

BENITO QUINSAY, MELITON CABERTO AND PASTOR OLALAN, PETITIONERS, VS. THE INTERMEDIATE APPELLATE COURT, FOURTH CIVIL CASES DIVISION, AND URBANA GUY YOCHE, LETICIA GUY YOCHE, ANITA...

G.R. No. 67935. March 18, 1991

Ponente: REGALADO, J.

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REGALADO, J.:

In a verified complaint dated January 27, 1975, herein private respondents filed Civil Case No. Br. V-216 in the former Court of First Instance of Isabela for annulment of patent, reconveyance and damages against herein petitioners Benito Quinsay, Meliton Caberto and Pastor Olalan, and impleading therein the Director of Lands as a co-defendant of the said petitioners.[1]

We quote the antecedents which spawned the present controversy, as found by the trial court and thoroughly narrated in its decision of December 13, 1980:[2]

"The facts of the case are undisputed. Lot No. 1105, Cad. 211, situated at Divisoria, Santiago, Isabela was the subject of Homestead Application No. V-11083 (E-V-10060) of Beatriz Bayle filed with the Bureau of Lands. Later, she transferred her rights thereto to Sylverio Valdez who, on January 2, 1950, in turn transferred his rights to Fermin Guy Yoché (Exhibits 'F' and 'F-1'). These transfers were approved by the Undersecretary of Agriculture and Natural Resources in his Order of January 31, 1951 (Exhibits 'G' and 'G-1'). Obviously, Guy Yoché's homestead application was opposed by defendant Benito Quinsay who was occupying the lot. It was not established how or why it came about but in the course thereof Fermin Guy Yoché and Benito Quinsay entered into an amicable settlement (Exhibits 'A' and 'A-1') concerning the land, agreeing that the northeast corner of the lot, with an area of 1,500 square meters, designated as portion B, shall pertain to Benito Quinsay while the rest of the lot, with an area of 48,765 square meters, designated as portion A, shall pertain to Fermin Guy Yoché. By virtue of such agreement, Benito Quinsay filed on January 20, 1950 a Miscellaneous Sales Application (Exhibits 'L' and 'L-1') over portion B of the lot while Fermin Guy Yoché filed on January 2, 1950 a Homestead Application (Exhibits 'H' and 'H-1') over portion A. The Director of Lands approved the amicable settlement on January 8, 1951 (Exhibits 'B' and 'B-1') and accepted both the Miscellaneous Sales (new) Application of Quinsay and the Homestead Application of Fermin Guy Yoché by decreeing that they shall be 'given further action in accordance with standing rules and regulations on the matter.' On May 22, 1951, plaintiff Urbana Tapiador Vda. de Guy Yoché, in her own behalf and in behalf of the other heirs of Fermin Guy Yoché, filed with the Bureau of Lands their Final Proof (Exhibits 'I' and 'I-1') on the homestead application of her deceased husband. In connection therewith, Asst. Public Land Inspector Hilarion Briones submitted, through the Acting District Land Officer of Isabela, to the Director of Lands his final investigation report recommending the survey and the issuance of a homestead patent to and in favor of the Heirs of Fermin Guy Yoché. This is the last action of the Bureau of Lands taken in so far as the homestead application of Guy Yoché is concerned. It appears, though, that Urbana Guy Yoché intervened during an investigation conducted on January 6, 1975 of a separate claim filed by several persons, namely: Valeriano Galeste, Nemesio Lalas, Ernesto Bucasas, Ciriaco Lagazon, Mariano de la Cruz, German Barroga, Benjamin Ulep, Timoteo Martinez,

Celestino Campos and Laureto Arconsil against the application of Benito Quinsay. It further appears that a directive was issued on February 22, 1977 by District Land Officer Ricardo M. de la Cruz, Land District Office No. II-2, Ilagan, Isabela, to Land Investigator Luis Salatan to conduct a hearing on the homestead application of the Heirs of Fermin Guy Yoche as against Free Patent Application No. II-2 14875 of Julio Quinsay.

