

HEIRS OF DR. JOSE DELESTE, NAMELY: JOSEFA DELESTE, JOSE RAY DELESTE, RAUL HECTOR DELESTE, AND RUBEN ALEX DELESTE, PETITIONERS, VS. LAND BANK OF THE PHILIPPINES (LBP), AS REPRESE...

G.R. No. 169913. June 08, 2011

Ponente: VELASCO JR., J.

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VELASCO JR., J.:

The Case

Before Us is a Petition for Review on Certiorari under Rule 45 seeking to reverse and set aside the October 28, 2004 Resolution[1] of the Court of Appeals (CA) and its September 13, 2005 Resolution[2] denying petitioners' motion for reconsideration.

The Facts

The spouses Gregorio Nanaman (Gregorio) and Hilaria Tabuclin (Hilaria) were the owners of a parcel of agricultural land located in Tambo, Iligan City, consisting of 34.7 hectares (subject property). Said spouses were childless, but Gregorio had a son named Virgilio Nanaman (Virgilio) by another woman. Virgilio had been raised by the couple since he was two years old. Gregorio also had two daughters, Esperanza and Caridad, by still another woman.[3]

When Gregorio died in 1945, Hilaria and Virgilio administered the subject property.[4] On February 16, 1954, Hilaria and Virgilio sold the subject property to Dr. Jose Deleste (Deleste) for PhP 16,000.[5] The deed of sale was notarized on February 17, 1954 and registered on March 2, 1954. Also, the tax declaration in the name of Virgilio was canceled and a new tax declaration was issued in the name of Deleste. The arrears in the payment of taxes from 1952 had been updated by Deleste and from then on, he paid the taxes on the property.[6]

On May 15, 1954, Hilaria died.[7] Gregorio's brother, Juan Nanaman, was appointed as special administrator of the estate of the deceased spouses. Subsequently, Edilberto Noel (Noel) was appointed as the regular administrator of the joint estate.[8]

On April 30, 1963, Noel, as the administrator of the intestate estate of the deceased spouses, filed before the Court of First Instance, Branch II, Lanao del Norte an action against Deleste for the reversion of title over the subject property, docketed as Civil Case No. 698.[9] Said case went up to this Court in Noel v. CA, where We rendered a Decision[10] on January 11, 1995, affirming the ruling of the CA that the subject property was the conjugal property of the late spouses Gregorio and Hilaria and that the latter could only sell her one-half (1/2) share of the subject property to Deleste. As a result, Deleste, who died in 1992, and the intestate estate of Gregorio were held to be the co-owners of the subject property, each with a one-half (1/2) interest in it.[11]

Notably, while Civil Case No. 698 was still pending before the CFI, particularly on October 21, 1972, Presidential

Decree No. (PD) 27 was issued. This law mandates that tenanted rice and corn lands be brought under the Operation Land Transfer (OLT) Program and awarded to farmer-beneficiaries. Thus, the subject property was placed under the said program.[12] However, only the heirs of Gregorio were identified by the Department of Agrarian Reform (DAR) as the landowners. Concomitantly, the notices and processes relative to the coverage were sent to these heirs.[13]

In 1975, the City of Iligan passed City Ordinance No. 1313, known as the "Zoning Regulation of Iligan City," reclassifying the subject property as commercial/residential.[14]

Eventually, on February 12, 1984, DAR issued Certificates of Land Transfer (CLTs) in favor of private respondents who were tenants and actual cultivators of the subject property.[15] The CLTs were registered on July 15, 1986.[16]

In 1991, the subject property was surveyed.[17] The survey of a portion of the land consisting of 20.2611 hectares, designated as Lot No. 1407, was approved on January 8, 1999.[18] The claim folder for Lot No. 1407 was submitted to the LBP which issued a Memorandum of Valuation and a Certificate of Cash Deposit on May 21, 2001 and September 12, 2001, respectively. Thereafter, Emancipation Patents (EPs) and Original Certificates of Title (OCTs) were issued on August 1, 2001 and October 1, 2001, respectively, in favor of private respondents over their respective portions of Lot No. 1407.[19]

Meanwhile, on November 22, 1999, the City of Iligan filed a complaint with the Regional Trial Court (RTC), Branch 4 in Iligan City for the expropriation of a 5.4686-hectare portion of Lot No. 1407, docketed as Special Civil Action No. 4979. On December 11, 2000, the RTC issued a Decision granting the expropriation. Considering that the real owner of the expropriated portion could not be determined, as the subject property had not yet been partitioned and distributed to any of the heirs of Gregorio and Deleste, the just compensation for the expropriated portion of the subject property in the amount of PhP 27,343,000 was deposited with the Development Bank of the Philippines in Iligan City, in trust for the RTC in Iligan City.[20]

On February 28, 2002, the heirs of Deleste, petitioners herein, filed with the Department of Agrarian Reform Adjudication Board (DARAB) a petition seeking to nullify private respondents' EPs.[21] This was docketed as Reg. Case No. X-471-LN-2002.

On July 21, 2003, the Provincial Agrarian Reform Adjudicator (PARAD) rendered a Decision[22] declaring that the EPs were null and void in view of the pending issues of ownership, the subsequent reclassification of the subject property into a residential/commercial land, and the violation of petitioners' constitutional right to due process of law.

Dissatisfied, private respondents immediately filed their Notice of Appeal on July 22, 2003. Notwithstanding it, on July 24, 2003, petitioners filed a Motion for a Writ of Execution pursuant to Section 2, Rule XII of the Revised Rules of Procedure, which was granted in an Order dated August 4, 2003 despite strong opposition from private respondents.[23] On January 28, 2004, the DARAB nullified the Order dated August 4, 2003 granting the writ of execution.[24]

Subsequently, the DARAB, in DARAB Case No. 12486, reversed the ruling of the PARAD in its Decision[25] dated March 15, 2004. It held, among others, that the EPs were valid as it was the heirs of Deleste who should have informed the DAR of the pendency of Civil Case No. 698 at the time the subject property was placed under the coverage of the OLT Program considering that DAR was not a party to the said case. Further, it stated that the record is bereft of any evidence that the city ordinance has been approved by the Housing and Land Use Regulatory Board (HLURB), as mandated by DAR Administrative Order No. 01, Series of 1990, and held that

whether the subject property is indeed exempt from the OLT Program is an administrative determination, the jurisdiction of which lies exclusively with the DAR Secretary or the latter's authorized representative. Petitioners' motion for reconsideration was likewise denied by the DARAB in its Resolution[26] dated July 8, 2004.

Undaunted, petitioners filed a petition for review with the CA, docketed as CA-G.R. SP No. 85471, challenging the Decision and Resolution in DARAB Case No. 12486. This was denied by the CA in a Resolution dated October 28, 2004 for petitioners' failure to attach the writ of execution, the order nullifying the writ of execution, and such material portions of the record referred to in the petition and other supporting papers, as required under Sec. 6 of Rule 43 of the Rules of Court. Petitioners' motion for reconsideration was also denied by the appellate court in a Resolution dated September 13, 2005 for being pro forma.

