



**Republic of the Philippines
Supreme Court
Manila**

FIRST DIVISION

**REPUBLIC OF THE
PHILIPPINES—BUREAU OF
FOREST DEVELOPMENT,**
Petitioner,

G.R. No. 157988

- versus -

**VICENTE ROXAS AND THE
REGISTER OF DEEDS OF
ORIENTAL MINDORO,**
Respondents.

X ----- X
**PROVIDENT TREE FARMS,
INC.,**
Petitioner,

G.R. No. 160640

Present:

SERENO, *CJ.*,
Chairperson,
LEONARDO-DE CASTRO,
DEL CASTILLO,*
VILLARAMA, JR., and
REYES, *JJ.*

- versus -

**VICENTE ROXAS AND THE
REGISTER OF DEEDS OF
ORIENTAL MINDORO,**
Respondents.

Promulgated:

DEC 11 2013

X ----- X

DECISION

LEONARDO-DE CASTRO, J.:

Before Us are consolidated Petitions for Review on *Certiorari* under Rule 45 of the Rules of Court: (1) G.R. No. 157988, filed by petitioner Republic of the Philippines (Republic), represented by the Bureau of Forest Development (BFD),¹ and (2) G.R. No. 160640, filed by petitioner Provident Tree Farms, Inc. (PTFI), both against respondents Vicente Roxas (Roxas) and the Register of Deeds (ROD) of Oriental Mindoro, assailing the joint

* Per Raffle dated September 17, 2012.

¹ Now the Forest Management Bureau (FMB).

mm

Decision² dated April 21, 2003 of the Court of Appeals in CA-G.R. CV No. 44926, which, in turn, affirmed the Decision³ dated February 10, 1994 of the Regional Trial Court (RTC), Branch 39 of Oriental Mindoro, in Civil Case No. R-3110. The RTC dismissed the Complaint for Cancellation of Title and/or Reversion filed by petitioner Republic against respondents Roxas and the ROD of Oriental Mindoro. Petitioner PTFI was an intervenor in Civil Case No. R-3110, as a lessee of petitioner Republic.

At the crux of the controversy is Lot No. 1-GSS-569 (subject property), located in San Teodoro, Oriental Mindoro, with an area of 6.2820 hectares, and covered by Original Certificate of Title (OCT) No. P-5885⁴ issued on July 21, 1965 by respondent ROD in respondent Roxas's name.

The controversy arose from the following facts:

On February 5, 1941, then President Manuel L. Quezon (Quezon) issued Proclamation No. 678,⁵ converting forest land measuring around 928 hectares, situated in San Teodoro, Oriental Mindoro, described on Bureau of Forestry Map No. F. R.-110, as Matchwood Forest Reserve. The Matchwood Forest Reserve was placed under the administration and control of the Bureau of Forestry, "which shall have the authority to regulate the use and occupancy of this reserve, and the cutting, collection and removal of timber and other forest products therein in accordance with the Forest Law and Regulations."⁶ For the foregoing purpose, President Quezon withdrew the 928 hectares of forest land constituting the Matchwood Forest Reserve from entry, sale, or settlement, subject to private rights, if there be any.

Petitioner Republic, through the Department of Agriculture and Natural Resources (DANR), entered into Matchwood Plantation Lease Agreement No. 1 with petitioner PTFI on May 12, 1965, wherein petitioner Republic leased the entire Matchwood Forest Reserve to petitioner PTFI for a period of 25 years, which would expire on June 30, 1990.

In the meantime, respondent Roxas filed with the Bureau of Lands⁷ on December 29, 1959 Homestead Application No. 9-5122, covering a parcel of land he initially identified as Lot No. 4, SA-22657, located at Paspasin, San Teodoro, Oriental Mindoro. Following the report and recommendation⁸ of Land Inspector (LI) Domingo Q. Fernandez (Fernandez), Officer-in-Charge (OIC) Jesus B. Toledo (Toledo), for and by

² *Rollo* (G.R. No. 157988), pp. 40-51; penned by Associate Justice Roberto A. Barrios with Associate Justices Josefina Guevara-Salonga and Lucas P. Bersamin (now Supreme Court Associate Justice), concurring.

³ *Id.* at 52-55; penned by Judge Marciano T. Virola.

⁴ *Records*, pp. 61-62.

⁵ *Id.* at 299-303; "Establishing as Matchwood Forest Reserve a Parcel of the Public Domain Situated in the Municipality of San Teodoro, Province and Island of Mindoro."

⁶ *Id.* at 299.

⁷ Now the Land Management Bureau (LMB).

⁸ *Records*, p. 52.

the authority of the Director of Lands, issued an Order dated September 20, 1961 amending respondent Roxas’s Homestead Application No. 9-5122, to wit:

It having been found upon investigation conducted by a representative of this Office that the land actually occupied by the applicant is Lot No. 1, SA-22657 Amd., and not Lot No. 4 of the same subdivision as applied for, and it appearing in the records of this Office that the land actually occupied is free from claims and conflicts, the above-noted application is hereby amended to cover Lot No. 1, SA-22657 Amd., and as thus amended, shall continue to be given due course.⁹

OIC Toledo subsequently issued another Order dated September 27, 1961 which approved respondent Roxas’s Homestead Application No. 9-5122 and recorded the same as Homestead Entry No. 9-4143.¹⁰ Thereafter, respondent Roxas executed a Notice of Intention to Make Final Proof, which was posted on September 23, 1963.¹¹ Respondent Roxas personally testified before LI Fernandez on October 25, 1963 to finally prove his residence and cultivation of the subject property.

In a letter dated July 12, 1965, Assistant District Forester Luis G. Dacanay (Dacanay), Bureau of Forestry, DANR, informed the District Land Officer of Calapan, Oriental Mindoro, that “the subject-area designated as Lot No. 1, Gss-569, has been verified to be within the alienable and disposable land of Project 18 of San Teodoro, Oriental Mindoro, per B.F. Map LC-1110 certified as such on September 30, 1934.”¹² Assistant District Forester Dacanay further wrote in the same letter that “[t]he said land is no longer within the administrative jurisdiction of the Bureau of Forestry, so that, its disposition in accordance with the Public Land Law does not adversely affect forestry interest anymore.”¹³

The Director of Lands issued Homestead Patent No. 111598¹⁴ to respondent Roxas on July 19, 1965, on the basis of which, respondent ROD issued OCT No. P-5885 in respondent Roxas’s name on even date,¹⁵ with the following technical description of the subject property:

Lot No. 1, Gss-569

Beginning at a point marked “1” of Lot 1, Gss-569, being N. 32-15 W., 1396.63 m. from BBM No. 3, Cad-104, thence
S.36-38 W., 168.79m. to point 2; S.80-16 W., 46.02m. to point 3;
S.33-22 W., 63.40m. to point 4; S.77-05 W., 17.28m. to point 5;
N.52.06 W., 137.92m. to point 6; N.40-51 E., 417.50m. to point 7;
S.54-25 E., 115.36m. to point 8; S.24-20 W., 146.33m. to point 1;

⁹ Id. at 51.
¹⁰ Id. at 53.
¹¹ Id. at 54.
¹² Id. at 57.
¹³ Id.
¹⁴ Id. at 59.
¹⁵ Id. at 61-62.

point of beginning.