"In the meantime, Benito Quinsay and his children, intervenor Julio Quinsay and Florida Quinsay, continued to occupy and possess the whole Lot 1105. Fermin Guy Yoche or any of his heirs never attempted to take possession thereof. Quinsay and his children cultivated and converted into riceland portions thereof in which they planted palay. They also planted vegetables and fruit trees thereon. Then, on March 6, 1972, Benito Quinsay sold to Pastor Olalan 1,250 square meters portion of the land. Likewise, on January 31, 1974, he again sold another portion, with an area of 3,013 square meters, to Meliton Caberto. There is no showing that Pastor Olalan and Meliton Caberto knew of the homestead application of Fermin Guy Yoche over the land, much more the existence of any amicable settlement over it. What was established is that during all the time that Olalan and Caberto stayed in Divisoria (and they are still there), they only saw Benito Quinsay to be the owner and in possession of the land. After the sales, Olalan and Caberto took actual possession of the portions bought by them, declared their respective portions in their names for taxation purposes and paid real estate taxes thereof. Afterwards, they filed their separate free patent applications (Exhibit 'K' and 'J') over their individual portions with the Bureau of Lands on March 23, 1974 and March 1, 1974, respectively. For purposes of their applications, they submitted the plans (Exhibits 'M' and 'N') of the portions they bought. The District Land Officer of Isabela acted favorably on their applications and in due time issued the corresponding patents thereto. On the strength of these patents, Original Certificate of Title No. P-26759 (Exhibits '9'-Caberto to '9-B'-Caberto) was issued by the Register of Deeds of Isabela to Meliton Caberto on May 24, 1974 while Original Certificate of Title No. P-27214 (Exhibits '11'-Olalan and '11-A'-Olalan) was issued to Pastor Olalan on August 16, 1974. It is these two titles which are sought to be annulled by the plaintiffs as Heirs of Fermin Guy Yoche, maintaining that the portions covered thereby was sold by Benito Quinsay to the titled holders in violation of the amicable settlement entered into between him and their predecessor-in-interest. Although he mentioned it in their joint answer, defendant Benito Quinsay failed to deny under oath the genuineness and due execution of the amicable settlement, reason for which its genuineness and due execution are now deemed admitted. Much besides, he was not able to present any evidence surrounding the execution thereof to impugn it. Presumably, to remedy the situation he, together with his co-defendants, put up the defenses of laches and abandonment, contending that the failure of the plaintiffs to take possession of the land from the time of the execution of the amicable settlement to the present resulted in the forfeiture through laches of any right that they may have over the land." [3]

The court a quo, after due ratiocination, and holding that -

"x x x In Republic vs. Diamonon, et. al., 97 Phil. 843, it was held that 'the right of a homesteader to the land granted to him ripens into a vested right after the filing of the final proof and approval thereof by the Director of Lands (underscoring ours). This doctrine was reiterated in the cases of Lucas vs. Durian, 102 Phil. 1157 and Ingaran vs. Ramelo, 107 Phil. 503, which stated in no uncertain terms that 'an applicant may be said to have acquired a vested right over the homestead only when his application has been perfected by the presentation of the final proof and its approval by the Director of Lands.' In the case at bar, while it is true that the plaintiffs already submitted final proof, the same has not yet been approved by the Director of Lands. As a matter of fact, the Bureau of Lands is still investigating the contending claims of several persons over the land. With more reason then, that the plaintiffs cannot say that they have any vested right over the land. Moreover, the right of the homesteader to a patent does not become absolute until after he has complied with all the requirements of the law (Vda. de Delizo, et. al. vs. Delizo, et al., L-32820-21, January 30, 1976, 69 SCRA 216; Quiaoit vs. Consolacion, et. al., L-41824, Sept. 30, 1976, 73 SCRA 208). x x x." [4]

rendered judgment (1) dismissing the complaint of private respondents, as plaintiffs therein; (2) upholding the

validity of Free Patent No. 8223 and Original Certificate of Title No. P-27214 issued in favor of petitioner Pastor Olalan; (3) upholding the validity of Free Patent No. 1110 and Original Certificate of Title No. P-26759 issued in the name of petitioner Meliton Caberto; (4) ordering private respondents not to disturb and molest petitioner Olalan and Caberto in the possession and occupation of the portions owned by the latter; (5) dismissing the counterclaims of petitioner; and (6) dismissing the intervention filed by intervenor Julio Quinsay.[5]