On November 18, 2005, petitioners filed a petition for review with this Court. In Our Resolution[27] dated February 4, 2008, We resolved to deny the said petition for failure to show sufficiently any reversible error in the assailed judgment to warrant the exercise by the Court of its discretionary appellate jurisdiction in this case.

On March 19, 2008, petitioners filed a Motion for Reconsideration.[28] On April 11, 2008, they also filed a Supplement to the Motion for Reconsideration.[29]

In Our Resolution[30] dated August 20, 2008, this Court resolved to grant petitioners' motion for reconsideration and give due course to the petition, requiring the parties to submit their respective memoranda.

The Issues

- [WHETHER THE CA WAS CORRECT IN DISMISSING] OUTRIGHT THE PETITION FOR REVIEW OF PETITIONERS X X X.

- [WHETHER] THE OUTRIGHT DENIAL OF PETITIONERS' MOTION FOR RECONSIDERATION BASED ON A MISAPPRECIATION OF FACTS IS JUSTIFIED; AND [WHETHER THE] OUTRIGHT DISMISSAL OF THE PETITION IS JUST CONSIDERING THE IMPORTANCE OF THE ISSUES RAISED THEREIN.

X X X X

- [WHETHER PETITIONERS' LAND IS] COVERED BY AGRARIAN REFORM GIVEN THAT THE CITY OF ILIGAN PASSED [CITY] ORDINANCE NO. 1313 RECLASSIFYING THE AREA INTO A STRICTLY RESIDENTIAL AREA IN 1975.

- [WHETHER THE LAND] THAT HAS BEEN PREVIOUSLY AND PARTIALLY EXPROPRIATED BY A CITY GOVERNMENT [MAY] STILL BE SUBJECT[ED] TO AGRARIAN REFORM.

- [WHETHER DAR VIOLATED] THE RIGHTS OF PETITIONERS TO PROCEDURAL DUE PROCESS.

- [WHETHER] THE COMPENSATION DETERMINED BY DAR AND LBP IS CORRECT GIVEN THAT THE FORMULA USED HAD BEEN REPEALED.

- [WHETHER] THE ISSUANCE OF EMANCIPATION PATENTS [IS] LEGAL GIVEN THAT THEY WERE FRUITS OF AN ILLEGAL PROCEEDING.

- [WHETHER] THE CERTIFICATES OF TITLE [ARE] VALID GIVEN THAT THEY WERE DIRECTLY ISSUED TO THE FARMER-BENEFICIARIES IN GROSS VIOLATION OF SECTION 16(E) OF R.A. 6657 X X X.[31]

Our Ruling

The petition is meritorious.

Effect of non-compliance with the requirements
under Sec. 6, Rule 43 of the Rules of Court

In filing a petition for review as an appeal from awards, judgments, final orders, or resolutions of any quasi-judicial agency in the exercise of its quasi-judicial functions, it is required under Sec. 6(c), Rule 43 of the Rules of Court that it be accompanied by a clearly legible duplicate original or a certified true copy of the award, judgment, final order, or resolution appealed from, with certified true copies of such material portions of the record referred to in the petition and other supporting papers. As stated:

Sec. 6. Contents of the petition. - The petition for review shall (a) state the full names of the parties to the case, without impleading the court or agencies either as petitioners or respondents; (b) contain a concise statement of the facts and issues involved and the grounds relied upon for the review; (c) be accompanied by a clearly legible duplicate original or a certified true copy of the award, judgment, final order or resolution appealed from, together with certified true copies of such material portions of the record referred to therein and other supporting papers; and (d) contain a sworn certification against forum shopping as provided in the last paragraph of section 2, Rule 42. The petition shall state the specific material dates showing that it was filed within the period fixed herein. (Emphasis supplied.)

Non-compliance with any of the above-mentioned requirements concerning the contents of the petition, as well as the documents that should accompany the petition, shall be sufficient ground for its dismissal as stated in Sec. 7, Rule 43 of the Rules:

Sec. 7. Effect of failure to comply with requirements. - The failure of the petitioner to comply with any of the foregoing requirements regarding the payment of the docket and other lawful fees, the deposit for costs, proof of service of the petition, and the contents of and the documents which should accompany the petition shall be sufficient ground for the dismissal thereof. (Emphasis supplied.)

In the instant case, the CA dismissed the petition in CA-G.R. SP No. 85471 for petitioners' failure to attach the writ of execution, the order nullifying the writ of execution, and such material portions of the record referred to in the petition and other supporting papers.[32]

A perusal of the issues raised before the CA would, however, show that the foregoing documents required by the appellate court are not necessary for the proper disposition of the case. Specifically:

Is [Lot No. 1407] within the ambit of the [Comprehensive Agrarian Reform Program]?

Can the OLT by DAR over the subject land validly proceed without notice to the landowner?

Can the OLT be validly completed without a certification of deposit by Land Bank?

[I]s the landowner barred from exercising his right of retention x x x [considering that EPs were already issued on the basis of CLTs]?

Are the EPs over the subject land x x x valid x x x?[33]

Petitioners complied with the requirement under Sec. 6(c), Rule 43 of the Rules of Court when they appended to the petition filed before the CA certified true copies of the following documents: (1) the challenged resolution dated July 8, 2004 issued by the DARAB denying petitioners' motion for reconsideration; (2) the duplicate original copy of petitioners' Motion for Reconsideration dated April 6, 2005; (3) the assailed decision dated March 15, 2004 issued by the DARAB reversing on appeal the decision of the PARAD and nullifying with finality the order of execution pending appeal; (4) the Order dated December 8, 2003 issued by the PARAD reinstating the writ of execution earlier issued; and (5) the Decision dated July 21, 2003 issued by the PARAD in the original proceedings for the cancellation of the EPs.[34] The CA, therefore, erred when it dismissed the

petition based on such technical ground.

Even assuming that the omitted documents were material to the appeal, the appellate court, instead of dismissing outright the petition, could have just required petitioners to submit the necessary documents. In *Spouses Espejo v. Ito*,^[35] the Court held that "under Section 3 (d), Rule 3 of the Revised Internal Rules of the Court of Appeals,^[36] the Court of Appeals is with authority to require the parties to submit additional documents as may be necessary to promote the interests of substantial justice."

Moreover, petitioners' subsequent submission of the documents required by the CA with the motion for reconsideration constitutes substantial compliance with Section 6(c), Rule 43 of the Rules of Court.^[37] In *Jaro v. CA*, this Court held that subsequent and substantial compliance may call for the relaxation of the rules of procedure. Particularly:

The amended petition no longer contained the fatal defects that the original petition had but the Court of Appeals still saw it fit to dismiss the amended petition. The Court of Appeals reasoned that "non-compliance in the original petition is admittedly attributable to the petitioner and that no highly justifiable and compelling reason has been advanced" to the court for it to depart from the mandatory requirements of Administrative Circular No. 3-96. The hard stance taken by the Court of Appeals in this case is unjustified under the circumstances.