Containing an area of SIXTY[-]TWO THOUSAND EIGHT HUNDRED AND TWENTY (62,820) SQUARE METERS.

All points are marked on the ground as follows: points 3 & 4 by Stakes, and the rest by B.L. Cyl. Conc. Mons.

Bounded on the SE., along line 1-2 by Lot 2, Gss-569; on the S., along lines 2-3-4-5 by Road; on the SW., and NW., along lines 5-6-7 by Match Wood Forest Reservation; on the NE., along line 7-8 by Lot 4, Gss-569; and on the E., along line 8-1 by Lot 3, Gss-569.

Bearings true.

This lot was surveyed in accordance with law and existing regulations promulgated thereunder, by R.F. Javier, Public Land Surveyor, on October 5, 1959.

NOTE:

This lot is covered by H.A. No. 9-5122.¹⁶

On May 2, 1978, petitioner Republic, represented by the BFD, filed with the RTC a Complaint for Cancellation of Title and/or Reversion against respondents Roxas and the ROD over the subject property, docketed as Civil Case No. R-3110.¹⁷

Petitioner Republic alleged that the subject property was within the Matchwood Forest Reserve and could not be the subject of private appropriation and ownership; and possession of said property, no matter how long would not convert the same into private property. The Director of Lands could not dispose of the subject property under the provisions of Commonwealth Act No. 141, otherwise known as the Public Land Act, thus, OCT No. P-5885 issued in respondent Roxas's name was null and void *ab initio*. Petitioner Republic also averred that respondent Roxas acquired OCT No. P-5885 through fraud and misrepresentation, not only because the subject property was not capable of registration, but also because respondent Roxas was disqualified to acquire the same under the provisions of the Public Land Act, not having exercised acts of possession in the manner and for the length of time required by law. The Director of Lands was only misled into approving respondent Roxas's application for homestead patent. Petitioner Republic additionally mentioned that the subject property, as part of the Matchwood Forest Reserve, was included in the lease agreement of petitioner Republic with petitioner PTFI.

In his Answer, respondent Roxas admitted applying for and acquiring a homestead patent over the subject property. Respondent Roxas, however,

¹⁶ Id. at 62.

¹⁷ Id. at 1-8.

denied that the subject property was within the Matchwood Forest Reserve. To the contrary, the subject property was part and parcel of the Paspasin Group Settlement Subdivision, SA-22657, and had been the subject of investigation in accordance with law, rules, and regulations, as established by documentary evidence, *viz*:

1. LI Fernandez's letter dated February 28, 1961 addressed to the Director of Lands, Manila, reporting that Roxas was actually applying for Lot No. 1, not Lot No. 4, of the Paspasin Group Settlement Subdivision, SA-22657 Amd., and recommending that Roxas's application be corrected accordingly;¹⁸
2. OIC Toledo's Order dated September 27, 1961 approving Roxas's application for homestead patent;¹⁹
3. Roxas's Notice of Intention to Make Final Proof, together with his Affidavit that the said Notice was accordingly posted;²⁰
4. Roxas's Final Proof Homestead Testimony of Applicant;²¹
5. Assistant District Forester Dacanay's letter dated July 12, 1965 to the District Land Officer of Calapan, Oriental Mindoro, verifying that Lot No. 1, GSS-569, was alienable and disposable;²²
6. Blue Print Plan of Land Group Settlement Survey as surveyed for the Republic;²³
7. Order dated July 19, 1965 of the Director of Lands approving Roxas's application for patent;²⁴
8. The unsigned letter dated July 19, 1965 of Gabriel Sansano, Chief, Records Division, Bureau of Lands, to the ROD of Calapan, Oriental Mindoro, transmitting Roxas's Homestead Patent No. 111598 for the registration and issuance of Owner's Duplicate Certificate of Title in accordance with Section 122, Act No. 496;²⁵ and
9. OCT No. P-5885 in Roxas's name.²⁶

Respondent Roxas maintained that OCT No. P-5885 had been legally and validly issued to him and that he had been in actual, open, and continuous possession of the subject property in the concept of an owner since 1959.

¹⁸ Id. at 52; Exhibit "2."
¹⁹ Id. at 53; Exhibit "3."
²⁰ Id. at 54-55; Exhibits "4" and "5."
²¹ Id. at 56; Exhibit "6."
²² Id. at 57; Exhibit "7."
²³ Id. at 58; Exhibit "8."
²⁴ Id. at 59; Exhibit "9."
²⁵ Id. at 60; Exhibit "10."
²⁶ Id. at 61-62; Exhibit "11."

Respondent Roxas then prayed that judgment be rendered dismissing the Complaint of petitioner Republic; awarding damages to him in the amount of ₱500.00 and attorney's fees in the amount of ₱2,000.00; and declaring OCT No. P-5885 free from all claims and conflicts.

Petitioner PTFI eventually filed a Complaint for Intervention on the ground that it was leasing the entire Matchwood Forest Reserve from petitioner Republic under Matchwood Plantation Lease Agreement No. 1 for a period of 25 years that would expire on June 30, 1990.²⁷

The RTC granted the intervention of petitioner PTFI in an Order dated August 10, 1979.²⁸

Subsequently, during the pendency of Civil Case No. R-3110 before the RTC, and considering the expiration of Lease Agreement No. 1 in 1990, petitioner PTFI entered into an Industrial Tree Plantation Lease Agreement²⁹ dated November 11, 1982 and Industrial Forest Plantation Management Agreement³⁰ dated November 24, 1982 with petitioner Republic, which extended the lease of petitioner PTFI of the Matchwood Forest Reserve until July 7, 2007.