Private respondents elevated their case to the then Intermediate Appellate Court seeking reversal of said decision on the contention that the trial court erred in not holding that they and their predecessors had acquired vested rights to the homestead in question. Their plaint found favor in the eyes of respondent court which rendered the following judgment, and what it considered the rationale therefor, in AC G.R. CV. No. 68253:

"There appears to be two (2) schools of thought on the matter. The first adopted by the trial court and defendant-appellees, including the Director of Lands, is to the effect that for vested rights to exist the final proof must be not only filed but must be approved by the Director of Lands, citing the cases of Republic vs. Diamonon, 97 Phil. 843, Lucas vs. Durian, 102 Phil. 1157, and Ingaran vs. Ramelo, 107 Phil. 503. The second, subscribed to by plaintiffs-appellants, merely requires a finding by the Bureau of Lands through its proper officials that the homesteader has complied with all the terms and conditions which entitle him to a patent, invoking the landmark doctrine laid down in the case of Balboa vs. Farrales, 51 Phil. 498, reading as follows: 'When a homesteader has complied with all the terms and conditions which entitle him to a patent for a particular tract of land, he acquires a vested interest therein, and is regarded as the equitable owner thereof. Where the right to patent has once become vested in a purchaser of public land, it is equivalent to a patent actually issued. The execution and delivery of the patent, after the right to a particular parcel of land has become complete, are the mere ministerial acts of the officer charged with that duty. Even without a patent, a perfected homestead is a property right in the fullest sense, unaffected by the fact that the permanent title to the land is still in the Government. Such land may be conveyed or inherited. No subsequent law can deprive him of that vested right.'

x x x

"While we do not decide that there is a divergence of opinions between the cases cited by appellees and the case of Balboa vs. Farrales, supra., We vote to follow the Balboa doctrine. Plaintiffs-appellants have already submitted their final proof of possession, residence and cultivation. They have paid the legal fees and charges. Hilarion Briones of the Bureau of Lands in Ilagan, Isabela has recommended survey of the land and the issuance of patent to the heirs of Fermin Guy Yoche, it appearing that the requirements of law on the matter have been complied with.

x x x

"WHEREFORE, we hereby reverse and set aside the decision appealed from and render another one annulling as null and void the Free Patents and Original Certificates of Title issued in the names of defendants-appellees Pastor Olalan and Meliton Caberto, ordering defendant-appellee Director of Lands to approve the final proof submitted by plaintiffs-appellants and issue a patent covering Lot 'B', Lot 1105, Cad. Lot No. 211 situated in Divisoria, Santiago, Isabela, with an area of 48,765 square meters, more or less, in the name of the Heirs of Fermin Guy Yoche, and ordering private defendants-appellees, jointly and severally to pay plaintiffs-appellants the sum of P3,000.00 as attorney's fees (Mabutol vs. Mabutol, G.R. No. 60898, September 29, 1983; San Miguel Brewery vs. Magno, 21 SCRA 292; Cabungal vs. Cordova, 11 SCRA 584)."[6]

Hence the present appeal by certiorari, petitioners posing for resolution the issues as to whether or not:

- Private respondents have acquired a vested right over the lots in question;

- Respondent Intermediate Appellate Court erred in ignoring the lower court's findings of facts of actual physical possession by herein petitioners over the whole property and in making its own finding on the question of physical possession and a conclusion different from that of the court a quo which is grounded entirely on speculation;
- The lower court erred in holding that the amicable settlement entered into between Fermin Guy Yоче and Benito Quinsay lost its validity through laches;
- The trial court erred in upholding the validity of the conveyances of the lots in question by Benito Quinsay in favor of Pastor Olalan and Meliton Caberto;
- The Director of Lands may dispose in favor of petitioners Olalan and Caberto of any portion of Lot B allegedly covered by private respondents' valid and subsisting homestead application after the latter have already complied with all the requirements of the law to entitle them to a patent;
- There was fraud, imposition or mistake in the issuance of free patents to petitioners Olalan and Caberto, thus affecting the validity said patents and the corresponding certificates of title; and
- Petitioners Olalan and Cabrera are liable to private respondents for monthly rentals over the lots.[7]