There is ample jurisprudence holding that the subsequent and substantial compliance of an appellant may call for the relaxation of the rules of procedure. In *Cusi-Hernandez vs. Diaz and Piglas-Kamao vs. National Labor Relations Commission*, we ruled that the subsequent submission of the missing documents with the motion for reconsideration amounts to substantial compliance. The reasons behind the failure of the petitioners in these two cases to comply with the required attachments were no longer scrutinized. What we found noteworthy in each case was the fact that the petitioners therein substantially complied with the formal requirements. We ordered the remand of the petitions in these cases to the Court of Appeals, stressing the ruling that by precipitately dismissing the petitions "the appellate court clearly put a premium on technicalities at the expense of a just resolution of the case."^[38] (Citations omitted; emphasis supplied.)

Time and again, this Court has held that a strict and rigid application of technicalities must be avoided if it tends to frustrate rather than promote substantial justice.^[39] As held in *Sta. Ana v. Spouses Carpo*:^[40]

Rules of procedure are merely tools designed to facilitate the attainment of justice. If the application of the Rules would tend to frustrate rather than to promote justice, it is always within our power to suspend the rules or except a particular case from their operation. Law and jurisprudence grant to courts the prerogative to relax compliance with the procedural rules, even the most mandatory in character, mindful of the duty to reconcile the need to put an end to litigation speedily and the parties' right to an opportunity to be heard.

Our recent ruling in *Tanenglian v. Lorenzo* is instructive:

We have not been oblivious to or unmindful of the extraordinary situations that merit liberal application of the Rules, allowing us, depending on the circumstances, to set aside technical infirmities and give due course to the appeal. In cases where we dispense with the technicalities, we do not mean to undermine the force and effectivity of the periods set by law. In those rare cases where we did not stringently apply the procedural rules, there always existed a clear need to prevent the commission of a grave injustice. Our judicial system and the courts have always tried to maintain a healthy balance between the strict enforcement of procedural laws and the guarantee that every litigant be given the full opportunity for the just and proper disposition of his cause. (Citations omitted; emphasis supplied.)

Clearly, the dismissal of the petition by the CA on mere technicality is unwarranted in the instant case.

On the coverage of the subject property

by the agrarian reform program

Petitioners contend that the subject property, particularly Lot No. 1407, is outside the coverage of the agrarian reform program in view of the enactment of City Ordinance No. 1313 by the City of Iligan reclassifying the area into a residential/commercial land.[41]

Unconvinced, the DARAB, in its Decision, noted that the record is bereft of any evidence that the city ordinance has been approved by the HLURB, thereby allegedly casting doubt on the validity of the reclassification over the subject property.[42] It further noted that whether the subject property is exempt from the OLT Program is an administrative determination, the jurisdiction of which lies exclusively with the DAR Secretary, not with the DARAB.

Indeed, it is the Office of the DAR Secretary which is vested with the primary and exclusive jurisdiction over all matters involving the implementation of the agrarian reform program.[43] However, this will not prevent the Court from assuming jurisdiction over the petition considering that the issues raised in it may already be resolved on the basis of the records before Us. Besides, to allow the matter to remain with the Office of the DAR Secretary would only cause unnecessary delay and undue hardship on the parties. Applicable, by analogy, is Our ruling in the recent *Bagong Pagkakaisa ng Manggagawa ng Triumph International v. Department of Labor and Employment Secretary*,[44] where We held:

But as the CA did, we similarly recognize that undue hardship, to the point of injustice, would result if a remand would be ordered under a situation where we are in the position to resolve the case based on the records before us. As we said in *Roman Catholic Archbishop of Manila v. Court of Appeals*:

[w]e have laid down the rule that the remand of the case to the lower court for further reception of evidence is not necessary where the Court is in a position to resolve the dispute based on the records before it. On many occasions, the Court, in the public interest and for the expeditious administration of justice, has resolved actions on the merits instead of remanding them to the trial court for further proceedings, such as where the ends of justice, would not be subserved by the remand of the case.

Thus, we shall directly rule on the dismissal issue. And while we rule that the CA could not validly rule on the merits of this issue, we shall not hesitate to refer back to its dismissal ruling, where appropriate. (Citations omitted; emphasis supplied.)

Pertinently, after an assiduous study of the records of the case, We agree with petitioners that the subject property, particularly Lot No. 1407, is outside the coverage of the agrarian reform program in view of the enactment by the City of Iligan of its local zoning ordinance, City Ordinance No. 1313.

It is undeniable that the local government has the power to reclassify agricultural into non-agricultural lands. In *Pasong Bayabas Farmers Association, Inc. v. CA*,[45] this Court held that pursuant to Sec. 3 of Republic Act No. (RA) 2264, amending the Local Government Code, municipal and/or city councils are empowered to "adopt zoning and subdivision ordinances or regulations in consultation with the National Planning Commission." It was also emphasized therein that "[t]he power of the local government to convert or reclassify lands [from agricultural to non-agricultural lands prior to the passage of RA 6657] is not subject to the approval of the [DAR]."[46]

Likewise, it is not controverted that City Ordinance No. 1313, which was enacted by the City of Iligan in 1975, reclassified the subject property into a commercial/residential area. DARAB, however, believes that the approval of HLURB is necessary in order for the reclassification to be valid.

We differ. As previously mentioned, City Ordinance No. 1313 was enacted by the City of Iligan in 1975. Significantly, there was still no HLURB to speak of during that time. It was the Task Force on Human

Settlements, the earliest predecessor of HLURB, which was already in existence at that time, having been created on September 19, 1973 pursuant to Executive Order No. 419. It should be noted, however, that the Task Force was not empowered to review and approve zoning ordinances and regulations. As a matter of fact, it was only on August 9, 1978, with the issuance of Letter of Instructions No. 729, that local governments were required to submit their existing land use plans, zoning ordinances, enforcement systems and procedures to the Ministry of Human Settlements for review and ratification. The Human Settlements Regulatory Commission (HSRC) was the regulatory arm of the Ministry of Human Settlements.[47]

Significantly, accompanying the Certification[48] dated October 8, 1999 issued by Gil R. Balondo, Deputy Zoning Administrator of the City Planning and Development Office, Iligan City, and the letter[49] dated October 8, 1999 issued by Ayunan B. Rajah, Regional Officer of the HLURB, is the Certificate of Approval issued by Imelda Romualdez Marcos, then Minister of Human Settlements and Chairperson of the HSRC, showing that the local zoning ordinance was, indeed, approved on September 21, 1978. This leads to no other conclusion than that City Ordinance No. 1313 enacted by the City of Iligan was approved by the HSRC, the predecessor of HLURB. The validity of said local zoning ordinance is, therefore, beyond question.

Since the subject property had been reclassified as residential/commercial land with the enactment of City Ordinance No. 1313 in 1975, it can no longer be considered as an "agricultural land" within the ambit of RA 6657. As this Court held in *Buklod nang Magbubukid sa Lupaing Ramos, Inc. v. E.M. Ramos and Sons, Inc.*,[50] "To be exempt from CARP, all that is needed is one valid reclassification of the land from agricultural to non-agricultural by a duly authorized government agency before June 15, 1988, when the CARL took effect."

