

FIRST DIVISION

[G.R. No. 224076, July 28, 2020]

REPUBLIC OF THE PHILIPPINES, PETITIONER, VS. SUSAN DATUIN, EVELYN DAYOT, SKYLON REALTY CORPORATION, SYSTEMATIC REALTY INCORPORATED, BAGUIO PINES TOWER CORPORATION, GOLD LAND REALTY CORPORATION, GOOD HARVEST REALTY CORPORATION, PARKLAND REALTY AND DEVELOPMENT CORPORATION AND THE REGISTER OF DEEDS OF NASUGBU, BATANGAS, RESPONDENTS.

DECISION

LAZARO-JAVIER, J.:

The Case

The petition assails the dispositions of the Court of Appeals in CA-G.R. SP No. 134394 entitled "*Republic of the Philippines v. Hon. Judge Rolando E. Silang, et al.*"

[1] viz.:

- 1) Resolution [2] dated September 24, 2015, dismissing the petition for *certiorari* for supposedly being the improper remedy; and
- 2) Resolution [3] dated April 11, 2016, denying the Republic's motion for reconsideration.

Antecedents

On May 13, 2010, petitioner Republic of the Philippines, represented by the Regional Executive Director of the Department of Environment and Natural Resources (DENR) Region IV-A, Calabarzon and the Office of the Solicitor General (OSG) filed a Complaint for cancellation and reversion against respondents Susan Datuin, Evelyn Dayot, Skylon Realty Corporation, Systemic Realty Incorporated, Parkland Realty & Development Corporation, Baguio Pines Tower Corporation, Goldland Realty Corporation, and Good Harvest Realty Corporation. [4] Petitioner specifically prayed for cancellation of Original Certificates of Title Nos. (OCTs) 921 to 926, Transfer of Certificates of Title Nos. (TCTs) TP 1937, TP 1938, TP 1939, TP 1950, TP 1951, and TP 1952, and reversion of the same to the government on ground that these lots are inalienable based on a final judgment in ***Republic of the Philippines v. Ayalay Cia and/or Hacienda Calatagan, et al.*** [5]

In its Complaint [6] dated May 4, 2010, petitioner essentially alleged that the lots are inalienable and cannot be acquired by private persons. Fraud and irregularities attended their transfer to respondents as illustrated below:

On July 27, 1987, then Secretary of Agriculture Carlos G. Dominguez issued Fishpond Lease Agreement (FLA) No. 4718 to Prudencia V. Conlu. The FLA authorized Conlu to operate for twenty-five (25) years a 298,688 square meter-public land situated in Barrio Calumbayan, Municipality of Calatagan, Batangas.^[7]

On August 19, 1987, the land was subdivided into six (6) lots in favor of six (6) individuals excluding Conlu: Lucia Dizon, Amorando Dizon, Susan Datuin, Consolacion Dizon, Ruben Dizon and Consolacion Degollacion, pursuant to DENR Special Work Order (SWO) 04-001510-D.^[8]

Consequently, Constante Q. Asuncion, Acting District Land Officer of the Land Management Bureau and Alexander Bonuan, Register of Deeds of Batangas issued the following OCTs:^[9]

| | |
|-----------|-------------------------|
| OCTP-921 | Lucia Dizon |
| OCT P-922 | Amorando Dizon |
| OCT P-923 | Susan Datuin |
| OCT P-924 | Consolacion Dizon |
| OCT P-925 | Ruben Dizon |
| OCT P-926 | Consolacion Degollacion |

On March 12, 1992, for unknown reasons, the Register of Deeds of Nasugbu, Batangas issued Transfer Certificates of Title for the six (6) lots in the names of Susan Datuin and Evelyn Dayot only. TCT Nos. TP 834, TP 835, TP 836, TP 837, and TP 838 in the name of Susan Datuin, and TCT No. TP 833 in the name of Evelyn Dayot.^[10]

In August 1996, Datuin, acting alone, sold the six (6) lots to the following six (6) corporations which were then issued their corresponding TCTs:^[11]

| | |
|---------|---|
| TP1937 | Skylon Realty Corporation |
| TP1938 | Systemic Realty Incorporated |
| TP 1939 | Parkland Realty & Development Corporation |
| TP 1950 | Baguio Pines Tower Corporation |
| TP 1951 | Goldland Realty Corporation |
| TP 1952 | Good Harvest Realty Corporation |