On the first issue, respondent court rejected the theory, submitted by petitioners and the Director of Lands and adopted by the trial court, to the effect that the approval of the final proof of the homestead application of private respondents by the Director of Lands is necessary for vested rights to exist in favor of said respondents over the land in question. Respondent court relied upon some pronouncements in *Balboa vs. Farrales*[8] where it was allegedly held that where the Bureau of Lands finds through its proper officials that the homesteader has complied with all the terms and conditions which entitle him to a patent, this suffices for vested rights over the lot to exist in favor of the homestead applicant.

A perusal of *Balboa*, however, convinces us that the reliance thereon of respondent court is misplaced as, in that case, there was approval by the Director of Lands of the final proof of the applicant. Furthermore, what was involved there was a homestead application filed and approved under the aegis of Act No. 926, before its repeal by Act No. 2874.

As explained therein, in 1913, *Balboa* filed a homestead application under the provisions of Act No. 926, and "in 1918, *Balboa* submitted final proof, showing his residence upon, and cultivation of said land, as well as his compliance with all of the other requirements of Section 3 of said Act No. 926, which final proof was approved by the Director of Lands on February 15, 1918 (Exhibit 3). On July 1, 1919, said Act No. 926 was repealed by Act No. 2874." Thus the Court took pains to specifically point out in said case that -

"Section 3 of Act No. 926 provides, *inter alia*, that upon the final proof by the applicant and the approval thereof by the Director of Lands, 'he (the applicant) shall be entitled to patent' or certificate of title. Therefore, on February 15, 1918, after *Buenaventura Balboa* had submitted his final proof and after the same had been approved by the Government, and while Act No. 926 was still in force, he became the owner of the land and entitled to a patent.' At least on that date his right to the land, as owner, had ripened into a vested right. x x x

x x x

"The fact that the homestead patent or certificate of title was issued on September 10, 1920, after the repeal of Act No. 926, and under the provisions of Section 116 of the repealing Act No. 2874 cannot prejudice the vested right acquired by *Buenaventura* under the provisions of the former Act. (Emphasis supplied.)

This had to be so clarified since in said case *Balboa* sold the land on August 11, 1924, which was within the

5-year prohibition therefor in Section 116 of Act No. 2874, and said sale was sought to be nullified. Hence, the need for the Court to expound on the fact that, under the law and the circumstances obtaining in said case, Balboa had acquired vested rights to the land even before the approval of his final proof. That was the rule adopted under the law then in force, and the reason for the judicial discourse on vested rights in the decision in said case supposedly because the provisions of Act No. 926 did not negate the same. Obviously, however, said pronouncements, albeit in effect obiter dicta, were further truncated and applied out of the context by respondent court. We need not repeat the contrary and present rule under the subsequent law and jurisprudence on the matter, as catalogued by the trial court and set out earlier in this opinion.

Now, in the case at bar, the homestead application and the final proof submitted by the heirs of Fermin Guy Yoche on May 22, 1951 remain unapproved up to the present.[9] From what has been said, therefore, vested rights over the land cannot be validly claimed by private respondents since the approval by the Director of Lands of their final proof for a homestead patent is now a condition sine qua non for the existence of such vested right. Thus, in the aforecited case of *Republic vs. Diamanon, et al.*, this Court, noting that in espousing the contrary view Diamanon invoked the provisions of Act No. 926 and sought refuge in Balboa, rejected that submission since "(t)he fallacy of appellant's argument lies in the failure to consider the facts of his citation, wherein final proof was approved by the Government while Act No. 926 was effective. In the case now before us, it was only on November 9, 1933, that the Director of Lands approved the appellant's final proof or about fourteen years after the enactment of Act No. 2874 on November 29, 1919."