To determine whether or not the subject property was within the Matchwood Forest Reserve, the RTC issued an Order dated June 23, 1983 creating a committee to conduct a relocation survey. The committee was composed of three competent government officials: (1) the District Land Officer of Calapan, Oriental Mindoro, as chairman; (2) Geodetic Engineer (Engr.) Narciso Mulles (Mulles) of the BFD; and (3) Geodetic Engineer Cresente Mendoza (Mendoza) of the Bureau of Lands, Calapan, Oriental Mindoro.³¹ However, Engr. Mulles was assigned to Region V, Naga City, so no relocation survey was conducted. Thus, the RTC issued another Order dated March 15, 1984, creating a second relocation survey committee composed of District Forester Gregorio O. Nisperos (Nisperos) as team leader, with representatives of the District Land Office, respondent Roxas, and petitioner PTFI as members.³²

The committee submitted to the RTC a Memorandum dated May 11, 1984, prepared by Engr. Mendoza, the representative of the Bureau of Lands, and countersigned by District Forester Nisperos, the team leader, presenting the results of the ocular inspection/survey work conducted by the committee from April 23 to 29, 1984 and the recommendations of the committee. Pertinent parts of the Memorandum read:

²⁷ Id. at 68-70.

²⁸ Id. at 86.

²⁹ *Rollo* (G.R. No. 160640), pp. 119-124.

³⁰ Id. at 112-118.

³¹ Records, p. 197.

³² Id. at 214.

REMARKS: [W]e are submitting herewith the result of our ocular inspection/survey work undertaken during the period from April 23 to 29, 1984 in the presence of Engineer Cresente M. Mendoza, Bureau of Lands (B.L.) representative, Mr. Reynaldo Labay, Bureau of Forest Development (BFD) representative and Mr. Vicente Roxas, the defendant. Findings and other related informations gathered during the survey disclosed the following:

1. The titled land property claimed by Mr. Vicente Roxas (defendant) situated at Barangay Paspasin, San Teodoro, Oriental Mindoro which is subject of the complaint and inquiry covering an area of about 6.282 hectares is located inside the Matchwood Forest Reserve No. 1 under Presidential Proclamation No. 678 dated February 5, 1941 per F.R. 110 and leased to Provident Tree Farms, Inc.
2. The whole land area falls inside said forest reserve reckoning from established BFFR corners (BFFR Corner Nos. 45, 46 & 47-A) as shown in the attached sketch/map plan. The issuance of the Original Certificate of Title to herein defendant inside a proclaimed Forest Reserve would not warrant nor justify the validity of legitimate and/or rightful ownership over said titled land property considering the present status of the subject land area under question, therefore it could not complete its right under the provisions of the Public Land Law.

ACTION

RECOMMENDED: In view of the above-mentioned facts gathered by the team and after judicious scrutiny of other informations surrounding the subject case, it is hereby recommended that the Original Certificate of Title issued to Mr. Vicente Roxas covering a land area located inside the Matchwood Forest Reserve be annulled and the retention of said area for which they have been reserved. Should the Honorable Court needs some clarification on the survey conducted, it is recommended further that Engineer Cresente M. Mendoza of the Bureau of Lands, Calapan be sub-phoenaed (sic).³³

Petitioner Roxas contested the results of the relocation survey conducted by the committee, hence, in an Order dated August 6, 1984, the RTC directed the Clerk of Court to issue a subpoena to committee members Engr. Mendoza of the Bureau of Lands and Mr. Reynaldo Labay (Labay) of the BFD to appear before the court; and a subpoena *duces tecum* to the District Land Officer or his duly authorized representative to bring and

³³ Id. at 215-216.

produce pertinent papers relative to cadastral survey 104 in respondent Roxas's name.³⁴

Engr. Mendoza attested that pursuant to the RTC Order dated March 15, 1984, he conducted a relocation survey of the subject property on April 23-29, 1984. After the said survey, he personally prepared the Plan of Lots 1 (owned by respondent Roxas), 4 (owned by Esteban Paroninog), and 5 (no registered owner, adjacent to Lot 4), GSS-569, as relocated for *Vicente Roxas v. Republic of the Philippines (BFD)*. In the Plan, Engr. Mendoza marked the boundary between the forest zone and the released area by drawing a line from BFFR-45 to BFFR-46 to BFFR-47-A, which showed that Lot 1 owned by respondent Roxas was found inside the forest zone.³⁵

On cross-examination, Engr. Mendoza acknowledged that even before the committee conducted the relocation survey, he already knew that the subject property was part of the Matchwood Forest Reserve. During the relocation survey, Engr. Mendoza did not take into consideration the total area of the reserve since he had no idea as to the same. He merely relocated BFFR-45, BFFR-46, and BFFR-47-A. Per record of the BFD, the line drawn from BFFR-45 until BFFR-47-A was the boundary line between the forest zone and the released areas. Engr. Mendoza was then asked to compare the Plan he prepared based on the relocation survey conducted by the committee on April 23-29, 1984 vis-à-vis the Plan of Land Group Settlement Survey, GSS-569, prepared by Engr. Restituto Javier (Javier) and approved (for the Director of Lands) by Acting Regional Land Director Narciso Villapando (Villapando), as a result of the survey conducted on September 21-22 and October 5-19, 1959. Engr. Mendoza conceded that Lot 1 indicated in both plans in respondent Roxas's name were the same,³⁶ but in the Plan of the Land Group Settlement Survey, GSS-569, the boundary line separating the forest reserve from the released areas was just above Lots 1, 4, and 5.

During redirect examination, Engr. Mendoza explained that he came upon the conclusion that the Plan of the Land Group Settlement Survey, GSS-569, was the approved plan because it was signed by Acting Regional Land Director Villapando. He further avowed that points BFFR-45, BFFR-46, and BFFR-47-A were still intact during the relocation survey by the committee, marked by monuments which he believed were previously placed by the people from the BFD.³⁷

Daniel de los Santos (De los Santos), a Geodetic Engineer from the Department of Environment and Natural Resources (DENR), Regional Office IV, also testified for petitioners. According to Engr. De los Santos, his supervisor showed him OCT No. P-5885 and instructed him to prepare a

³⁴ Id. at 233.

³⁵ TSN, March 1, 1993, pp. 13-16.

³⁶ Id. at 19-24.

³⁷ Id. at 27-31.

plotting on the land classification map. Engr. De los Santos presented two maps before the RTC, both coming from the National Mapping Resources Administration: (1) the Land Classification, Province of Oriental Mindoro LC-1110 dated August 30, 1934 (marked as Exhibit “J”) and (2) the Land Classification, Province of Oriental Mindoro LC-2244 dated December 15, 1958 (marked as Exhibit “K”). Engr. De los Santos demonstrated table plotting on both land classification maps using the technical description of the subject property as appearing on OCT No. P-5885, which showed that the subject property fell within the forest reserve.³⁸ When cross-examined, Engr. De los Santos reiterated that he based his plotting on the technical description of the subject property as it appeared on OCT No. P-5885. He did not consider Lot No. 1 of GSS-569 in his plotting because he was not aware of the same.

