## **SECOND DIVISION**

# [G.R. No. 221928, September 05, 2018]

## ALEX A. JAUCIAN, PETITIONER, VS. MARLON DE JORAS AND QUINTIN DE JORAS, RESPONDENTS.

## DECISION

#### CARPIO, J.:

#### The Case

This is a petition for review to set aside the 6 November 2015 Decision<sup>[1]</sup> of the Court of Appeals in CA-G.R. CV No. 101285 which reversed and set aside the 24 September 2012 Joint Decision<sup>[2]</sup> of the Regional Trial Court (RTC) of Naga City, Branch 21, in consolidated Civil Case Nos. RTC 2000-0086 and RTC 2000-00141 for *Recovery of Possession and Damages*, and *Reconveyance and Quieting of Title with Damages*, respectively. The subject properties are parcels of land situated in Del Carmen, Minalabac, Camarines Sur covered by Original Certificate of Title (OCT) No. 13019<sup>[3]</sup> registered with the Office of the Register of Deeds of Camarines Sur in the name of Alex A. Jaucian (Jaucian), identified as Lot No. 306, Pcadm 524-D, Case 1, with an area of 1,359 square meters, and Lot No. 430, Pcadm 524-D, Case 1, with an area of 466 square meters, pursuant to Free Patent No. 051722-95-3973.<sup>[4]</sup>

#### **The Facts**

On 23 May 2000, Jaucian filed a Complaint<sup>[5]</sup> against Quintin De Joras (Quintin) and his nephew, Marlon De Joras<sup>[6]</sup> (Marlon), for recovery of possession of the properties and damages.

In his Complaint, Jaucian alleged that the properties had been declared in his name with the Municipal Assessor's Office of Minalabac, Camarines Sur as shown by Tax Declaration Nos. A.R.P. 97-007-0473 and A.R.P. 97-007-0464.<sup>[7]</sup> Jaucian claimed that the properties were sold by Vicente Abajero to Eriberta dela Rosa in 1945, and Eriberta dela Rosa subsequently sold the properties to Jaucian on 7 July 1986.<sup>[8]</sup> Jaucian further claimed that sometime in 1992, Quintin and Marlon, claiming ownership of the said lots and without knowledge of Jaucian, occupied the properties. On 15 July 1992, Jaucian sent Marlon a demand letter<sup>[9]</sup> to vacate the properties. Despite Jaucian's oral and written demands, Quintin and Marlon refused to vacate the properties up to the present time, thereby depriving Jaucian of his continuous possession over the same.

Jaucian explained that the filing of the complaint was delayed because of the previously filed Civil Case No. 527 with the Municipal Trial Court of Minalabac, Camarines Sur, entitled *Alex Jaucian v. Marlon De Joras* for ejectment; and Special Civil Action No. 93-2844 with the Regional Trial Court, Branch 24, Naga City, entitled

Alex Jaucian v. Hon. Beatriz Contreras Arroyo, the Provincial Sheriff of Camarines Sur and Marlon De Joras for certiorari. Both cases were dismissed.

Jaucian prayed that judgment be rendered in his favor and that Quintin and Marlon be ordered to vacate the premises. Jaucian further prayed that:

[Quintin and Marlon] be ordered to pay the plaintiff, jointly and severally, the amount of P50,000.00 for [actual] damages; P96,000.00 [as rental for the occupancy of the land], plus P1,000.00 per month from the filing of this complaint until the possession of the property is [returned] to the plaintiff; P10,000.00, plus P1,000.00 per counsel's attendance in court as Attorney's fees; P10,000.00 as litigation expenses; costs of suit[.] Plaintiff further prays for such other relief[s] [as may be] just and equitable under the premises.<sup>[10]</sup>

Quintin and Marlon filed their Answer with Counterclaim,<sup>[11]</sup> dated 4 July 2000, mostly denying Jaucian's claims for want of knowledge thereof. Quintin and Marlon alleged that they have been in continuous, peaceful, open, actual, and physical possession of the properties in the concept of owners since 1976, when Quintin purchased the lots from Vicente Abajero, up to the present. Such purchase was later confirmed by the surviving spouse of Vicente Abajero through a Confirmatory Deed of Sale<sup>[12]</sup> dated 29 December 1981. They also claimed that, even assuming that the lots in question were registered in the name of Jaucian, such registration was obtained through misrepresentation and fraud because Quintin, who is the absolute owner in fee simple of the properties, was deliberately not notified of Jaucian's application for registration. Thus, Quintin and Marlon failed to file their opposition.

