

## SECOND DIVISION

[ G.R. No. 169272, July 11, 2012 ]

**NATIONAL SPIRITUAL ASSEMBLY OF THE BAHA'IS OF THE PHILIPPINES, REPRESENTED BY ITS SECRETARY GENERAL, PETITIONER, VS. ALFREDO S. PASCUAL, IN HIS CAPACITY AS THE REGIONAL EXECUTIVE DIRECTOR, DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES, REGIONAL OFFICE NO. 02, RESPONDENT.**

### DECISION

**BRION, J.:**

We resolve the petition for review on *certiorari*<sup>[1]</sup> filed by the National Spiritual Assembly of the Baha'is of the Philippines (petitioner) to assail the December 29, 2004 decision<sup>[2]</sup> and the June 28, 2005 resolution<sup>[3]</sup> of the Court of Appeals (CA) in CA-G.R. No. 66186. The CA decision set aside the June 20, 2001 order<sup>[4]</sup> of the Regional Trial Court (RTC ) of Santiago City, Branch 36, in Civil Case No. 36-2931 and dismissed the petitioner's complaint for quieting of title. The CA resolution denied the petitioner's subsequent motion for reconsideration.

### FACTUAL BACKGROUND

On December 11, 2000, the petitioner filed a complaint with the RTC for "quieting of title, injunction, annulment of alias writ of execution, with prayer for temporary restraining order, preliminary prohibitory injunction, and damages" against Silverio Songcuan and/or his heirs, the Secretary of the Department of Environment and Natural Resources (*DENR*), and the Regional Executive Director of the DENR, Regional Office No. 2, Tuguegarao, Cagayan.<sup>[5]</sup>

The petitioner alleged that it is the lawful and absolute owner of two

(2) parcels of land, known as Cadastral Lot Nos. 3 and 361, together with the two-storey building thereon, situated in Victory Sur, Santiago City, acquired through a sale in 1967 from Armando Valdez and Emma Valdez, respectively, who, in turn, acquired ownership from Marcelina Ordoño. The petitioner had been in open, continuous and adverse possession for a period of more than thirty (30) years, and a cloud exists on its title because of an invalid December 4, 1985 decision of the Bureau of Lands.<sup>[6]</sup> This invalid decision rejected the miscellaneous sales applications of the petitioner's predecessors-in-interest for the lots, and ordered all those in privity with them (specifically including the petitioner) to vacate the lots and to remove their improvements thereon. The DENR Secretary affirmed on February 7, 1989 the Bureau of Lands' December 4, 1985 decision. Recourse to the Office of the President (*OP*) had been unavailing, and the DENR Regional Office No. 2 issued on December 10, 1996 and June 6, 2000 alias writs of execution pursuant

to the OP's decision.

The DENR Regional Office No. 2, through Regional Executive Director Alfredo S. Pascual (*respondent*), moved to dismiss the complaint for failure to state a cause of action. It argued that the petitioner had no legal right or title to file the complaint since the final and executory Bureau of Lands' December 4, 1985 decision ruled that the petitioner was not entitled to possess the lots.

### **THE RTC's RULING**

In its June 20, 2001 order, the RTC denied the motion to dismiss, finding that the Bureau of Lands' December 4, 1985 decision was not yet final and executory since the OP's ruling on the appeal was "unavailable."<sup>[7]</sup>

The respondent elevated his case to the CA via a Rule 65 petition for *certiorari*, questioning the propriety of the RTC's denial of his motion to dismiss.

### **THE CA's RULING**

In its December 29, 2004 decision, the CA set aside the RTC's order and dismissed the complaint for quieting of title for failure to state a cause of action. It found that the respondent's admission of the Bureau of Lands' adverse December 4, 1985 decision precluded the respondent's claim over the lots. The Bureau of Lands' decision, being final and executory, is binding and conclusive upon the petitioner. Even assuming that the OP's ruling on the appeal was still "unavailable," the RTC should have dismissed the complaint for prematurity; an action to quiet title is not the proper remedy from an adverse decision issued by an administrative agency in the exercise of its quasi-judicial function.<sup>[8]</sup>

When the CA denied<sup>[9]</sup> on June 28, 2005 the motion for reconsideration that followed, the petitioner filed the present petition.

### **THE PETITION**

The petitioner argues that the complaint sufficiently stated a cause of action when it alleged that the petitioner is in open, exclusive, continuous, public and uninterrupted possession of the lots for more than thirty (30) years in the concept of an owner, and that the December 4, 1985 decision of the Bureau of Lands is invalid since the lots ceased to be public land upon the petitioner's open, exclusive, continuous, public and uninterrupted possession of the lots for more than thirty (30) years in the concept of an owner, pursuant to *The Director of Lands v. IAC*.<sup>[10]</sup>

### **THE CASE FOR THE RESPONDENT**

The respondent submits that the petitioner has no cause of action because the Bureau of Lands' December 4, 1985 decision is final, precluding whatever ownership rights the petitioner may have had on the lots; the petitioner had slept on its rights when it failed to initiate the proper judicial remedies against the ruling; the doctrine of primary jurisdiction disallowed the judicial determination of the lots' ownership since the qualification of applicants in miscellaneous sales applications, as well as the identity of public lands, was subject to the Bureau of Lands' technical

determination.

### **THE ISSUE**

The issue in this case is whether the CA committed a reversible error in finding that the RTC committed a grave abuse of discretion in not dismissing the petitioner's complaint for quieting of title for failure to state a cause of action.

### **OUR RULING**

***The petition lacks merit as the CA committed no reversible error in its ruling.***

A cause of action is the act or omission by which a party violates a right of another.

[11]

A complaint states a cause of action when it contains three essential elements: (1) a right in favor of the plaintiff by whatever means and whatever law it arises; (2) the correlative obligation of the defendant to respect such right; and (3) the act or omission of the defendant violates the right of the plaintiff. If any of these elements is absent, the complaint becomes vulnerable to a motion to dismiss on the ground of failure to state a cause of action.[12]

"Failure to state a cause of action refers to the insufficiency of allegation in the pleading. In resolving a motion to dismiss based on the failure to state a cause of action only the facts alleged in the complaint must be considered. The test is whether the court can render a valid judgment on the complaint based on the facts alleged and the prayer asked for." [12]

Under Articles 476<sup>[13]</sup> and 477<sup>[14]</sup> of the Civil Code, there are two (2) indispensable requisites in an action to quiet title: (1) that the plaintiff or complainant has a legal or an equitable title to or interest in the real property subject of the action; and (2) that a deed, claim, encumbrance or proceeding is claimed to be casting cloud on his title.

In the present case, the complaint alleges that:

3. Plaintiff has been in open, exclusive, continuous, public and uninterrupted possession in the concept of owner of the above-mentioned Lots 3 and 361 for more than thirty (30) years since the time plaintiff bought said lots in 1967 until the present. That plaintiff bought the above-mentioned lots both on February 6, 1967 from the following vendors: Armando Valdez (for Lot 3) and Emma Valdez (for Lot 361). x x x;

x x x x

9. The reason why plaintiff is filing this case for quieting of title with