Respondent Roxas himself testified for the defense. Respondent Roxas recounted that he originally joined the Philippine Army in 1941, but he joined the guerilla movement in Oriental Mindoro during the Japanese occupation, and thereafter, he re-enlisted with the United States Armed Forces in the Far East (USAFFE). Respondent Roxas was first struck with the pleasant appearance of the subject property while he was still in the guerilla movement, and when he retired from the USAFFE in 1946, he cleaned the said property, which was still woody at that time. Respondent Roxas built a nipa hut on the subject property where he and his wife, as well as their children, had resided, and planted the same with palay and bananas to sustain his family. Sometime in 1959, a certain Luz Alegre filed a sales application for the subject property occupied by respondent Roxas and adjoining parcels of land occupied by 20 other residents. Respondent Roxas and the other residents were spurred to petition the Bureau of Lands to have their respective properties surveyed. It was then that respondent Roxas came to know that he had developed the subject property to the extent of 6.2820 hectares. After the survey of the subject property, respondent Roxas began planting thereon about 700 coconut trees, 500 calamansi trees, 200 rambutan trees, 50 sinturis trees, and 30 cacao trees, plus an unspecified number of other trees such as abaca, banana, and mango.³⁹

The RTC rendered a Decision on February 10, 1994, in respondent Roxas’s favor. The RTC declared that petitioner PTFI had no right whatsoever to the subject property since the latter’s lease agreement with petitioner Republic had already expired on June 30, 1990. It also held that the preponderance of evidence showed that the subject property was outside the forest reserve and part of the alienable and disposable lands of the public domain; and that there was no proof at all of fraud or misrepresentation on respondent Roxas’s part in procuring OCT No. P-5885. In the end, the RTC decreed:

³⁸ TSN, March 22, 1993, pp. 2-23.

³⁹ TSN, October 5, 1993, pp. 11-22.

ACCORDINGLY, judgment is hereby rendered:

1. Dismissing the complaint; and
2. Ordering the plaintiff Republic of the Philippines (Bureau of Forest Development) and plaintiff intervenor Provident Tree Farms, to pay jointly and severally defendant Vicente Roxas ₱25,000.00 for and as attorney's fees and expenses of litigation and the costs of suit.⁴⁰

Unsatisfied with the foregoing RTC Decision, petitioners jointly filed an appeal before the Court of Appeals, docketed as CA-G.R. CV No. 44926.

In its Decision dated April 21, 2003, the Court of Appeals sustained the appreciation of evidence by the RTC, thus:

Before Roxas could be issued his corresponding homestead patent, the Bureau of Forestry of the Department of Environment and Natural Resources declared that:

"I have the honor to inform you that the subject area designated as Lot No. 1 Gss-569, has been verified to be within the alienable and disposable land of Project No. 18 of San Teodoro, Oriental Mindoro per B.F. LC-110 certified as such on September 30, 1934.

The said land is no longer within the administrative jurisdiction of the Bureau of Forestry, so that, its disposition in accordance with the Public Land Law does not adversely affect forestry interest anymore."

Not only does this letter prove that Lot 1-GSS-569, the area occupied and titled in the name of Roxas, is alienable and disposable but so does the 1959 Survey Plan, which with its dotted lines confirm that the land of Roxas is outside the Matchwood Forest Reserve.

Even the 1984 Relocation Survey conducted by Cresente Mendoza on the subject property showed it to be on the same location. x x x.

x x x x

The court *a quo* was correct when it did not give credence to the testimony of [Cresente] Mendoza that the subject lot is within the Matchwood Forest Reserve area because despite having performed a relocation survey in the area, he admitted that he does not know the actual area of the forest reserve. x x x.

x x x x

And though another witness, Geodetic Engineer Daniel de los Santos, did a table plotting of the two Land Classification Maps, it appears that the subject Lot 1-GSS-569 was not actually included in the plotting. x x x.⁴¹ (Citations omitted.)

⁴⁰ *Rollo* (G.R. No. 157988), p. 55.

⁴¹ *Id.* at 46-49.

The Court of Appeals also ruled that respondent Roxas's compliance with substantive and procedural requirements for acquisition of public lands belied the allegation that respondent Roxas obtained grant and title over the subject property through fraud and misrepresentation. The appellate court further pronounced that once a patent had been registered and the corresponding certificate of title had been issued, the land covered by them ceased to be part of the public domain and became private property; and the Torrens title issued pursuant to the patent became indefeasible upon the expiration of one year from the date of the issuance of the patent. The Court of Appeals, however, disagreed with the RTC in awarding attorney's fees, expenses of litigation, and costs of suit to respondent Roxas, finding no basis for such awards.

Ultimately, the Court of Appeals disposed of CA-G.R. CV No. 44926 in this wise:

WHEREFORE, except for the award of attorney's fees, expenses of litigation and costs of suit which are hereby **DELETED**, the appealed Decision is otherwise **AFFIRMED**.⁴²

Petitioner Republic, through the BFD, directly filed its Petition for Review on *Certiorari* before us, docketed as G.R. No. 157988. Petitioner Republic assigned the following errors on the part of the Court of Appeals:

I

THE COURT OF APPEALS ERRED IN DECLARING THAT LOT NO. 1, GSS-569 IS NOT PART OF THE MATCHWOOD FOREST RESERVE.

II

THE COURT OF APPEALS ERRED IN DISREGARDING THE TESTIMONY OF ENGINEER CRESCENCIO MENDOZA THAT THE SUBJECT LOT IS WITHIN THE MATCHWOOD FOREST RESERVE AREA ON THE SOLE BASIS OF HIS ADMISSION THAT HE DID NOT KNOW THE ACTUAL AREA OF THE FOREST RESERVE.

III

THE COURT OF APPEALS ERRED IN NOT FINDING THAT PRIVATE RESPONDENT PROCURED HOMESTEAD PATENT NO. 111598 AND ORIGINAL CERTIFICATE OF TITLE NO. P-5885 THROUGH FRAUD AND/OR MISREPRESENTATION.

⁴² Id. at 51.

IV

THE COURT OF APEPALS ERRED IN CONCLUDING THAT
PRESCRIPTION IS APPLICABLE TO THIS CASE.⁴³

Meanwhile, petitioner PTFI first filed a Motion for Reconsideration⁴⁴ with the Court of Appeals. After the appellate court denied said Motion in a Resolution dated October 30, 2003,⁴⁵ petitioner PTFI likewise sought recourse from us through a Petition for Review on *Certiorari*, docketed as G.R. No. 160640, assailing the Court of Appeals judgment on the following grounds:

I

THE COURT OF APPEALS' REFUSAL TO ACCORD CREDENCE TO
THE TESTIMONIES OF EXPERTS IS CONTRARY TO LAW AND
JURISPRUDENCE.