On September 18, 2003, the DENR verified that the land covered by SWO 04-001510-D on which OCTs 921 to 926 were issued, was not reflected in the projection map. The area covered by OCTs 921 to 926 overlapped with Lot 360, Psd-40891 covered by FLA No. 4718. Nathaniel Abad, Chief of the DENR-Projection Section formalized these findings in his Memorandum^[12] addressed to Conlu, viz.:

Evaluation and observation of the technical description transcribed in the title covering S[WO] 04-001510 [-D] is exactly identical to Lot 0360, Psd 40891 and the total area of the six (6) lots covering the said plan S [WO] 04-001510-D are TWO HUNDRED NINETY EIGHT THOUSAND AND SIX HUNDRED EIGHTY SIX (298,686) SQUARE METERS while Lot 360, Psd-10890 is TWO HUNDRED NINETY EIGHT [THOUSAND AND SIX HUNDRED EIGHTY EIGHT] (298,688) SQUARE METERS and resulting to similar

polygon as appeared.

Plotting also of plan S[WO] 04-001510-D, Lots 1 to 6 overlapped (with) Lot 360, Psd-40891 when plotted using their respective lines.

Therefore, findings show that the area covered by Fishpond Lease Agreement (FLA) No. 4718, Lot 360, Psd- 40891 in the name of Prudencia V. Conlu is the same area covered by plan SWO 04-001510-D.

On September 25, 2003, the DENR issued a certification to Conlu that SWO 04-001510-D was not on its official file.^[13] On September 12, 2006, the DENR made second verification which yielded the same results.^[14]

These fraudulent transfers allegedly caused Conlu's dispossession of the property she obtained by virtue of FLA No. 4718 dated July 27, 1987.^[15]

Also, the Supreme Court already declared in ***Republic of the Philippines v. Ayalay Cia and/or Hacienda Calatagan, et al.***^[16] that Lot 360 of Psd 40891, the same land covered by FLA No. 4718, was inalienable and incapable of private appropriation.^[17] Thus, all free patents, OCTs and subsequent TCTs issued in respondents' names should be cancelled and reverted back to the government.^[18]

The case was raffled to the Regional Trial Court (RTC), Branch 11, Balayan, Batangas and docketed as Civil Case No. 4929.^[19]

Corresponding notices and summonses were sent to respondents. But only Datuin and Dayot, Baguio Pines Tower Corporation and Systemic Realty, Inc. filed their answers to the complaint.^[20]

Datuin and Dayot denied the allegations in the complaint, claiming that the OCTs and derivative TCTs were legally issued to them.^[21]

Respondents Baguio Pines Tower Corporation and Systemic Realty, Inc. 's Answer

In their Answer^[22] dated March 30, 2011, Baguio Pines and Systemic countered that as of May 14, 1969, the lots were already classified as alienable and disposable pursuant to Commonwealth Act No. 141 (CA 141) or the Public Land Act way before they brought the same from Datuin in 1996. Thus, these lots could not have been the subject of FLA No. 4718 in 1987 following their classification as alienable and disposable as of May 14, 1969. No fraud attended the issuance of the titles and they purchased the lots for value.^[23]

Baguio Pines and Systemic also traced back the history of the lots beginning from their first alleged awardee Consolacion D. Degollacion, viz.:

On January 25, 1968, Degollacion filed an Agricultural Sales Application No. (III-I) 502 involving a parcel of land with an area of 29.8688 hectares at Barrio Calumbayan, Municipality of Calatagan, Batangas.^[24]

On May 14, 1969, the Bureau of Forestry declared that the area was within the unclassified public forest of Calatagan. Since the area was no longer needed for forest purposes, it was certified as such and released as alienable or disposable.^[25]

The Chief of the Land Management Division of the Bureau of Lands directed the District Land Officer to convert Degollacion's Sales Application (III-I) 502 to Sales (Fishpond) Application.^[26]

In a Memorandum dated December 5, 1972, then Secretary of Agriculture and Natural Resources ordered the Director of Lands to continue the processing of pending sales (fishpond) applications prior to the effectivity of Presidential Decree No. 43 dated November 9, 1972.^[27]

