

FIRST DIVISION

[G.R. No. 158121, December 12, 2007]

HEIRS OF VALERIANO S. CONCHA, SR. NAMELY: TERESITA CONCHA- PARAN, VALERIANO P. CONCHA, JR., RAMON P. CONCHA, EDUARDO P. CONCHA, REPRESENTED BY HIS LEGAL GUARDIAN, REYNALDO P. CONCHA, ALBERTO P. CONCHA, BERNARDO P. CONCHA AND GLORIA P. CONCHA-NUNAG, PETITIONERS, VS. SPOUSES GREGORIO J. LUMOCOSO^[1] AND BIENVENIDA GUYA, CRISTITA J. LUMOCOSO VDA. DE DAAN, AND SPOUSES JACINTO J. LUMOCOSO AND BALBINA T. LUMOCOSO,^[2] RESPONDENTS.

D E C I S I O N

PUNO, CJ.:

On appeal by *certiorari* under Rule 45 of the Rules of Court are the decision^[3] and resolution^[4] of the Court of Appeals (CA) in CA-G.R. SP No. 59499, annulling the resolutions^[5] and order^[6] of the Regional Trial Court (RTC) of Dipolog City, Branch 9, in Civil Case Nos. 5188, 5433 and 5434 which denied the separate motions to dismiss and Joint Motion for Reconsideration filed by the respondents.

The relevant facts are undisputed.

Petitioners, heirs of spouses Dorotea and Valeriano Concha, Sr., claim to be the rightful owners of Lot No. 6195 (Civil Case No. 5188), a one-hectare portion of Lot No. 6196-A (Civil Case No. 5433), and a one-hectare portion of Lot Nos. 6196-B and 7529-A (Civil Case No. 5434), all situated in Cogon, Dipolog City, under Section 48(b) of Commonwealth Act No. 141 (C.A. No. 141), otherwise known as the Public Land Act. Respondent siblings Gregorio Lumocso (Civil Case No. 5188), Cristita Lumocso Vda. de Daan (Civil Case No. 5433) and Jacinto Lumocso (Civil Case No. 5434), are the patent holders and registered owners of the subject lots.

The records show that on August 6, 1997, Valeriano Sr.^[7] and his children, petitioners Valeriano Jr., Ramon, Eduardo, Alberto, Bernardo, Teresita, Reynaldo, and Gloria, all surnamed Concha, filed a complaint for Reconveyance and/or Annulment of Title with Damages against "Spouses Gregorio Lumocso and Bienvenida Guya." They sought to annul Free Patent No. (IX-8)985 and the corresponding Original Certificate of Title (OCT) No. P-22556 issued in the name of "Gregorio Lumocso" covering Lot No. 6195. The case was raffled to the RTC of Dipolog City, Branch 9, and docketed as Civil Case No. 5188. In their Amended Complaint, petitioners prayed that judgment be rendered:

1. Declaring Free Patent No. (IX-8)985 and Original Certificate of Title No. 22556 issued to defendants as null and void ab initio;

2. Declaring Lot No. 6195 or 1.19122-hectare as private property of the plaintiffs under Sec. 48(b) of CA No. 141 otherwise known as the Public Land Act as amended by RA 1942;
 3. Ordering the defendant Lomocosos to reconvey the properties (*sic*) in question Lot No. 6195 or the 1.19122 hectares in favor of the plaintiffs within 30 days from the finality of the decision in this case and if they refuse, ordering the Clerk of Court of this Honorable Court to execute the deed of reconveyance with like force and effect as if executed by the defendant[s] themselves;
 4. Ordering defendant Lomocosos to pay P60,000.00 for the 21 forest trees illegally cut; P50,000.00 for moral damages; P20,000.00 for Attorney's fees; P20,000.00 for litigation expenses; and to pay the cost of the proceedings;
 5. Declaring the confiscated three (*sic*) fitches kept in the area of the plaintiffs at Dampalan San Jose, Dipolog with a total volume of 2000 board feet a[s] property of the plaintiff [they] being cut, collected and taken from the land possessed, preserved, and owned by the plaintiffs;
 6. The plaintiffs further pray for such other reliefs and remedies which this Honorable Court may deem just and equitable in the premises.
- [8]

On September 3, 1999, two separate complaints for Reconveyance with Damages were filed by petitioners,^[9] this time against "Cristita Lomocso Vda. de Daan" for a one-hectare portion of Lot No. 6196-A and "Spouses Jacinto Lomocso and Balbina T. Lomocso" for a one-hectare portion of Lot Nos. 6196-B and 7529-A. The two complaints were also raffled to Branch 9 of the RTC of Dipolog City and docketed as Civil Case Nos. 5433 and 5434, respectively. In Civil Case No. 5433, petitioners prayed that judgment be rendered:

1. Declaring [a] portion of Lot 6196-A titled under OCT (P23527) 4888 equivalent to one hectare located at the western portion of Lot 4888 as private property of the plaintiffs under Sec. 48(B) CA 141 otherwise known as Public Land OCT (*sic*) as amended by RA No. 1942;
2. Ordering the defendant to reconvey the equivalent of one (1) hectare forested portion of her property in question in favor of the plaintiffs within 30 days from the finality of the decision in this case segregating one hectare from OCT (P23527) 4888, located at its Western portion and if she refuse (*sic*), ordering the Clerk of Court of this Honorable Court to execute the deed of reconveyance with like force and effect, as if executed by the defenda[n]t herself;
3. Ordering defendant to pay P30,000.00 for the 22 forest trees illegally cut; P20,000.00 for moral damages; P20,000.00 for

Attorney's fees; P20,000.00 for litigation expenses; and to pay the cost of the proceedings.^[10]

In Civil Case No. 5434, petitioners prayed that judgment be rendered:

1. Declaring [a] portion of Lot 7529-A under OCT (P-23207) 12870 and Lot 6196-B OCT (P-20845) 4889 equivalent to one hectare located as (*sic*) the western portion of said lots as private property of the plaintiffs under Sec. 48(b) of [C.A. No.] 141 otherwise know[n] as the [P]ublic [L]and [A]ct as amended by RA 1942;
2. Ordering the defendants to reconvey the equivalent of one (1) hectare forested portion of their properties in question in favor of the plaintiffs within 30 days from the finality of the decision in this case segregating one hectare from OCT (P-23207) 12870 and OCT (T-20845)-4889 all of defendants, located at its Western portion and if they refuse, ordering the Clerk of Court of this Honorable Court to execute the deed of reconveyance with like force and effect as if executed by the defendants themselves[;]
3. Ordering defendants to pay P20,000.00 for the six (6) forest trees illegally cut; P20,000.00 for moral damages; P20,000.00 for Attorney's fees; P20,000.00 for litigation expenses; and to pay the cost of the proceedings.^[11]

The three complaints^[12] commonly alleged: a) that on May 21, 1958, petitioners' parents (spouses Valeriano Sr. and Dorotea Concha) acquired by homestead a 24-hectare parcel of land situated in Cogon, Dipolog City; b) that since 1931, spouses Concha "painstakingly preserved" the forest in the 24-hectare land, including the excess four (4) hectares "untitled forest land" located at its eastern portion; c) that they possessed this excess 4 hectares of land (which consisted of Lot No. 6195, one-hectare portion of Lot No. 6196-A and one-hectare portion of Lot Nos. 6196-B and 7529-A) "continuously, publicly, notoriously, adversely, peacefully, in good faith and in concept of the (*sic*) owner since 1931;" d) that they continued possession and occupation of the 4-hectare land after the death of Dorotea Concha on December 23, 1992 and Valeriano Sr. on May 12, 1999; e) that the Concha spouses "have preserved the forest trees standing in [the subject lots] to the exclusion of the defendants (respondents) or other persons from 1931" up to November 12, 1996 (for Civil Case No. 5188) or January 1997 (for Civil Case Nos. 5433 and 5434) when respondents, "by force, intimidation, [and] stealth forcibly entered the premises, illegally cut, collected, [and] disposed" of 21 trees (for Civil Case No. 5188), 22 trees (for Civil Case No. 5433) or 6 trees (for Civil Case No. 5434); f) that "the land is private land or that even assuming it was part of the public domain, plaintiffs had already acquired imperfect title thereto" under Sec. 48(b) of C.A. No. 141, as amended by Republic Act (R.A.) No. 1942; g) that respondents allegedly cut into fitches the trees felled in Lot No. 6195 (Civil Case No. 5188) while the logs taken from the subject lots in Civil Case Nos. 5433 and 5434 were sold to a timber dealer in Katipunan, Zamboanga del Norte; h) that respondents "surreptitiously" filed free patent applications over the lots despite their full knowledge that petitioners owned the lots; i) that the geodetic engineers who conducted the original survey over the lots never informed them of the survey to give them an opportunity to oppose respondents' applications; j) that respondents' free patents and the corresponding

OCTs were issued "on account of fraud, deceit, bad faith and misrepresentation"; and k) that the lots in question have not been transferred to an innocent purchaser.

On separate occasions, respondents moved for the dismissal of the respective cases against them on the same grounds of: (a) lack of jurisdiction of the RTC over the subject matters of the complaints; (b) failure to state causes of action for reconveyance; (c) prescription; and (d) waiver, abandonment, laches and estoppel.

[13] On the issue of jurisdiction, respondents contended that the RTC has no jurisdiction over the complaints pursuant to Section 19(2) of Batas Pambansa Blg. (B.P.) 129, as amended by R.A. No. 7691, as in each case, the assessed values of the subject lots are less than P20,000.00.

Petitioners opposed, [14] contending that the instant cases involve actions the subject matters of which are incapable of pecuniary estimation which, under Section 19(1) of B.P. 129, as amended by R.A. 7691, fall within the exclusive original jurisdiction of the RTCs. They also contended that they have two main causes of action: for reconveyance and for recovery of the value of the trees felled by respondents. Hence, the totality of the claims must be considered which, if computed, allegedly falls within the exclusive original jurisdiction of the RTC.