II

THE COURT OF APPEALS ACTED CONTRARY TO LAW AND
JURISPRUDENCE ON THE INALIENABILITY OF PUBLIC LANDS
WHEN IT AFFIRMED THE DECISION OF THE TRIAL COURT.

III

THE COURT OF APPEALS CONTRAVENED EXISTING LAW AND
JURISPRUDENCE WHEN IT CONCLUDED THAT THE INSTANT
ACTION IS BARRED BY PRESCRIPTION AND THE PRINCIPLE OF
INDEFEASIBILITY OF TITLE.⁴⁶

In a Resolution⁴⁷ dated December 8, 2004, we consolidated G.R. No. 160640 with G.R. No. 157988.

Sifting through the arguments raised by the parties, we identify three fundamental issues for our resolution, particularly: (1) whether the subject property is forest land or alienable and disposable agricultural land; (2) whether respondent Roxas procured OCT No. P-5885 through fraud and misrepresentation; and (3) whether petitioner Republic is barred by estoppel and prescription from seeking the cancellation of OCT No. P-5885 and/or reversion of the subject property.

***Review of the findings of fact of the
RTC and Court of Appeals is proper
in this case***

⁴³ Id. at 13-14.

⁴⁴ CA *rollo*, pp. 122-141.

⁴⁵ Id. at 198-199.

⁴⁶ *Rollo* (G.R. No. 160640), pp. 22-23.

⁴⁷ Id. at 236.

Before delving into the merits, the propriety of these Petitions for Review under Rule 45 of the Rules of Court should first be addressed. We note at the outset that except for the third issue on estoppel and prescription, the other two issues involve questions of fact that necessitate a review of the evidence on record. In *Decaleng v. Bishop of the Missionary District of the Philippine Islands of Protestant Episcopal Church in the United States of America*,⁴⁸ we presented the general rule, as well as the exceptions, to the same:

Prefatorily, it is already a well-established rule that the Court, in the exercise of its power of review under Rule 45 of the Rules of Court, is not a trier of facts and does not normally embark on a re-examination of the evidence presented by the contending parties during the trial of the case, considering that the findings of facts of the Court of Appeals are conclusive and binding on the Court. This rule, however, admits of exceptions as recognized by jurisprudence, to wit:

(1) [W]hen the findings are grounded entirely on speculation, surmises or conjectures; (2) when the inference made is manifestly mistaken, absurd or impossible; (3) when there is grave abuse of discretion; (4) when the judgment is based on misapprehension of facts; (5) when the findings of facts are conflicting; (6) when in making its findings the Court of Appeals went beyond the issues of the case, or its findings are contrary to the admissions of both the appellant and the appellee; (7) when the findings are contrary to the trial court; (8) when the findings are conclusions without citation of specific evidence on which they are based; (9) when the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondent; (10) when the findings of fact are premised on the supposed absence of evidence and contradicted by the evidence on record; and (11) when the Court of Appeals manifestly overlooked certain relevant facts not disputed by the parties, which, if properly considered, would justify a different conclusion. (Citations omitted.)

The case at bar falls under several exceptions, *i.e.*, the inference made is manifestly mistaken, absurd, or impossible; the judgment is based on misapprehension of facts; and the findings of fact are contradicted by the evidence on record. As a result, we must return to the evidence submitted by the parties during trial and make our own evaluation of the same.

Subject property is within the Matchwood Forest Reserve and, thus, inalienable and not subject to disposition.

⁴⁸

G.R. No. 171209, June 27, 2012, 675 SCRA 145, 160-161.

Under the Regalian doctrine, which is embodied in Article XII, Section 2 of our Constitution, all lands of the public domain belong to the State, which is the source of any asserted right to any ownership of land. All lands not appearing to be clearly within private ownership are presumed to belong to the State. Accordingly, public lands not shown to have been reclassified or released as alienable agricultural land or alienated to a private person by the State remain part of the inalienable public domain.⁴⁹

Commonwealth Act No. 141, also known as the Public Land Act, as amended by Presidential Decree No. 1073, remains to this day the existing general law governing the classification and disposition of lands of the public domain, other than timber and mineral lands. The following provisions under Title I, Chapter II of the Public Land Act, as amended, is very specific on how lands of the public domain become alienable or disposable:

SEC. 6. The **President, upon the recommendation of the Secretary of Agriculture and Natural Resources**, shall from time to time classify the lands of the public domain into:

- (a) Alienable or disposable,
- (b) Timber, and
- (c) Mineral lands,

and may at any time and in a like manner transfer such lands from one class to another, for the purposes of their administration and disposition.

SEC. 7. For the purposes of the administration and disposition of alienable or disposable public lands, the **Batasang Pambansa or the President, upon recommendation by the Secretary of Natural Resources**, may from time to time declare what public lands are open to disposition or concession under this Act.

X X X X

SEC. 8. **Only those lands shall be declared open to disposition or concession which have been officially delimited and classified and, when practicable, surveyed, and which have not been reserved for public or quasi-public uses, nor appropriated by the Government, nor in any manner become private property, nor those on which a private right authorized and recognized by this Act or any other valid law may be claimed, or which, having been reserved or appropriated, have ceased to be so.** However, the President may, for reasons of public interest, declare lands of the public domain open to disposition before the same have had their boundaries established or been surveyed, or may, for the same reason, suspend their concession or disposition until they are again declared open to concession or disposition by proclamation duly published or by Act of the Congress.

⁴⁹

Republic of the Phils. v. Tri-Plus Corporation, 534 Phil. 181, 194 (2006).

SEC. 9. For the purpose of their administration and disposition, the lands of the public domain alienable or open to disposition shall be classified, according to the use or purposes to which such lands are destined, as follows:

- (a) Agricultural;
- (b) Residential, commercial, industrial, or for similar productive purposes;
- (c) Educational, charitable, or other similar purposes; and
- (d) Reservations for townsites and for public and quasi-public uses.

The President, upon recommendation by the Secretary of Agriculture and Natural Resources, shall from time to time make the classifications provided for in this section, and may, at any time and in a similar manner, transfer lands from one class to another. (Emphases ours.)

By virtue of Presidential Decree No. 705, otherwise known as the Revised Forestry Code,⁵⁰ the President delegated to the DENR Secretary the power to determine which of the unclassified lands of the public domain are (1) needed for forest purposes and declare them as permanent forest to form part of the forest reserves; and (2) not needed for forest purposes and declare them as alienable and disposable lands.⁵¹

Per the Public Land Act, alienable and disposable public lands suitable for agricultural purposes can be disposed of only as follows:

- 1. For homestead settlement;
- 2. By sale;
- 3. By lease; and
- 4. By confirmation of imperfect or incomplete titles:

⁵⁰ Issued on May 19, 1975.