Turning to the second issue, the lower court held that the late Fermin Guy Yoche, his wife, children and grandchildren, private respondents herein, have never possessed the land in question which was always in the possession of petitioner Quinsay since 1938; and that Fermin Guy Yoche and his heirs never notified petitioners Caberto and Olalan of the former's claim over the land.[10] Respondent court, however, opined that such finding was based on the interested testimonies of petitioners Quinsay, Caberto and Olalan. It preferred to rely on the report of one Hilarion Briones of the Bureau of Lands at Ilagan, Isabela, dated May 22, 1951, attesting that:

"Survey of the land and issuance of patent therefore to the Heirs of the late applicant, FERMIN GUY YOCHE, are recommended, it appearing that all the requirements of law on the matter have been complied with. Final proof papers executed by the surviving spouse for the heirs are hereto attached. I have drawn the sketch of the land at the reverse side hereof showing the improvements existing thereon and other features." [11]

These findings were considered by respondent court to legally mean physical possession, clearing, and improvement of the land by the applicant for the required number of years before the required submission of the final proof.[12] It sought to justify such theory by holding that:

"While the trial court is generally entitled to full faith and credit upon the question of credibility of witnesses, appellate courts are without power or authority to reverse these findings and substitute their own findings when some facts or circumstance of weight or importance exist which may have been ignored by the trial court. In this case, as aforesaid, the trial court totally ignored the findings of Briones, an official of the Bureau of Lands in Ilagan, Isabela, contained in his report (Exh. C and C-1) which defendant Director of Lands did not even deem fit to squarely assail in the case as incorrect, inaccurate or baseless. Up to the present, the Director of Lands has neither approved nor disapproved the Homestead Application or Affidavit of Final Proof submitted by the plaintiffs-appellants." [13]

This is a meritless posture which overlooks this provision of Commonwealth Act No. 141:

"Sec. 14. No certificate shall be given or patent issued for the land applied for until at least one-fifth of the land has been improved and cultivated. The period within which the land shall be cultivated shall not be less than one nor more than five years, from and after the date of the approval of the application. The applicant shall,

within the said period, notify the Director of Lands as soon as he is ready to acquire the title. If at the date of such notice, the applicant shall prove to the satisfaction of the Director of Lands, that he has resided continuously for at least one year in the municipality in which the land is located, or in a municipality adjacent to the same, and has cultivated at least one-fifth of the land continuously since the approval of the application, and shall make affidavit that no part of said land has been alienated or encumbered, and that he has complied with all the requirements of this Act, then, upon the payment of five pesos, as final fee, he shall be entitled to a patent."

It is thus apparent that a mere investigation report is insufficient to establish the rights of the parties to the land in litigation. Furthermore, the rule is that the findings of the trial judge who tried the case and heard the witnesses are not to be disturbed on appeal, unless there are substantial facts and circumstances which have been overlooked and which if properly considered might affect the result of the case.[14] The aforequoted recommendation of the investigator has clearly been blown beyond its due proportions and, definitely, is not so substantial as to affect the findings of the trial court.

The third issue is whether or not the lower court erred in holding that the amicable settlement entered into between Fermin Guy Yoché and Benito Quinsay lost its validity through laches. The records incline to the proposition that said parties did enter into an amicable settlement which was ultimately approved by the Undersecretary of Agriculture and Natural Resources in his order of January 31, 1951.[15] This matter was, however, raised in issue by private respondents before the court only after the issuance of the aforesaid free patents and original certificates of title over the land in 1974. A period of twenty-three years is definitely a long time to wait for one to finally claim his due. Considerable delay in asserting one's right before a court of justice is strongly persuasive of the lack of merit of his claim, since it is human nature for a person to enforce his right when the same is threatened or invaded. Thus, he is estopped by laches from questioning the ownership of the questioned land.[16]

For the reason that private respondents never really came into possession of the lot and neither did they actually cultivate the same, only to belatedly assert their right thereto after a long period of time, it is only legal and equitable that Benito Quinsay be entitled to the land. That Quinsay never abandoned the lot and even his children actively participated in the lot's development are revealed and affirmed by the records. Thus, under such material and positive considerations, the query on whether or not Benito Quinsay can validly convey portions of the lot to his co-petitioners must be answered in the affirmative, and the Director of Lands acted correctly in confirming such dispositions.