Despite the foregoing ruling, respondents allege that the subsequent reclassification by the local zoning ordinance cannot free the land from the legal effects of PD 27 which deems the land to be already taken as of October 21, 1972, when said law took effect. Concomitantly, they assert that the rights which accrued from said date must be respected. They also maintain that the reclassification of the subject property did not alter its agricultural nature, much less its actual use.[51]

Verily, vested rights which have already accrued cannot just be taken away by the expedience of issuing a local zoning ordinance reclassifying an agricultural land into a residential/commercial area. As this Court extensively discussed in *Remman Enterprises, Inc. v. CA*: [52]

In the main, REMMAN hinges its application for exemption on the ground that the subject lands had ceased to be agricultural lands by virtue of the zoning classification by the Sangguniang Bayan of Dasmariñas, Cavite, and approved by the HSRC, specifying them as residential.

In *Natalia Realty, Inc. v. Department of Agriculture*, this Court resolved the issue of whether lands already classified for residential, commercial or industrial use, as approved by the Housing and Land Use Regulatory Board (HLURB) and its precursor agencies, i.e., National Housing Authority and Human Settlements Regulatory Commission, prior to 15 June 1988, are covered by Republic Act No. 6657, otherwise known as the Comprehensive Agrarian Reform Law of 1988. We answered in the negative, thus:

We now determine whether such lands are covered by the CARL. Section 4 of R.A. 6657 provides that the CARL shall "cover, regardless of tenurial arrangement and commodity produced, all public and private agricultural lands." As to what constitutes "agricultural land," it is referred to as "land devoted to agricultural activity as defined in this Act and not classified as mineral, forest, residential, commercial or industrial land." The deliberations of the Constitutional Commission confirm this limitation. "Agricultural lands" are only those lands which are "arable and suitable agricultural lands" and "do not include commercial, industrial and residential land."

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Indeed, lands not devoted to agricultural activity are outside the coverage of CARL. These include lands previously converted to non-agricultural uses prior to the effectivity of CARL by government agencies other than respondent DAR. In its Revised Rules and Regulations Governing Conversion of Private Agricultural Lands to Non-Agricultural Uses, DAR itself defined "agricultural land" thus --

. . . Agricultural lands refers to those devoted to agricultural activity as defined in R.A. 6657 and not classified as mineral or forest by the Department of Environment and Natural Resources (DENR) and its predecessor agencies, and not classified in town plans and zoning ordinances as approved by the Housing and Land Use Regulatory Board (HLURB) and its preceding competent authorities prior to 15 June 1988 for residential, commercial or industrial use.

Since the NATALIA lands were converted prior to 15 June 1988, respondent DAR is bound by such conversion. . . .

However, Natalia should be cautiously applied in light of Administrative Order 04, Series of 2003, which outlines the rules on the Exemption on Lands from CARP Coverage under Section (3) of Republic Act No. 6657, and Department of Justice (DOJ) Opinion No. 44, Series of 1990. It reads:

I. Prefatory Statement

Republic Act (RA) 6657 or the Comprehensive Agrarian Reform Law (CARL), Section 3, Paragraph (c) defines "agricultural land" as referring to "land devoted to agricultural activity as defined in this Act and not classified as mineral, forest, residential, commercial or industrial land."

Department of Justice Opinion No. 44, Series of 1990, (or "DOJ Opinion 44-1990" for brevity) and the case of Natalia Realty versus Department of Agrarian Reform (12 August 1993, 225 SCRA 278) opines that with respect to the conversion of agricultural land covered by RA 6657 to non-agricultural uses, the authority of the Department of Agrarian Reform (DAR) to approve such conversion may be exercised from the date of its effectivity, on 15 June 1988. Thus, all lands that are already classified as commercial, industrial or residential before 15 June 1988 no longer need any conversion clearance.

However, the reclassification of lands to non-agricultural uses shall not operate to divest tenant[-]farmers of their rights over lands covered by Presidential Decree (PD) No. 27, which have been vested prior to 15 June 1988.

As emphasized, the reclassification of lands to non-agricultural cannot be applied to defeat vested rights of tenant-farmers under Presidential Decree No. 27.

Indeed, in the recent case of *Sta. Rosa Realty Development Corporation v. Amante*, where the Court was confronted with the issue of whether the contentious property therein is agricultural in nature on the ground that the same had been classified as "park" since 1979 under the Zoning Ordinance of Cabuyao, as approved by the HLURB, the Court said:

The Court recognizes the power of a local government to reclassify and convert lands through local ordinance, especially if said ordinance is approved by the HLURB. Municipal Ordinance No. 110-54 dated November 3, 1979, enacted by the Municipality of Cabuyao, divided the municipality into residential, commercial, industrial, agricultural and institutional districts, and districts and parks for open spaces. It did not convert, however, existing agricultural lands into residential, commercial, industrial, or institutional. While it classified Barangay Casile into a municipal park, as shown in its permitted uses of land map, the ordinance did not provide for the retroactivity of its classification. In *Co vs. Intermediate Appellate Court*, it was held that an ordinance converting agricultural lands into residential or light industrial should be given prospective application only, and should not change the nature of existing agricultural lands in the area or the legal relationships existing over such land. . . .

A reading of Metro Manila Zoning Ordinance No. 81-01, series of 1981, does not disclose any provision converting existing agricultural lands in the covered area into residential or light industrial. While it declared that after the passage of the measure, the subject area shall be used only for residential or light industrial purposes, it is not provided therein that it shall have retroactive effect so as to discontinue all rights previously acquired over lands located within the zone which are neither residential nor light industrial in nature. This simply means that, if we apply the general rule, as we must, the ordinance should be given prospective operation only. The further implication is that it should not change the nature of existing agricultural lands in the area or the legal relationships existing over such lands. (Citations omitted; emphasis supplied.)

This, however, raises the issue of whether vested rights have actually accrued in the instant case. In this respect, We reckon that under PD 27, tenant-farmers of rice and corn lands were "deemed owners" of the land they till as of October 21, 1972. This policy, intended to emancipate the tenant-farmers from the bondage of the soil, is given effect by the following provision of the law:

The tenant farmer, whether in land classified as landed estate or not, shall be deemed owner of a portion constituting a family size farm of five (5) hectares if not irrigated and three (3) hectares if irrigated. (Emphasis supplied.)

It should be clarified that even if under PD 27, tenant-farmers are "deemed owners" as of October 21, 1972, this is not to be construed as automatically vesting upon these tenant-farmers absolute ownership over the land they were tilling. Certain requirements must also be complied with, such as payment of just compensation, before full ownership is vested upon the tenant-farmers. This was elucidated by the Court in *Association of Small Landowners in the Philippines, Inc. v. Sec. of Agrarian Reform*:^[53]

It is true that P.D. No. 27 expressly ordered the emancipation of tenant-farmer as October 21, 1972 and declared that he shall "be deemed the owner" of a portion of land consisting of a family-sized farm except that "no title to the land owned by him was to be actually issued to him unless and until he had become a full-fledged member of a duly recognized farmers' cooperative." It was understood, however, that full payment of the just compensation also had to be made first, conformably to the constitutional requirement.