⁵¹ Section 13 of the Revised Forestry Code, pertaining to the system of land classification, provides that:

The Department Head shall study, devise, determine and prescribe the criteria, guidelines and methods for the proper and accurate classification and survey of all lands of the public domain into agricultural, industrial or commercial, residential, resettlement, mineral, timber or forest, and grazing lands, and into such other classes as now or may hereafter be provided by law, rules and regulations.

In the meantime, the Department head shall simplify through inter-bureau action the present system of determining which of the unclassified lands of the public domain are needed for forest purposes and declare them as permanent forest to form part of the forest reserves. He shall declare those classified and determined not to be needed for forest purposes as alienable and disposable lands, the administrative jurisdiction and management of which shall be transferred to the Lands Management Bureau; *Provided*, That mangrove and other swamps not needed for shore protection and suitable for fishpond purposes shall be released to, and be placed under the administrative jurisdiction and management of, the Bureau of Fisheries and Aquatic Resources. Those still to be classified under the present system shall continue to remain as part of the public forest.

- (a) By judicial legalization;
- (b) By administrative legalization (free patent).⁵²

Homestead over alienable and disposable public agricultural land is granted after compliance by an applicant with the conditions and requirements laid down under Title II, Chapter IV of the Public Land Act, the most basic of which are quoted below:

SEC. 12. Any citizen of the Philippines over the age of eighteen years, or the head of a family, who does not own more than twenty-four hectares of land in the Philippines or has not had the benefit of any gratuitous allotment of more than twenty-four hectares of land since the occupation of the Philippines by the United States, may enter a homestead of not exceeding twenty-four hectares of agricultural land of the public domain.

SEC. 13. Upon the filing of an application for a homestead, the Director of Lands, if he finds that the application should be approved, shall do so and authorize the applicant to take possession of the land upon the payment of five pesos, Philippine currency, as entry fee. Within six months from and after the date of the approval of the application, the applicant shall begin to work the homestead, otherwise he shall lose his prior right to the land.

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 clear under the law that only alienable and disposable agricultural lands of the public domain can be acquired by homestead.

In the instant case, respondent Roxas applied for and was granted Homestead Patent No. 111598 for the subject property, pursuant to which, he acquired OCT No. P-5885 in his name. The problem, however, is that the subject property is not alienable and disposable agricultural land to begin with.

⁵² Title II, Chapter III, Section 11.

The burden of proof in overcoming the presumption of State ownership of lands of the public domain is on the person applying for registration, or in this case, for homestead patent. The applicant must show that the land subject of the application is alienable or disposable.⁵³ It must be stressed that **incontrovertible evidence** must be presented to establish that the land subject of the application is alienable or disposable.⁵⁴

The Court of Appeals, in its assailed Decision, concluded that the subject property is indeed alienable and disposable based on the (1) Letter dated July 12, 1965 of Assistant District Forester Dacanay to the District Land Officer of Calapan, Oriental Mindoro informing the latter that Lot 1, GSS-569 was verified to be within the alienable and disposable land of Project 18 of San Teodoro, Oriental Mindoro per B.F. Map LC-1110; and (2) the Blue Print Plan of the Land Group Settlement Survey, GSS-569, showing that the subject property lies beyond the Matchwood Forest Reserve. But these are hardly the kind of proof required by law.

As we pronounced in *Republic of the Phils. v. Tri-Plus Corporation*,⁵⁵ to prove that the land subject of an application for registration is alienable, an applicant must establish the existence of a **positive act of the Government** such as a presidential proclamation or an executive order, an administrative action, investigation reports of Bureau of Lands investigators, and a legislative act or statute. The applicant may also secure a certification from the Government that the lands applied for are alienable and disposable.

We were even more specific in *Republic of the Phils. v. T.A.N. Properties, Inc.*⁵⁶ as to what constitutes sufficient proof that a piece of land is alienable and disposable, to quote:

Further, it is not enough for the PENRO or CENRO to certify that a land is alienable and disposable. **The applicant for land registration must prove that the DENR Secretary had approved the land classification and released the land of the public domain as alienable and disposable, and that the land subject of the application for registration falls within the approved area per verification through survey by the PENRO or CENRO. In addition, the applicant for land registration must present a copy of the original classification approved by the DENR Secretary and certified as a true copy by the legal custodian of the official records.** These facts must be established to prove that the land is alienable and disposable. Respondent failed to do so because the certifications presented by respondent do not, by themselves, prove that the land is alienable and disposable.

Only Torres, respondent's Operations Manager, identified the certifications submitted by respondent. The government officials who

⁵³ *Director of Lands v. Intermediate Appellate Court*, G.R. No. 73246, March 2, 1993, 219 SCRA 339, 347.

⁵⁴ *Republic of the Phils. v. Tri-Plus Corporation*, supra note 49 at 194.

⁵⁵ *Id.* at 194-195.

⁵⁶ 578 Phil. 441, 452-453 (2008).

issued the certifications were not presented before the trial court to testify on their contents. The trial court should not have accepted the contents of the certifications as proof of the facts stated therein. Even if the certifications are presumed duly issued and admissible in evidence, they have no probative value in establishing that the land is alienable and disposable. (Emphasis ours.)

Assistant District Forester Dacanay's Letter dated July 12, 1965 is a mere correspondence; it is not even a certification. Coupled with the fact that Assistant District Forester Dacanay did not personally testify before the RTC as to the truth of the contents of his Letter dated July 12, 1965, said letter carries little evidentiary weight. The Land Group Settlement Survey, GSS-569, prepared by Engr. Javier and approved (for the Director of Lands) by Acting Regional Land Director Villapando, also does not constitute incontrovertible evidence that the subject property is alienable and disposable agricultural land of the public domain. We pointed out in *Republic of the Phils. v. Court of Appeals*⁵⁷ that:

There is no factual basis for the conclusion of the appellate court that the property in question was no longer part of the public land when the Government through the Director of Lands approved on March 6, 1925, the survey plan (Psu-43639) for Salming Piraso. The existence of a sketch plan of real property even if approved by the Bureau of Lands is no proof in itself of ownership of the land covered by the plan. (*Gimeno v. Court of Appeals*, 80 SCRA 623). The fact that a claimant or a possessor has a sketch plan or a survey map prepared for a parcel of land which forms part of the country's forest reserves does not convert such land into alienable land, much less private property. Assuming that a public officer erroneously approves the sketch plan, such approval is null and void. There must first be a formal Government declaration that the forest land has been re-classified into alienable and disposable agricultural land which may then be acquired by private persons in accordance with the various modes of acquiring public agricultural lands.