We have held in *Ortua vs. Singson Encarnacion, etc., et al.*[17] that:

"The Director of Lands performs his functions pursuant to the provisions of the Public Land Law. In accordance with this law, the Secretary of Agriculture and Commerce is made the executive officer charged with carrying out the provisions of the Public Land law, and he performs this duty through the Director of Lands (Sec. 3). Subject to the control of the executive head, the Director of Lands is by law vested with direct executive control over land matters, 'and his decisions as to questions of fact shall be conclusive when approved by the Secretary of Agriculture and Commerce.' (Sec. 4)

"The foregoing analysis of the pertinent provisions of the Public Land Law will show why in the opening paragraphs of this decision, we accepted the decision of the Director of Lands on questions of facts as conclusive. We would even go farther and would hold that the Director of Lands has been made by law a quasi-judicial officer. As such officer he makes findings of fact, even passes upon questions of mixed fact and law, and considers and decides the qualifications of applicants for the purchase of public lands. A discretion is lodged by law in the Director of Lands which should not be interfered with. The decisions of the Director of Lands on the construction of the Public Land Law are entitled to great respect by the courts.

"Accordingly, to paraphrase the authorities and decisions coming principally from the United States Supreme Court, we deduce the rule on the subject to be, that a decision rendered by the Director of Lands and approved by the Secretary of Agriculture and Commerce, upon a question of fact is conclusive and not subject to be reviewed by the courts, in the absence of a showing that such decision was rendered in consequence of fraud, imposition or mistake, other than error of judgment in estimating the value or effect of evidence, regardless of whether or not it is consistent with the preponderance of the evidence, so long as there is some evidence upon which the finding in question could be made. x x x"

Respondent court nonetheless had this to say about the decision of the Director of Lands:

"While the homestead record of Guy Yoche was gathering dust over 24 years in the file of the Bureau of Lands, the same Bureau obviously railroaded the approval of the free patents of Olalan and Caberto within the remarkably very short and unusual period of one (1) year.

"The evidence shows the Director of the Bureau of Lands did not disapprove the homestead application and final proof submitted by plaintiffs-appellants before accepting the free patent applications of Olalan and Caberto. It did not even inform plaintiffs before issuing the patents in the names of Olalan and Caberto covering portions of Lot B of Lot 1105, Cad. Lot 211. In light of these omissions we are constrained to find that the plaintiffs-appellants were deprived of their right to due process of law both in the executive and judicial branches of Government."[18]

Said court was, however, laboring under the proposition that private respondents had acquired a vested right over the land in dispute. As previously discussed, respondent court erred in its appreciation of the doctrine in the Balboa case. Since no patent was ever actually issued to private respondents consequent to prior approval of their final proof, there was no violation of any right which, in the first place, never vested in them. Furthermore, prior to the issuance of the patents in favor of Olalan and Caberto, private respondents never exercised any of their alleged rights to the land, thus rendering their claim baseless and exposing the dubiety thereof. On the other hand, the titles of Olalan and Caberto were acquired through free patent applications in accordance with the procedure therefor.

The imputation of fraud, imposition or mistake in the issuance of the free patents of Pastor Olalan and Meliton Caberto, to the extent of affecting the validity of the same and the certificates of title issued pursuant thereto, does not deserve any consideration. We have repeatedly held that fraud is a question of fact which must be alleged and proved. Fraud is a serious charge and, to be sustained, it must be supported by clear and convincing proof, specially in the registration of title to land.[19] No evidence has been presented nor is any extant in the records of this case showing that there was fraud committed in the issuance of the patents and the titles sought to be annulled.

Neither were petitioners Meliton Caberto and Pastor Olalan aware of any prior claim of private respondents. As declared by Caberto without refutation:

"ATTY. RUPISAN:

Q

At the time you acquired of (sic) the portion of the lot in question in which you are now staying, who was in possession of the said portion which you acquired?

A

Benito Quinsay, sir.

Q

During your stay at Divisoria, Santiago, Isabela, do you know of any person by the name of Fermin Guy Yoche or Urbana Guy Yoche in Divisoria, Santiago, Isabela?