When E.O. No. 228, categorically stated in its Section 1 that:

All qualified farmer-beneficiaries are now deemed full owners as of October 21, 1972 of the land they acquired by virtue of Presidential Decree No. 27.

it was obviously referring to lands already validly acquired under the said decree, after proof of full-fledged membership in the farmers' cooperatives and full payment of just compensation. Hence, it was also perfectly proper for the Order to also provide in its Section 2 that the "lease rentals paid to the landowner by the farmer-beneficiary after October 21, 1972 (pending transfer of ownership after full payment of just compensation), shall be considered as advance payment for the land."

The CARP Law, for its part, conditions the transfer of possession and ownership of the land to the government on receipt by the landowner of the corresponding payment or the deposit by the DAR of the compensation in cash or LBP bonds with an accessible bank. Until then, title also remains with the landowner. No outright change of ownership is contemplated either. (Citations omitted; emphasis supplied.)

Prior to compliance with the prescribed requirements, tenant-farmers have, at most, an inchoate right over the land they were tilling. In recognition of this, a CLT is issued to a tenant-farmer to serve as a "provisional title of ownership over the landholding while the lot owner is awaiting full payment of [just compensation] or for as long as the [tenant-farmer] is an 'amortizing owner'."^[54] This certificate "proves inchoate ownership of an agricultural land primarily devoted to rice and corn production. It is issued in order for the tenant-farmer to acquire the land"^[55] he was tilling.

Concomitantly, with respect to the LBP and the government, tenant-farmers cannot be considered as full owners of the land they are tilling unless they have fully paid the amortizations due them. This is because it is only upon such full payment of the amortizations that EPs may be issued in their favor.

In *Del Castillo v. Orciga*, We explained that land transfer under PD 27 is effected in two (2) stages. The first stage is the issuance of a CLT to a farmer-beneficiary as soon as the DAR transfers the landholding to the farmer-beneficiary in recognition that said person is its "deemed owner." And the second stage is the issuance of an EP as proof of full ownership of the landholding upon full payment of the annual amortizations or lease rentals by the farmer-beneficiary.[56]

In the case at bar, the CLTs were issued in 1984. Therefore, for all intents and purposes, it was only in 1984 that private respondents, as farmer-beneficiaries, were recognized to have an inchoate right over the subject property prior to compliance with the prescribed requirements. Considering that the local zoning ordinance was enacted in 1975, and subsequently approved by the HSRC in 1978, private respondents still had no vested rights to speak of during this period, as it was only in 1984 that private respondents were issued the CLTs and were "deemed owners."

The same holds true even if EPs and OCTs were issued in 2001, since reclassification had taken place twenty-six (26) years prior to their issuance. Undeniably, no vested rights accrued prior to reclassification and its approval. Consequently, the subject property, particularly Lot No. 1407, is outside the coverage of the agrarian reform program.

On the violation of petitioners' right to due process of law

Petitioners contend that DAR failed to notify them that it is subjecting the subject property under the coverage of the agrarian reform program; hence, their right to due process of law was violated.[57] Citing *De Chavez v. Zobel*,[58] both the DAR and the private respondents claim that the enactment of PD 27 is a statutory notice to all owners of agricultural lands devoted to rice and/or corn production,[59] implying that there was no need for an actual notice.

We agree with petitioners. The importance of an actual notice in subjecting a property under the agrarian reform program cannot be underrated, as non-compliance with it trods roughshod with the essential requirements of administrative due process of law.[60] Our ruling in *Heirs of Jugalbot v. CA*[61] is particularly instructive:

Firstly, the taking of subject property was done in violation of constitutional due process. The Court of Appeals was correct in pointing out that Virginia A. Roa was denied due process because the DAR failed to send notice of the impending land reform coverage to the proper party. The records show that notices were erroneously addressed and sent in the name of Pedro N. Roa who was not the owner, hence, not the proper party in the instant case. The ownership of the property, as can be gleaned from the records, pertains to Virginia A. Roa. Notice should have been therefore served on her, and not Pedro N. Roa.

x x x x

In addition, the defective notice sent to Pedro N. Roa was followed by a DAR certification signed by team leader Eduardo Maandig on January 8, 1988 stating that the subject property was tenanted as of October 21, 1972 and primarily devoted to rice and corn despite the fact that there was no ocular inspection or any on-site fact-finding investigation and report to verify the truth of the allegations of Nicolas Jugalbot that he was a tenant of the property. The absence of such ocular inspection or on-site fact-finding investigation and report likewise deprives Virginia A. Roa of her right to property through the denial of due process.

By analogy, *Roxas & Co., Inc. v. Court of Appeals* applies to the case at bar since there was likewise a violation of due process in the implementation of the Comprehensive Agrarian Reform Law when the

petitioner was not notified of any ocular inspection and investigation to be conducted by the DAR before acquisition of the property was to be undertaken. Neither was there proof that petitioner was given the opportunity to at least choose and identify its retention area in those portions to be acquired. Both in the Comprehensive Agrarian Reform Law and Presidential Decree No. 27, the right of retention and how this right is exercised, is guaranteed by law.

Since land acquisition under either Presidential Decree No. 27 and the Comprehensive Agrarian Reform Law govern the extraordinary method of expropriating private property, the law must be strictly construed. Faithful compliance with legal provisions, especially those which relate to the procedure for acquisition of expropriated lands should therefore be observed. In the instant case, no proper notice was given to Virginia A. Roa by the DAR. Neither did the DAR conduct an ocular inspection and investigation. Hence, any act committed by the DAR or any of its agencies that results from its failure to comply with the proper procedure for expropriation of land is a violation of constitutional due process and should be deemed arbitrary, capricious, whimsical and tainted with grave abuse of discretion. (Citations omitted; emphasis supplied.)

Markedly, a reading of De Chavez invoked by both the DAR and private respondents does not show that this Court ever made mention that actual notice may be dispensed with under PD 27, its enactment being a purported "statutory notice" to all owners of agricultural lands devoted to rice and/or corn production that their lands are subjected to the OLT program.

Quite contrarily, in *Sta. Monica Industrial & Dev't. Corp. v. DAR*,^[62] this Court underscored the significance of notice in implementing the agrarian reform program when it stated that "notice is part of the constitutional right to due process of law. It informs the landowner of the State's intention to acquire a private land upon payment of just compensation and gives him the opportunity to present evidence that his landholding is not covered or is otherwise excused from the agrarian law."