In stark contrast, more than just the presumption under the Regalian doctrine, there is actually Presidential Proclamation No. 678 dated February 5, 1941, declaring around 928 hectares of forest land as Matchwood Forest Reserve, which had been withdrawn from entry, sale, or settlement. Two geodetic engineers, namely, (1) Engr. Mendoza, who conducted an ocular inspection/relocation survey in 1984 upon orders of the RTC; and (2) Engr. De los Santos, who performed table plotting of the technical description of the subject property on land classification maps, testified before the RTC that the subject property is within the Matchwood Forest Reserve.

Both the RTC and the Court of Appeals erred in brushing aside the testimonies of the two engineers on very tenuous grounds. Engr. Mendoza need not know the entire area of the Matchwood Forest Reserve, such fact being insignificant to the issue at hand. What Engr. Mendoza only needed to

⁵⁷

238 Phil. 475, 486-487 (1987).

do, which he did, was to relocate on the ground the boundary lines of the Matchwood Forest Reserve which are nearest the subject property, *i.e.*, from points BFFR-45 to BFFR-46 to BFFR-47-A, and from there, determine whether the subject property is on the side of the forest reserve or the released area. It would similarly be unnecessary for Engr. De los Santos to conduct table plotting of Lot 1 of GSS-569 on the land classification maps. Engr. De los Santos already plotted the subject property on the land classification maps based on the technical description of said property as it stated on OCT No. P-5885. Thus, there can be no doubt that the property Engr. De los Santos plotted on the land classification maps is exactly the property awarded and registered in the name of respondent Roxas. It bears to stress that both geodetic engineers testified on matters within their competence and expertise, and other than the baseless doubts of the RTC and the Court of Appeals, there is no evidence on record to refute said witnesses' testimonies.

In sum, the subject property is within the Matchwood Forest Reserve and, therefore, inalienable and not subject to disposition. Respondent Roxas could not have validly acquired a homestead patent and certificate of title for the same.

Although there is no evidence of fraud by respondent Roxas, there is still reason to cancel OCT No. P-5885 and revert the subject property to the State.

We do not find evidence indicating that respondent Roxas committed fraud when he applied for homestead patent over the subject property. It does not appear that he knowingly and intentionally misrepresented in his application that the subject property was alienable and disposable agricultural land. Nonetheless, we recognized in *Republic of the Phils. v. Mangotara*⁵⁸ that there are instances when we granted reversion for reasons other than fraud:

Reversion is an action where the ultimate relief sought is to revert the land back to the government under the Regalian doctrine. Considering that the land subject of the action originated from a grant by the government, its cancellation is a matter between the grantor and the grantee. **In *Estate of the Late Jesus S. Yujuico v. Republic (Yujuico case)*, reversion was defined as an action which seeks to restore public land fraudulently awarded and disposed of to private individuals or corporations to the mass of public domain. It bears to point out, though, that the Court also allowed the resort by the Government to actions for reversion to cancel titles that were void for reasons other than fraud, *i.e.*, violation by the grantee of a patent of the conditions imposed by law; and lack of jurisdiction of the Director of Lands to**

⁵⁸

G.R. No. 170375, July 7, 2010, 624 SCRA 360, 473-474.

grant a patent covering inalienable forest land or portion of a river, even when such grant was made through mere oversight. In *Republic v. Guerrero*, the Court gave a more general statement that the remedy of reversion can be availed of “only in cases of fraudulent or unlawful inclusion of the land in patents or certificates of title.” (Emphasis ours, citations omitted.)

Apparently, in the case at bar, a mistake or oversight was committed on the part of respondent Roxas, as well as the Government, resulting in the grant of a homestead patent over inalienable forest land. Hence, it can be said that the subject property was unlawfully covered by Homestead Patent No. 111598 and OCT No. P-5885 in respondent Roxas’s name, which entitles petitioner Republic to the cancellation of said patent and certificate of title and the reversion of the subject property to the public domain.

Petitioner Republic is not barred by prescription and estoppel from seeking the cancellation of respondent Roxas’s title and reversion of the subject property.

It is true that once a homestead patent granted in accordance with the Public Land Act is registered pursuant to Act 496, otherwise known as The Land Registration Act, or Presidential Decree No. 1529, otherwise known as The Property Registration Decree, the certificate of title issued by virtue of said patent has the force and effect of a Torrens title issued under said registration laws.⁵⁹ We expounded in *Ybañez v. Intermediate Appellate Court*⁶⁰ that:

The certificate of title serves as evidence of an indefeasible title to the property in favor of the person whose name appears therein. After the expiration of the one (1) year period from the issuance of the decree of registration upon which it is based, it becomes incontrovertible. The settled rule is that a decree of registration and the certificate of title issued pursuant thereto may be attacked on the ground of actual fraud within one (1) year from the date of its entry and such an attack must be direct and not by a collateral proceeding. The validity of the certificate of title in this regard can be threshed out only in an action expressly filed for the purpose.

It must be emphasized that a certificate of title issued under an administrative proceeding pursuant to a homestead patent, as in the instant case, is as indefeasible as a certificate of title issued under a judicial registration proceeding, provided the land covered by said certificate is a disposable public land within the contemplation of the Public Land Law.

There is no specific provision in the Public Land Law (C.A. No. 141, as amended) or the Land Registration Act (Act 496), now P.D. 1529,

⁵⁹ *Lopez v. Court of Appeals*, 251 Phil. 249, 254 (1989).

⁶⁰ G.R. No. 68291, March 6, 1991, 194 SCRA 743, 748-750.

fixing the one (1) year period within which the public land patent is open to review on the ground of actual fraud as in Section 38 of the Land Registration Act, now Section 32 of P.D. 1529, and clothing a public land patent certificate of title with indefeasibility. Nevertheless, the pertinent pronouncements in the aforecited cases clearly reveal that **Section 38 of the Land Registration Act, now Section 32 of P.D. 1529 was applied by implication by this Court to the patent issued by the Director of Lands duly approved by the Secretary of Natural Resources, under the signature of the President of the Philippines in accordance with law.** The date of issuance of the patent, therefore, corresponds to the date of the issuance of the decree in ordinary registration cases because the decree finally awards the land applied for registration to the party entitled to it, and the patent issued by the Director of Lands equally and finally grants, awards, and conveys the land applied for to the applicant. This, to our mind, is in consonance with the intent and spirit of the homestead laws, i.e. conservation of a family home, and to encourage the settlement, residence and cultivation and improvement of the lands of the public domain. If the title to the land grant in favor of the homesteader would be subjected to inquiry, contest and decision after it has been given by the Government thru the process of proceedings in accordance with the Public Land Law, there would arise uncertainty, confusion and suspicion on the government's system of distributing public agricultural lands pursuant to the "Land for the Landless" policy of the State. (Emphases ours, citations omitted.)