A

None, sir."[20]

To the same effect was the uncontroverted testimony of Olalan:

"Q

At the time you became the owner of the portion of the lot in question covered by your title, Exhibit '11-Olalan', who was in possession of the entire lot 1105?

A

Benito Quinsay, sir.

Q

Who else, if any?

A

Only Benito Quinsay and his children, sir.

Q

Since when that (sic) this Benito Quinsay and his children (sic) in possession of Lot 1105?

A

If I am not mistaken, sir, we arrived here in the year 1944 and that we already saw them working on that land.

x x x

Q

Do you know any person or persons by the name of Fermin Guy Yoche and Urbana Guy Yoche or her children residing in Divisoria, Isabela, when you arrived there in 1944?

A

I did not come to know those persons, sir, but their names instill fear and I never saw them, sir."[21]

As appositely and emphatically observed by the court below:

"Needless to state, neither of those is shown to have been committed by the patentees, Olalan and Caberto. On the contrary, the evidence adduced indubitably shows that they relied in good faith on the knowledge that Quinsay is the exclusive occupant of the land since 1944 when they arrived in Divisoria. Fermin Guy Yoche never set foot nor laid any claim on the land. How were Olalan and Caberto to know that Guy Yoche had any right to the land? On these considerations, the Court must perform respect and uphold their patents and titles over the portions acquired by them."[22]

Under the foregoing premises, therefore, the claim of private respondents for rentals over the lots in question is necessarily gratuitous for the simple reason that they have utterly failed to establish any vested right thereover. On the other hand, the patents and titles issued to petitioners Pastor Olalan and Meliton Caberto should be upheld as valid and should be extended the corresponding protection by the authorities and respected by private respondents.

We note in passing that in a motion submitted by petitioners on October 9, 1990, the Court was furnished a copy of an order of the Secretary of Environment and Natural Resources in MNR Case No. 6297, dated September 7, 1990, denying the motion for reconsideration, filed by the Heirs of Fermin Guy Yoche, of the decision of said office, dated May 9, 1986, which dismissed said movants' appeal from the order of the Regional Land Director in Tuguegarao, Cagayan, dated August 26, 1982, which inter alia, dismissed the protest and Homestead Application No. 11083-E-V-10060 filed by Fermin Guy Yoche and further giving due course to the Free Patent Application No. (II-2) 14875 of Julio Quinsay and Homestead Application (unnumbered) of Benito Quinsay.

WHEREFORE, the judgment of respondent Intermediate Appellate Court is hereby REVERSED and SET ASIDE and the decision of the trial court is REINSTATED.

SO ORDERED.

Melencio-Herrera, (Chairman), Paras, Padilla, and Sarmiento, JJ., concur.

[1] Record on Appeal, 1-13; Rollo, 46.

[2] Per Judge Procoro J. Donato, presiding.

[3] Record on Appeal, 184-189.

[4] Ibid., 193-194.

[5] Ibid., 198-199.

[6] Porfirio V. Sison, J., ponente; Abdulwahid A. Bidin, Marcelino R. Veloso and Desiderio P. Jurado, JJ., concurring; Rollo, 39-42.

[7] Brief for Petitioners, 4; Rollo, 96.

[8] 51 Phil. 948 (1928).

[9] Rollo, 20.

[10] Ibid., 36.

[11] Exh. C, Documentary Exhibits, Civil Case No. V-216, CFI, Isabel.

[12] Rollo, 36.

[13] Ibid., 37.

[14] People vs. Sibayan, 116 SCRA 180 (1982).

[15] Record on Appeal, 185; Rollo, 46.

[16] Caro, et. al. vs. Court of Appeals, et. al., 180 SCRA 401 (1989); Bagtas, Jr. vs. Court of Appeals, et al., 176 SCRA 177 (1989).

[17] 59 Phil. 441 (1934).

[18] Rollo, 39.

[19] Jaramil vs. Court of Appeals, 78 SCRA 420 (1977).

[20] TSN, March 28, 1980, 11.

[21] Idem., 21-22.

[22] Record on Appeal, 192.

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