On 18 September 2000, Quintin filed a Complaint<sup>[13]</sup> against Jaucian for reconveyance and quieting of title with damages. Quintin reiterated his claims in his Answer with Counterclaim, adding that Jaucian was able to register the properties in his name under a Free Patent registration on 11 April 1995 through "fraudulent schemes and gross misrepresentation." Quintin alleged that there was a "complete absence of notice of such application for registration" from Jaucian, and there was "active connivance" with the Community Environment and Natural Resources Office Land Investigator "who was supposed to conduct an actual inspection and investigation of the subject properties as essential condition *sine qua non* for the processing of free patent application to determine whether or not there are adverse claimants on the properties subject of the free patent application and that the

Quintin prayed that judgment be rendered as follows:

a. Ordering the defendant to reconvey to the plaintiff the subject properties described  $x \times x$  covered by Original Certificate of Title No. 13019 in the name of the defendant;

b. Declaring the plaintiff as the absolute owner of the subject properties and is entitled to exercise all the attributes of ownership thereon;

c. Ordering the defendant to forever refrain from laying claim of ownership over the subject properties and from disturbing the peaceful possession of plaintiff over the same;

d. Ordering the defendant to pay the plaintiff the following amounts:

d.1. P200,000.00 for moral damages;

d.2. P100,000.00 for exemplary damages;

d.3. P40,000.00 for attorney's fees and P2,000.00 per court appearance fee;

d.4. P50,000.00 for various expenses of litigation; and

e. Granting the plaintiff such other reliefs as may be just and equitable. [15]

On 17 October 2001, Jaucian filed his Answer with Counterclaim,<sup>[16]</sup> reiterating his previous allegations and claims. Jaucian claimed that the remedy of reconveyance is not the proper proceeding in the case.

Quintin died during the pendency of the case on 18 December 2008. He was substituted by his heirs, namely, Ma. Sylvana De Joras-Alimango, Merril Angelo De Joras, Magdalena Mylene De Joras, Quintin De Joras, Jr., and Melvin De Joras.<sup>[17]</sup>

## The Ruling of the RTC

In its Joint Decision dated 24 September 2012, the RTC ordered Quintin, substituted by his heirs, and Marlon to vacate the subject lots and turn over the peaceful possession over the properties to Jaucian. The dispositive portion reads:

WHEREFORE, in view of all the foregoing, judgment is hereby rendered x x x as follows:

1. ORDERING Marlon Dejoras and Quintin Dejoras substituted by his heirs; namely, Sylvana Dejoras-Alimango, Merril Angelo Dejoras, Magdalena Mylene Dejoras, Quintin Dejoras, Jr. and Melvin Dejoras and all persons claiming right or interest under them to VACATE the subject lots covered by Original Certificate of Title No. 13019 pursuant to Free Patent No. 051722-95-3973 in the name of Alexander Jaucian or Alex Jaucian and to TURN OVER THE PEACEFUL POSSESSION thereof to the latter or to his duly authorized representative;

2. ORDERING Marlon Dejoras and Quintin Dejoras substituted by his heirs; namely, Sylvana Dejoras-Alimango, Merril Angelo Dejoras, Magdalena Mylene Dejoras, Quintin Dejoras, Jr. and Melvin Dejoras to PAY, jointly and severally, Alex Jaucian the amount of Five hundred pesos (P500.00) as monthly rental [for] the subject lots from May 23, 2000 until they completely surrender and vacate said premises;

3. DISMISSING the counterclaim of Marlon Dejoras and Quintin Dejoras in Civil Case No. RTC 2000-0086;

4. DISMISSING the complaint for reconveyance and quieting of title with

damages docketed as Civil Case No. RTC 2000-0141 filed by Quintin Dejoras against Alex Jaucian; and

5. ORDERING the Regional Director of the Land Management Bureau, Department of Environment and Natural Resources, Regional Office No. 5, Legaspi City, to CONDUCT AN INVESTIGATION on the application and grant of free patent to Alex Jaucian over the subject properties in the light of the revelation of witness Salve Florendo that her signature appearing in the Joint Affidavit in Support of Free Patent Application (Exhibit 3-E) of Alex Jaucian is not hers, which is indicative of possible fraud and misrepresentation thereon. Said Regional Director is likewise directed to INFORM this Court of the action taken within fifteen (15) days from receipt of this Joint Decision.

