Provided, That any sale and encumbrance made in violation of the provisions of this section, shall be null and void and shall produce the effect of annulling the acquisition and reverting the property and all rights thereto to the State, and all payments on the purchase price therefore made to the Government shall be forfeited (As amended by Rep. Act No. 6516)

[18] Republic Act No. 730 - An Act to Permit the Sale without Public Auction of Public Lands of the Republic of the Philippines for Residential Purposes to Qualified Applicants under Certain Conditions.

SECTION 1. Notwithstanding the provisions of sections sixty-one and sixty-seven of Commonwealth Act Numbered One hundred forty-one, as amended by Republic Act Numbered Two hundred ninety-three, any Filipino citizen of legal age who is not the owner of a home lot in the municipality or city in which he resides and who has in good faith established his residence on a parcel of the public land of the Republic of the Philippines which is not needed for the public service, shall be given preference to purchase at a private sale of which reasonable notice shall be given to him not more than one thousand square meters at a price to be fixed by the Director of Lands with the approval of the Secretary of Agriculture and Natural Resources. It shall be an essential condition of this sale that the occupants has constructed his house on the land and actually resided therein. Ten per cent of the purchase price shall be paid upon the approval of the sale and the balance may be paid in full, or in ten equal annual installments.

SECTION 2. Except in favor of the Government or any of its branches, units, or institutions lands acquired under the provisions of this Act shall not be subject to encumbrance or alienation before the patent is issued and for a term of ten years from the date of the issuance of such patent, nor shall they become liable to the satisfaction of any debt contracted prior to the expiration of said period. No transfer or alienation made after the said period of ten years and within fifteen years from the issuance of such patent except those made by virtue of the right of succession shall be valid unless when duly authorized by the Secretary of Agriculture and Natural Resources and the transferee or vendee is a Filipino citizen. Every conveyance made shall be subject to repurchase by the original purchaser or his legal heirs within a period of five years from the date of conveyance.

Any contract or agreement made or executed in violation of this section shall be void ab initio.

SECTION 3. The provisions of the Public Land Act with respect to the sale of lands for residential purposes which are not inconsistent herewith shall be applicable.

SECTION 4. This Act shall take effect upon its approval.

Approved: June 18, 1952; Published in the Official Gazette, Vol. 48, No. 7 in July 1952

[19] P.D. No. 2004 - Amending Section Two of Republic Act 730 relative to the Sale without Public Auction of Public Lands of the Republic of the Philippines for Residential Purposes to Qualified Applicants under Certain Conditions.

WHEREAS, Republic Act No. 730 permits the sale without public auction of public lands of the Republic of the Philippines for residential purposes to qualified applicants under certain conditions;

WHEREAS, land required thereunder are subject to onerous restrictions against encumbrance or alienation;

WHEREAS, it is necessary to remove these onerous restrictions to allow the effective utilization of these lands.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, pursuant to the powers vested in me by the Constitution, do hereby decree:

SECTION 1. Section Two of Republic Act Numbered Seven Hundred and Thirty is hereby amended to read as follows:

Sec. 2. Lands acquired under the provisions of this Act shall not be subject to any restrictions against encumbrance or alienation before and after the issuance of the patents thereon.

SECTION 2. This Decree shall take effect immediately.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Republic of the Philippines to be affixed.

DONE in the City of Manila, this 30th day of December, in the year of Our Lord, Nineteen Hundred and Eighty-Five.

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.