The Court, therefore, finds interest in the holding of the DARAB that petitioners were not denied the right to due process despite the fact that only the Nanamans were identified as the owners. Particularly:

Fourthly, the PARAD also ruled that the petitioners were denied the right to be given the notice since only the Nanamans were identified as the owners. The fault lies with petitioners who did not present the tax declaration in the name of Dr. Deleste as of October 21, 1972. It was only in 1995 that Civil Case No. 698 was finally decided by the Supreme Court dividing the 34.7 hectares between the Delestes and the Nanamans. Note that Dr. Deleste died in 1992 after PD 27 was promulgated, hence, the subject land or his ½ share was considered in his name only (see Art. 777, New Civil Code). Even then, it must be borne in mind that on September 26, 1972, PD No. 2 was issued by President Marcos proclaiming the whole country as a land reform area, this was followed by PD 27. This should have alarmed them more so when private respondents are in actual possession and cultivation of the subject property.

But it was incumbent upon the DAR to notify Deleste, being the landowner of the subject property. It should be noted that the deed of sale executed by Hilaria in favor of Deleste was registered on March 2, 1954, and such registration serves as a constructive notice to the whole world that the subject property was already owned by Deleste by virtue of the said deed of sale. In *Naval v. CA*, this Court held:

Applying the law, we held in *Bautista v. Fule* that the registration of an instrument involving unregistered land in the Registry of Deeds creates constructive notice and binds third person who may subsequently deal with the same property.^[63] x x x (Emphasis supplied.)

It bears stressing that the principal purpose of registration is "to notify other persons not parties to a contract that a transaction involving the property has been entered into."^[64] There was, therefore, no reason for DAR to feign ignorance of the transfer of ownership over the subject property.

Moreover, that DAR should have sent the notice to Deleste, and not to the Nanamans, is bolstered by the fact that the tax declaration in the name of Virgilio was already canceled and a new one issued in the name of Deleste.[65] Although tax declarations or realty tax payments of property are not conclusive evidence of ownership, they are nonetheless "good indicia of possession in the concept of an owner, for no one in his right mind would be paying taxes for a property that is not in his actual or, at least, constructive possession." [66]

Petitioners' right to due process of law was, indeed, violated when the DAR failed to notify them that it is subjecting the subject property under the coverage of the agrarian reform program.

On this note, We take exception to our ruling in *Roxas & Co., Inc. v. CA*, [67] where, despite a finding that there was a violation of due process in the implementation of the comprehensive agrarian reform program when the petitioner was not notified of any ocular inspection and investigation to be conducted by the DAR before acquiring the property, thereby effectively depriving petitioner the opportunity to at least choose and identify its retention area in those portions to be acquired, [68] this Court nonetheless ruled that such violation does not give the Court the power to nullify the certificates of land ownership award (CLOAs) already issued to the farmer-beneficiaries, since the DAR must be given the chance to correct its procedural lapses in the acquisition proceedings.

Manifesting her disagreement that this Court cannot nullify illegally issued CLOAs and should first ask the DAR to reverse and correct itself, Justice Ynares-Santiago, in her Concurring and Dissenting Opinion, [69] stated that "[i]f the acts of DAR are patently illegal and the rights of Roxas & Co. violated, the wrong decisions of DAR should be reversed and set aside. It follows that the fruits of the wrongful acts, in this case the illegally issued CLOAs, must be declared null and void." She also noted that "[i]f CLOAs can under the DAR's own order be cancelled administratively, with more reason can the courts, especially the Supreme Court, do so when the matter is clearly in issue."

In the same vein, if the illegality in the issuance of the CLTs is patent, the Court must immediately take action and declare the issuance as null and void. There being no question that the CLTs in the instant case were "improperly issued, for which reason, their cancellation is warranted." [70] The same holds true with respect to the EPs and certificates of title issued by virtue of the void CLTs, as there can be no valid transfer of title should the CLTs on which they were grounded be void. [71] Cancellation of the EPs and OCTs are clearly warranted in the instant case since, aside from the violation of petitioners' right to due process of law, the subject property is outside the coverage of the agrarian reform program.

Issue of Validity of EPs Not Barred by Res Judicata

The LBP maintains that the issue of the EPs' validity has already been settled by this Court in *Heirs of Sofia Nanaman Lonoy v. Secretary of Agrarian Reform*, [72] where We held that the EPs and OCTs issued in 2001 had already become indefeasible and incontrovertible by the time the petitioners therein instituted the case in 2005; hence, their issuance may no longer be reviewed. [73]

In effect, the LBP raises the defense of res judicata in order to preclude a "relitigation" of the issue concerning the validity of the EPs issued to private respondents.

Notably, the doctrine of res judicata has two aspects, namely: (1) "bar by prior judgment," [74] wherein the judgment in a prior case bars the prosecution of a second action upon the same claim, demand, or cause of action; [75] and (2) "conclusiveness of judgment," [76] which precludes relitigation of a particular fact or issue in another action between the same parties on a different claim or cause of action. [77]

Citing *Agustin v. Delos Santos*, [78] this Court, in *Spouses Antonio v. Sayman*, [79] expounded on the difference

between the two aspects of res judicata:

The principle of res judicata is applicable by way of (1) "bar by prior judgment" and (2) "conclusiveness of judgment." This Court had occasion to explain the difference between these two aspects of res judicata as follows:

There is "bar by prior judgment" when, as between the first case where the judgment was rendered and the second case that is sought to be barred, there is identity of parties, subject matter, and causes of action. In this instance, the judgment in the first case constitutes an absolute bar to the second action. Otherwise put, the judgment or decree of the court of competent jurisdiction on the merits concludes the litigation between the parties, as well as their privies, and constitutes a bar to a new action or suit involving the same cause of action before the same or other tribunal.

But where there is identity of parties in the first and second cases, but no identity of causes of action, the first judgment is conclusive only as to those matters actually and directly controverted and determined and not as to matters merely involved therein. This is the concept of res judicata known as "conclusiveness of judgment." Stated differently, any right, fact or matter in issue directly adjudicated or necessarily involved in the determination of an action before a competent court in which judgment is rendered on the merits is conclusively settled by the judgment therein and cannot again be litigated between the parties and their privies whether or not the claim, demand, purpose, or subject matter of the two actions is the same. (Citations omitted; emphasis supplied.)

To be sure, conclusiveness of judgment merits application "when a fact or question has been squarely put in issue, judicially passed upon, and adjudged in a former suit by a court of competent jurisdiction." [80] Elucidating further on this second aspect of res judicata, the Court, in *Spouses Antonio*, stated:

x x x The fact or question settled by final judgment or order binds the parties to that action (and persons in privity with them or their successors-in-interest), and continues to bind them while the judgment or order remains standing and unreversed by proper authority on a timely motion or petition; the conclusively-settled fact or question cannot again be litigated in any future or other action between the same parties or their privies and successors-in-interest, in the same or in any other court of concurrent jurisdiction, either for the same or for a different cause of action. Thus, only the identities of parties and issues are required for the operation of the principle of conclusiveness of judgment. [81] (Citations omitted; emphasis supplied.)

Applying the above statement of the Court to the case at bar, We find that LBP's contention that this Court's ruling in *Heirs of Sofia Nanaman Lonoy* that the EPs and OCTs issued in 2001 had already become indefeasible and incontrovertible precludes a "relitigation" of the issue concerning the validity of the EPs issued to private respondents does not hold water.