No pronouncement as to costs.

SO ORDERED.<sup>[18]</sup>

## The Ruling of the Court of Appeals

The Court of Appeals reversed the RTC and declared Quintin the true owner of the subject properties. The dispositive portion reads:

WHEREFORE, the Joint Decision, dated 24 September 2012, of the Regional Trial Court, Branch 21, Naga City in consolidated Civil Case Nos. RTC 2000-0086 and RTC 2000-00141 for Recovery of Possession and Damages, and Reconveyance and Quieting of Title with Damages, respectively, ordering Marlon Dejoras and Quintin Dejoras to (1) vacate the subject property and turn over its possession to Alex Jaucian; (2) pay P500.00 as monthly rental from 23 May 2000; and ordering the Land Management Bureau of DENR to conduct an investigation on the grant of free patent to Alex Jaucian over the subject property is REVERSED and SET ASIDE.

Free Patent No. 051722-95-3973 over the subject property is hereby CANCELLED and INVALIDATED for having been obtained by means of fraud and misrepresentation.

Quintin Dejoras is DECLARED the true owner of the subject property covered by OCT No. 13019, which should be canceled. The Register of Deeds is ORDERED to issue a new title in favor of Quintin Dejoras as the true and absolute owner of the subject property.

Alex Jaucian is ORDERED to forever refrain from laying any claim of ownership over the subject property, and/or from disturbing the peaceful possession of Quintin and Marlon Dejoras.

Alex Jaucian is further ORDERED to pay P100,000.00 as moral damages; P100,000.00 as exemplary damages; and P50,000.00 as attorney's fees, plus costs of litigation.

SO ORDERED.<sup>[19]</sup>

Hence, this petition for review filed by Jaucian.

#### <u>The Issue</u>

Whether Jaucian is entitled to the possession of the subject properties and to recover damages.

## The Ruling of the Court

We affirm the decision of the Court of Appeals. Jaucian is not entitled to the possession of the properties and to recover damages because the free patent registered under his name is null and void. However, the subject properties cannot be awarded to Quintin and his heirs.

### Plaintiff's allegations determine the nature of the action.

Before going into the issue itself, it is necessary to explain that the allegations in plaintiff's complaint determine the nature of plaintiff's action.

Quintin's original complaint against Jaucian was an action for reconveyance and quieting of title with damages. The RTC found that Quintin's action for reconveyance and quieting of title is really one for reversion of land to the State because Quintin seeks the annulment of title issued pursuant to a free patent, implying that the land is public land. Thus, the RTC held that Quintin had no legal standing to institute an action for reversion; only the Office of the Solicitor General can bring an action for reversion on behalf of the Republic.

On the other hand, the Court of Appeals found that the case may be filed by Quintin and his heirs as the real parties-in-interest because the allegations in Quintin's complaint pertaining to the ownership of the land refer to an action for reconveyance and declaration of nullity of the free patent and certificate of title over the subject properties. The Court of Appeals relied on the case of *Heirs of Kionisala v. Heirs of Dacut*<sup>[20]</sup> which differentiated an action for declaration of nullity of free patent from an action for reversion. Citing the case, the Court of Appeals held that:

In an action for reversion, the pertinent allegations in the complaint would admit State ownership of the disputed land. On the other hand, in an action for declaration of nullity of free patents, what is required are allegations of (1) the plaintiff's ownership of the contested lot prior to the issuance of such free patent and certificate of title, and (2) the defendant's fraud or mistake, as the case may be, in successfully obtaining these documents of title over the parcel of land claimed by the plaintiff.

Thus, in *Heirs of Kionisala*, the Supreme Court held:

An ordinary civil action for declaration of nullity of free patents and certificates of title is not the same as an action for reversion. The difference between them lies in the allegations as to the character of ownership of the realty whose title is sought to be nullified. In an action for reversion, the pertinent allegations in the complaint would