Yet, we emphasize that our statement in the aforequoted case that a certificate of title issued pursuant to a homestead patent becomes indefeasible after one year, is subject to the proviso that "the land covered by said certificate is a **disposable public land** within the contemplation of the Public Land Law." As we have ruled herein, the subject property is part of the Matchwood Forest Reserve and is inalienable and not subject to disposition. Being contrary to the Public Land Law, Homestead Patent No. 111598 and OCT No. P-5885 issued in respondent Roxas's name are void; and the right of petitioner Republic to seek cancellation of such void patent/title and reversion of the subject property to the State is imprescriptible.

We have addressed the same questions on indefeasibility of title and prescription in *Mangotara*,⁶¹ thus:

It is evident from the foregoing jurisprudence that despite the lapse of one year from the entry of a decree of registration/certificate of title, the State, through the Solicitor General, may still institute an action for reversion when said decree/certificate was acquired by fraud or misrepresentation. Indefeasibility of a title does not attach to titles secured by fraud and misrepresentation. Well-settled is the doctrine that the registration of a patent under the Torrens system does not by itself vest title; it merely confirms the registrant's already existing one. Verily, registration under the Torrens system is not a mode of acquiring ownership.

⁶¹ *Republic of the Phils. v. Mangotara*, supra note 58 at 488-490.

But then again, the Court had several times in the past recognized the right of the State to avail itself of the remedy of reversion in other instances when the title to the land is void for reasons other than having been secured by fraud or misrepresentation. One such case is *Spouses Morandarte v. Court of Appeals*, where the Bureau of Lands (BOL), by mistake and oversight, granted a patent to the spouses Morandarte which included a portion of the Miputak River. The Republic instituted an action for reversion 10 years after the issuance of an OCT in the name of the spouses Morandarte. The Court ruled:

Be that as it may, the mistake or error of the officials or agents of the BOL in this regard cannot be invoked against the government with regard to property of the public domain. It has been said that the State cannot be estopped by the omission, mistake or error of its officials or agents.

It is well-recognized that if a person obtains a title under the Public Land Act which includes, by oversight, lands which cannot be registered under the Torrens system, or when the Director of Lands did not have jurisdiction over the same because it is a public domain, the grantee does not, by virtue of the said certificate of title alone, become the owner of the land or property illegally included. Otherwise stated, property of the public domain is incapable of registration and its inclusion in a title nullifies that title.

Another example is the case of *Republic of the Phils. v. CFI of Lanao del Norte, Br. IV*, in which the homestead patent issued by the State became null and void because of the grantee's violation of the conditions for the grant. The Court ordered the reversion even though the land subject of the patent was already covered by an OCT and the Republic availed itself of the said remedy more than 11 years after the cause of action accrued, because:

There is merit in this appeal considering that the statute of limitation does not lie against the State. Civil Case No. 1382 of the lower court for reversion is a suit brought by the petitioner Republic of the Philippines as a sovereign state and, by the express provision of Section 118 of Commonwealth Act No. 141, any transfer or alienation of a homestead grant within five (5) years from the issuance of the patent is null and void and constitute a cause for reversion of the homestead to the State. In *Republic vs. Ruiz*, 23 SCRA 348, We held that "the Court below committed no error in ordering the reversion to plaintiff of the land grant involved herein, notwithstanding the fact that the original certificate of title based on the patent had been cancelled and another certificate issued in the names of the grantee heirs. Thus, where a grantee is found not entitled to hold and possess in fee simple the land, by reason of his having violated Section 118 of the Public Land Law, the Court may properly order its reconveyance to the grantor, although the property has

already been brought under the operation of the Torrens System. *And, this right of the government to bring an appropriate action for reconveyance is not barred by the lapse of time: the Statute of Limitations does not run against the State.*” (Italics supplied). The above ruling was reiterated in *Republic vs. Mina*, 114 SCRA 945.

If the Republic is able to establish after trial and hearing of Civil Case No. 6686 that the decrees and OCTs in Doña Demetria’s name are void for some reason, then the trial court can still order the reversion of the parcels of land covered by the same because indefeasibility cannot attach to a void decree or certificate of title. x x x. (Citations omitted.)


Neither can respondent Roxas successfully invoke the doctrine of estoppel against petitioner Republic. While it is true that respondent Roxas was granted Homestead Patent No. 111598 and OCT No. P-5885 only after undergoing appropriate administrative proceedings, the Government is not now estopped from questioning the validity of said homestead patent and certificate of title. It is, after all, hornbook law that the principle of estoppel does not operate against the Government for the act of its agents.⁶² And while there may be circumstances when equitable estoppel was applied against public authorities, *i.e.*, when the Government did not undertake any act to contest the title for an unreasonable length of time and the lot was already alienated to innocent buyers for value, such are not present in this case.⁶³ More importantly, we cannot use the equitable principle of estoppel to defeat the law. Under the Public Land Act and Presidential Proclamation No. 678 dated February 5, 1941, the subject property is part of the Matchwood Forest Reserve which is inalienable and not subject to disposition.

WHEREFORE, we **GRANT** the Petitions and **REVERSE** and **SET ASIDE** the Decision dated April 21, 2003 of the Court of Appeals in CA-G.R. CV No. 44926, which, in turn, affirmed the Decision dated February 10, 1994 of the Regional Trial Court, Branch 39 of Oriental Mindoro, in Civil Case No. R-3110. We **DECLARE** Homestead Patent No. 111598 and OCT No. P-5885 in the name of respondent Vicente Roxas null and void and **ORDER** the cancellation of the said patent and certificate of title. We further **ORDER** the reversion of the subject property to the public domain as part of the Matchwood Forest Reserve.

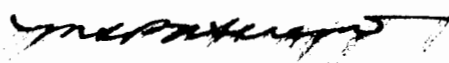
⁶² *Republic of the Phils. v. Court of Appeals*, 406 Phil. 597, 609 (2001).

⁶³ *Estate of the Late Jesus S. Yujuico v. Republic of the Phils.*, 563 Phil. 92, 111 (2007); *Republic of the Phils. v. Agunoy, Sr.*, 492 Phil. 118, 136 (2005); *Republic of the Phils. v. Court of Appeals*, 361 Phil. 319, 336-337 (1999).

SO ORDERED.



TERESITA J. LEONARDO-DE CASTRO
Associate Justice

WE CONCUR:


MARIA LOURDES P. A. SERENO
Chief Justice
Chairperson

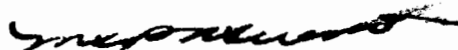

MARIANO C. DEL CASTILLO
Associate Justice


MARTIN S. VILLARAMA, JR.
Associate Justice


BIENVENIDO L. REYES
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


MARIA LOURDES P. A. SERENO
Chief Justice