In 1987, OCTs P-921 to P-926 were issued to Lucia Dizon, Amorando Dizon, Susan Datuin, Consolacion Dizon, Ruben Dizon and Consolacion Degollacion.^[28]

Subsequently, Datuin sold these six (6) lots to Skylon Realty Corporation, Systemic Realty Incorporated, Parkland Realty & Development Corporation, Baguio Pines Tower Corporation, Goldland Realty Corporation and Good Harvest Realty Corporation.^[29] Thereafter, TCTs were issued to respondents.^[30]

On March 5, 2012, Baguio Pines and Systemic personally served petitioner a Request for Admission of facts including the genuineness and authenticity of the attached documents thereto. Petitioner, however, failed to respond to the Request for Admission.^[31]

Consequently, Baguio Pines and Systemic filed a Motion for Summary Judgment^[32] dated February 26, 2013. They claimed that pursuant to Section 2 of Rule 26, the facts as well as the genuineness and authenticity of the documents attached to their Request for Admission were deemed admitted for petitioner's failure to oppose the same.^[33] Petitioner should also be deemed to have admitted DENR Certificate of Verification^[34] dated February 20, 2013 issued by OIC Chief, Forest Resources Development Division Annalisa J. Junsay, declaring that the lots were verified to be agricultural (alienable and disposable) as of June 29, 1987.^[35]

In their Comment^[36] dated March 25, 2013, Datuin and Dayot adopted Baguio Pines and Systemic's motion for summary judgment.

For its part, petitioner opposed,^[37] asserting there were genuine issues of fact requiring presentation of evidence in a full-blown trial.

Baguio Pines and Systemic replied^[38] reiterating the arguments in their motion for summary judgment.

The Trial Court's Resolution

By Order^[39] dated June 6, 2013, the trial court denied the motion for summary judgment, citing the parties' conflicting claims pertaining to whether fraud or irregularities attended the issuance of the titles in question and whether the lots were inalienable or otherwise. The trial court opined that these conflicting claims involving the very issues at hand required presentation of evidence. It cannot resolve these issues solely on the basis of the February 20, 2013 DENR Certificate of Verification.

Respondents sought a reconsideration.^[40] This time, referring back to petitioner's failure to respond to their request for admission and its consequence under Section 2, Rule 26 of the Revised Rules of Court. Pursuant thereto, petitioner was deemed to have admitted all the allegations in the request for admission as well as the authenticity of relevant documents, i.e. February 20, 2013 DENR Certificate of Verification.

To this, petitioner filed its Opposition and Supplemental Comment,^[41] claiming once again that there were clear genuine issues for resolution, including the validity of the February 20, 2013 DENR Certificate of Verification which needed to be presented as evidence in the trial proper.

During the hearing on respondent's motion for reconsideration and opposition, the trial court, by single Order^[42] dated September 3, 2013 granted the motion for reconsideration and simultaneously rendered therein a summary judgment dismissing the complaint. It sustained respondents' submission that petitioner was deemed to have admitted the material facts subject of the Request for Admission and the genuineness and due execution of the documents attached thereto.^[43]

The trial court, thus, concluded that no controversy or genuine issue existed as to any material fact, and by virtue of petitioner's implied admissions, the requirements for issuance of title had also been complied.^[44]

Petitioner's subsequent motion for reconsideration was denied under Order dated December 18, 2013.

The Court of Appeals' Ruling

On March 14, 2014,^[45] petitioner went to the Court of Appeals via a petition for *certiorari* under Rule 65 of the Revised Rules of Court. Petitioner charged the trial court with grave abuse of discretion amounting to excess or lack of jurisdiction when in one and the same Order dated September 3, 2013, it both reconsidered the previous denial of the motion for summary judgment and rendered summary judgment in favor of respondents. In so doing, the trial court allegedly violated its right to due process.

On March 28, 2014, respondents filed a motion to dismiss the petition for *certiorari* for being purportedly an erroneous remedy. Citing Section 2 (c), Rule 41 of the Revised Rules of Court, they argued that petitioner should have instead filed with the Supreme Court a petition for review on *certiorari* under Rule 45,^[46]