The trial court denied the respective motions to dismiss of respondents. [15] The respondents filed a Joint Motion for Reconsideration, [16] to no avail. [17]

Dissatisfied, respondents jointly filed a Petition for *Certiorari*, Prohibition and Preliminary Injunction with Prayer for Issuance of Restraining Order *Ex Parte* [18] with the CA, docketed as CA-G.R. SP No. 59499. In its Decision, [19] the CA reversed the resolutions and order of the trial court. It held that even assuming that the complaints state a cause of action, the same have been barred by the statute of limitations. The CA ruled that an action for reconveyance based on fraud prescribes in ten (10) years, hence, the instant complaints must be dismissed as they involve titles issued for at least twenty-two (22) years prior to the filing of the complaints. The CA found it unnecessary to resolve the other issues.

Hence, this appeal in which petitioners raise the following issues, *viz*:

FIRST - WHETHER OR NOT RESPONDENT COURT OF APPEALS (FORMER FIRST DIVISION) ERRED IN REVERSING THE ORDER OF THE COURT A QUO DENYING THE MOTION FOR DISMISSAL, CONSIDERING THE DISMISSAL OF A PARTY COMPLAINT IS PREMATURE AND TRIAL ON THE MERITS SHOULD BE CONDUCTED TO THRESH OUT EVIDENTIARY MATTERS.

SECOND - WHETHER OR NOT THE RESPONDENT COURT OF APPEALS (FORMER FIRST DIVISION) ERRED IN DISMISSING THE PETITIONERS' COMPLAINTS ON [THE] GROUND OF PRESCRIPTION.

THIRD - WHETHER OR NOT THE RESPONDENT COURT OF APPEALS (FORMER FIRST DIVISION) ERRED IN CONCLUDING THAT THERE IS NO DOCUMENTARY EVIDENCE ON RECORD TO SHOW THAT PETITIONERS OWN THE SUBJECT FOREST PORTION OF THE PROPERTIES ERRONEOUSLY INCLUDED IN THE TITLES OF PRIVATE RESPONDENTS.

FOURTH - WHETHER OR NOT THE PETITION OF HEREIN PRIVATE RESPONDENTS FILED WITH THE RESPONDENT COURT OF APPEALS (FORMER FIRST DIVISION) SHOULD HAVE BEEN DISMISSED OUTRIGHTLY FOR PRIVATE RESPONDENTS' THEREIN FAILURE TO COMPLY WITH THE MANDATORY REQUIREMENT OF SECTION 1 RULE 65 OF THE RULES OF COURT TO SUBMIT CERTIFIED TRUE COPIES OF THE ASSAILED ORDERS OF THE TRIAL COURT WHICH RENDERED THEIR PETITION (CA G.R. 59499) DEFICIENT IN FORM AND SUBSTANCE CITING THE CASE OF CATUIRA VS. COURT OF APPEALS (172 SCRA 136).^[20]

In their memorandum,^[21] respondents reiterated their arguments in the courts below that: a) the complaints of the petitioners in the trial court do not state causes of action for reconveyance; b) assuming the complaints state causes of action for reconveyance, the same have already been barred by prescription; c) the RTC does not have jurisdiction over the subject matter of the instant cases; d) the claims for reconveyance in the complaints are barred by waiver, abandonment, or otherwise extinguished by laches and estoppel; and e) there is no special reason warranting a review by this Court.

Since the issue of jurisdiction is determinative of the resolution of the instant case yet the CA skirted the question, we resolved to require the parties to submit their respective Supplemental Memoranda on the issue of jurisdiction.^[22]

In their Supplemental Memorandum,^[23] petitioners contend that the nature of their complaints, as denominated therein and as borne by their allegations, are suits for reconveyance, or annulment or cancellation of OCTs and damages. The cases allegedly involve more than just the issue of title and possession since the nullity of the OCTs issued to respondents and the reconveyance of the subject properties were also raised as issues. Thus, the RTC has jurisdiction under Section 19(1) of B.P. 129, which provides that the RTC has jurisdiction "[i]n all civil actions in which the subject of the litigation is incapable of pecuniary estimation." Petitioners cited: a) **Raymundo v. CA**^[24] which set the criteria for determining whether an action is one not capable of pecuniary estimation; b) **Swan v. CA**^[25] where it was held that an action for annulment of title is under the jurisdiction of the RTC; c) **Santos v. CA**^[26] where it was similarly held that an action for annulment of title, reversion and damages was within the jurisdiction of the RTC; and d) **Commodities Storage and ICE Plant Corporation v. CA**^[27] where it was held that "[w]here the action affects title to the property, it should be filed in the RTC where the property is located." Petitioners also contend that while it may be argued that the assessed values of the subject properties are within the original jurisdiction of the municipal trial court (MTC), they have included in their prayers "any interest included therein" consisting of 49 felled natural grown trees illegally cut by respondents. Combining the assessed values of the properties as shown by their respective tax declarations and the estimated value of the trees cut, the total amount prayed by petitioners exceeds twenty thousand pesos (P20,000.00). Hence, they contend that the RTC has jurisdiction under Section 19(2) of B.P. 129.

Jurisdiction over the subject matter is the power to hear and determine cases of the general class to which the proceedings in question belong.^[28] It is conferred by law