In the first place, there is no identity of parties in *Heirs of Sofia Nanaman Lonoy* and the instant case. Arguably, the respondents in these two cases are similar. However, the petitioners are totally different. In *Heirs of Sofia Nanaman Lonoy*, the petitioners are the more than 120 individuals who claim to be descendants of Fulgencio Nanaman, Gregorio's brother, and who collectively assert their right to a share in Gregorio's estate, arguing that they were deprived of their inheritance by virtue of the improper issuance of the EPs to private respondents without notice to them. On the other hand, in the instant case, petitioners are the heirs of Deleste who seek nullification of the EPs issued to private respondents on grounds of violation of due process of law, disregard of landowner's right of retention, improvident issuance of EPs and OCTs, and non-coverage of the agrarian reform program, among others. Evidently, there is even no privity among the petitioners in these two cases.

And in the second place, the issues are also dissimilar. In *Heirs of Sofia Nanaman Lonoy*, the issue was whether the filing of a petition for prohibition was the proper remedy for the petitioners therein, considering that the EPs

and OCTs had already been issued in 2001, four (4) years prior to the filing of said petition in 2005. In the instant case, however, the issue is whether the EPs and OCTs issued in favor of private respondents are void, thus warranting their cancellation.

In addition, the factual circumstances in these two cases are different such that the necessity of applying the rule on indefeasibility of title in one is wanting in the other. In *Heirs of Sofia Nanaman Lonoy*, the petition for prohibition was filed by the petitioners therein in 2005, notwithstanding the fact that the EPs and OCTs had already been issued in 2001. For that reason, apart from making a ruling that "[p]rohibition, as a rule, does not lie to restrain an act that is already a *fait accompli*," it becomes incumbent upon this Court to hold that:

x x x Considering that such EPs and OCTs were issued in 2001, they had become indefeasible and incontrovertible by the time petitioners instituted CA-G.R. SP No. 00365 in 2005, and may no longer be judicially reviewed.[82] (Emphasis supplied.)

On the contrary, in the instant case, the petition for nullification of private respondents' EPs and OCTs was filed on February 28, 2002. Taking into account that the EPs and OCTs were issued on August 1, 2001 and October 1, 2001, respectively, the filing of the petition was well within the prescribed one year period, thus, barring the defense of indefeasibility and incontrovertibility. Even if the petition was filed before the DARAB, and not the Regional Trial Court as mandated by Sec. 32 of the Property Registration Decree,[83] this should necessarily have the same effect, considering that DARAB's jurisdiction extends to cases involving the cancellation of CLOAs, EPs, and even of certificates of title issued by virtue of a void EP. As this Court held in *Gabriel v. Jamias*:[84]

It is well-settled that the DAR, through its adjudication arm, i.e., the DARAB and its regional and provincial adjudication boards, exercises quasi-judicial functions and jurisdiction on all matters pertaining to an agrarian dispute or controversy and the implementation of agrarian reform laws. Pertinently, it is provided in the DARAB Revised Rules of Procedure that the DARAB has primary and exclusive jurisdiction, both original and appellate, to determine and adjudicate all agrarian disputes involving the implementation of the Comprehensive Agrarian Reform Program (CARP) and related agrarian reform laws. Such jurisdiction shall extend to cases involving the issuance, correction and cancellation of Certificates of Land Ownership Award (CLOAs) and Emancipation Patents which are registered with the Land Registration Authority.

This Court has had the occasion to rule that the mere issuance of an emancipation patent does not put the ownership of the agrarian reform beneficiary beyond attack and scrutiny. Emancipation patents may be cancelled for violations of agrarian laws, rules and regulations. Section 12 (g) of P.D. No. 946 (issued on June 17, 1976) vested the then Court of Agrarian Relations with jurisdiction over cases involving the cancellation of emancipation patents issued under P.D. No. 266. Exclusive jurisdiction over such cases was later lodged with the DARAB under Section 1 of Rule II of the DARAB Rules of Procedure.

For sure, the jurisdiction of the DARAB cannot be deemed to disappear the moment a certificate of title is issued, for, such certificates are not modes of transfer of property but merely evidence of such transfer, and there can be no valid transfer of title should the CLOA, on which it was grounded, be void. The same holds true in the case of a certificate of title issued by virtue of a void emancipation patent.

From the foregoing, it is therefore undeniable that it is the DARAB and not the regular courts which has jurisdiction herein, this notwithstanding the issuance of Torrens titles in the names of the petitioners. For, it is a fact that the petitioners' Torrens titles emanated from the emancipation patents previously issued to them by virtue of being the farmer-beneficiaries identified by the DAR under the OLT of the government. The DAR ruling that the said emancipation patents were erroneously issued for failing to consider the valid retention rights of respondents had already attained finality. Considering that the action filed by respondents with the DARAB was precisely to annul the emancipation patents issued to the petitioners, the case squarely, therefore, falls within the jurisdiction of the DARAB. x x x (Citations omitted; emphasis supplied.)

Inevitably, this leads to no other conclusion than that Our ruling in *Heirs of Sofia Nanaman Lonoy* concerning the indefeasibility and incontrovertibility of the EPs and OCTs issued in 2001 does not bar Us from making a finding in the instant case that the EPs and OCTs issued to private respondents are, indeed, void.

With the foregoing disquisition, it becomes unnecessary to dwell on the other issues raised by the parties.

WHEREFORE, the Court GRANTS the petition and REVERSES and SETS ASIDE the CA's October 28, 2004 and September 13, 2005 Resolutions in CA-G.R. SP No. 85471. The Emancipation Patents and Original Certificates of Title covering the subject property, particularly Lot No. 1407, issued in favor of private respondents are hereby declared NULL and VOID.

The DAR is ordered to CANCEL the aforementioned Emancipation Patents and Original Certificates of Title erroneously issued in favor of private respondents.

No pronouncement as to costs.

SO ORDERED.

Corona, C.J., (Chairperson), Leonardo-De Castro, Del Castillo, and Perez, JJ., concur.

[1] Rollo, pp. 72-73. Penned by Associate Justice Mariflor P. Punzalan Castillo and concurred in by Associate Justices Sesinando E. Villon and Rodrigo F. Lim, Jr.

[2] Id. at 75-78. Penned by Associate Justice Normandie B. Pizarro and concurred in by Associate Justices Arturo G. Tayag and Rodrigo F. Lim, Jr.

[3] Id. at 126-127.

[4] *Heirs of Sofia Nanaman Lonoy v. Sec. of Agrarian Reform*, G.R. No. 175049, November 27, 2008, 572 SCRA 185, 192.

[5] Rollo, p. 127.

[6] Id. at 153-154.

[7] Id. at 127.

[8] *Heirs of Sofia Nanaman Lonoy v. Sec. of Agrarian Reform*, supra note 4, at 193.

[9] Rollo, p. 127.

[10] *Noel v. Court of Appeals*, G.R. Nos. 59550 and 60636, January 11, 1995, 240 SCRA 78.

[11] *Heirs of Sofia Nanaman Lonoy v. Sec. of Agrarian Reform*, supra note 4, at 193.

[12] Rollo, pp. 154-155; *Heirs of Sofia Nanaman Lonoy v. Sec. of Agrarian Reform*, supra note 4, at 193-194.

[13] Id. at 155.

[14] Id. at 127.

[15] Id.

[16] Id. at 155.

[17] Id.

- [18] Id. at 156.
- [19] Id. at 990, 263-292.
- [20] Id. at 156; supra note 4, at 195.
- [21] Id. at 128.
- [22] Id. at 152-163.
- [23] Id. at 133.
- [24] Id. at 634-635.
- [25] Id. at 126-141.
- [26] Id. at 102-103.
- [27] Id. at 822-823.
- [28] Id. at 824-861.
- [29] Id. at 862-881.
- [30] Id. at 959-960.
- [31] Id. at 991-992. Original in lowercase.
- [32] Id. at 72.
- [33] Id. at 87.
- [34] Id. at 99-163.
- [35] G.R. No. 176511, August 4, 2009, 595 SCRA 192, 206; citing *Spouses Lanaria v. Planta*, G.R. No. 172891, November 22, 2007, 538 SCRA 79.
- [36] Rule 3, Sec. 3(d) reads: "When a petition does not have the complete annexes or the required number of copies, the Chief of the Judicial Records Division shall require the petitioner to complete the annexes or file the necessary number of copies of the petition before docketing the case. Pleadings improperly filed in court shall be returned to the sender by the Chief of the Judicial Records Division."
- [37] *Gonzales v. Civil Service Commission*, G.R. No. 139131, September 27, 2002, 390 SCRA 124, 130.
- [38] G.R. No. 127536, February 19, 2002, 377 SCRA 282, 296-297.
- [39] Id. at 298; citing *Cusi-Hernandez v. Diaz*, G.R. No. 140436, July 18, 2000, 336 SCRA 113.
- [40] G.R. No. 164340, November 28, 2008, 572 SCRA 463, 477.
- [41] Rollo, pp. 1010-1014.
- [42] Id. at 135.
- [43] *Sta. Ana v. Spouses Carpo*, supra note 40, at 480; citing *DAR v. Abdulwahid*, G.R. No. 163285, February 27, 2008, 547 SCRA 30, 40.
- [44] G.R. Nos. 167401 & 167407, July 5, 2010, 623 SCRA 185, 207

[45] G.R. Nos. 142359 & 142980, May 25, 2004, 429 SCRA 109, 134-135.

[46] *Id.* at 135.

[47] Under Sec. 18 of PD 1396, the Human Settlements Commission established pursuant to PD 933 was renamed as the Human Settlements Regulatory Commission and was made the regulatory arm of the Ministry of Human Settlements. PD 1396 was issued on June 2, 1978.

[48] Rollo, p. 340.

[49] *Id.* at 341.

[50] G.R. Nos. 131481 & 131624, March 16, 2011.

[51] Rollo, pp. 1078-1081, 1098-1101; 1207-1216.

[52] G.R. Nos. 132073 & 132361, September 27, 2006, 503 SCRA 378, 391-393.

[53] G.R. No. 78742, July 14, 1989, 175 SCRA 343, 390-391.

[54] *Del Castillo v. Orciga*, G.R. No. 153850, August 31, 2006, 500 SCRA 498, 506.

[55] *Id.* at 505-506.

[56] *Id.* at 506.

[57] Rollo, p. 976.

[58] No. L-28609, January 17, 1974, 55 SCRA 26.

[59] Rollo, pp. 1080, 1102.

[60] *Roxas & Co., Inc. v. CA*, G.R. No. 127876, December 17, 1999, 321 SCRA 106, 134.

[61] G.R. No. 170346, March 12, 2007, 518 SCRA 202, 210-213.

[62] G.R. No. 164846, June 18, 2008, 555 SCRA 97, 104.

[63] G.R. No. 167412, February 22, 2006, 483 SCRA 102, 111.

[64] *Gutierrez v. Mendoza-Plaza*, G.R. No. 185477, December 4, 2009, 607 SCRA 807, 817.

[65] Rollo, p. 153.

[66] *Republic v. Spouses Kalaw*, G.R. No. 155138, June 8, 2004, 431 SCRA 401, 413.

[67] *Supra* note 60.

[68] *Heirs of Jugalbot v. CA*, *supra* note 61, at 212.

[69] *Roxas & Co., Inc. v. CA*, *supra* note 60, at 158-177.

[70] See Justice Melo's Concurring and Dissenting Opinion in *Roxas & Co., Inc. v. CA*, *supra* note 60, at 155-158.

[71] *Gabriel v. Jamias*, G.R. No. 156482, September 17, 2008, 565 SCRA 443, 457; citing *Hermoso v. C.L. Realty Corporation*, G.R. No. 140319, May 5, 2006, 489 SCRA 556, 562.

[72] *Supra* note 4.

[73] Rollo, pp. 1216-1220.

[74] In Re: Petition for Probate of Last Will & Testament of Basilio Santiago, G.R. No. 179859, August 9, 2010, 627 SCRA 351, 362.

[75] Linzag v. CA, G.R. No. 122181, June 26, 1998, 291 SCRA 304, 319.

[76] In Re: Petition for Probate of Last Will & Testament of Basilio Santiago, supra note 74, at 362.

[77] Linzag v. CA, supra note 75.

[78] G.R. No. 168139, January 20, 2009, 576 SCRA 576, 585.

[79] G.R. No. 149624, September 29, 2010, 631 SCRA 471, 480.

[80] Id.

[81] Id. at 480-481.

[82] Heirs of Sofia Nanaman Lonoy v. Sec. of Agrarian Reform, supra note 4, at 207-208.

[83] Sec. 32 of the Property Registration Decree provides:

Sec. 32. Review of decree of registration; Innocent purchaser for value. -- The decree of registration shall not be reopened or revised by reason of absence, minority, or other disability of any person adversely affected thereby, nor by any proceeding in any court for reversing judgments, subject, however, to the right of any person, including the government and the branches thereof, deprived of land or of any estate or interest therein by such adjudication or confirmation of title obtained by actual fraud, to file in the proper Court of First Instance [now Regional Trial Court] a petition for reopening and review of the decree of registration not later than one year from and after the date of the entry of such decree of registration, but in no case shall such petition be entertained by the court where an innocent purchaser for value has acquired the land or an interest therein, whose rights may be prejudiced. Whenever the phrase "innocent purchaser for value" or an equivalent phrase occurs in this Decree, it shall be deemed to include an innocent lessee, mortgagee, or other encumbrancer for value. Upon the expiration of said period of one year, the decree of registration and the certificate of title issued shall become incontrovertible. Any person aggrieved by such decree of registration in any case may pursue his remedy by action for damages against the applicant or any other persons responsible for the fraud.

[84] G.R. No. 156482, September 17, 2008, 565 SCRA 443, 456-458.

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