

## EN BANC

[ G.R. No. 103727, December 18, 1996 ]

**INTESTATE ESTATE OF THE LATE DON MARIANO SAN PEDRO Y ESTEBAN, REPRESENTED BY ITS HEIR-JUDICIAL ADMINISTRATOR, ENGRACIO F. SAN PEDRO, PETITIONER-APPELLANT, VS. COURT OF APPEALS (SECOND DIVISION), AURELIO OCAMPO, DOMINADOR D. BUHAIN, TERESA C. DELA CRUZ, RESPONDENTS-APPELLEES.**

[G.R. NO. 106496. DECEMBER 18, 1996]

**ENGRACIO SAN PEDRO, CANDIDO GENER, ROSA PANTALEON, VICENTE PANTALEON, ELEUTERIO PANTALEON, TRINIDAD SAN PEDRO, RODRIGO SAN PEDRO, RICARDO NICOLAS, FELISA NICOLAS, AND LEONA SAN PEDRO, PETITIONERS, VS. THE HONORABLE COURT OF APPEALS, (SIXTEENTH DIVISION) AND REPUBLIC OF THE PHILIPPINES, RESPONDENTS.**

### D E C I S I O N

**HERMOSISIMA, JR., J.:**

The most fantastic land claim in the history of the Philippines is the subject of controversy in these two consolidated cases. The heirs of the late Mariano San Pedro y Esteban laid claim and have been laying claim to the ownership of, against third persons and the Government itself, a total land area of approximately 173,000 hectares or "214,047 *quiniones*,"<sup>[1]</sup> on the basis of a Spanish title, entitled "Titulo de Propiedad Numero 4136" dated April 25, 1894. The claim, according to the San Pedro heirs, appears to cover lands in the provinces of Nueva Ecija, Bulacan, Rizal, Laguna and Quezon; and such Metro Manila cities as Quezon City, Caloocan City, Pasay City, City of Pasig and City of Manila, thus affecting in general lands extending from Malolos, Bulacan to the City Hall of Quezon City and the land area between Dingalan Bay in the north and Tayabas Bay in the south.<sup>[2]</sup>

Considering the vastness of the land claim, innumerable disputes cropped up and land swindles and rackets proliferated resulting in tedious litigation in various trial courts, in the appellate court and in the Supreme Court,<sup>[3]</sup> in connection therewith.

We have had the impression that our decisions in *Director of Forestry, et al. v. Muñoz*, 23 SCRA 1183 [1968]; *Antonio, et al. v. Barroga, et al.*, 23 SCRA 357 [1968]; *Carabot, et al. v. Court of Appeals, et al.*, 145 SCRA 368 [1986]; *Republic v. Intermediate Appellate Court, et al.*, 186 SCRA 88 [1990]; *Widows and Orphans Association, Inc. (WIDORA) v. Court of Appeals, et al.*, 212 SCRA 360 [1992]; *NAPOCOR v. Court of Appeals, et al.*, 144 SCRA 318 [1986]; *Republic v. Court of Appeals, et al.*, 135 SCRA 156 [1985]; and *Director of Lands v. Tesalona*, 236 SCRA 336 [1994]<sup>[4]</sup> terminated the controversy as to ownership of lands covered by

Spanish Land Titles, for it is the rule that, once this Court, as the highest Tribunal of the land, has spoken, there the matter must rest:

"It is withal of the essence of the judicial function that at some point, litigation must end. Hence, after the procedures and processes for lawsuits have been undergone, and the modes of review set by law have been exhausted, or terminated, no further ventilation of the same subject matter is allowed. To be sure, there may be, on the part of the losing parties, continuing disagreement with the verdict, and the conclusions therein embodied. This is of no moment, indeed, is to be expected; but, it is not their will, but the Court's, which must prevail; and, to repeat, public policy demands that at some definite time, the issues must be laid to rest and the court's dispositions thereon accorded absolute finality."<sup>[5]</sup>  
[Cited cases omitted]

It is, therefore, to the best interest of the people and the Government that we render judgment herein writing *finis* to these controversies by laying to rest the issue of validity of the basis of the estate's claim of ownership over this vast expanse of real property.

The following facts are pertinent in the resolution of these long drawn-out cases:

### **G.R. NO. 103727**

G.R No. 103727, an appeal by certiorari, arose out of a complaint<sup>[6]</sup> for recovery of possession and/or damages with a prayer for a writ of preliminary injunction. This was dismissed by the Regional Trial Court, National Capital Judicial Region, Branch 104, Quezon City in its decision<sup>[7]</sup> dated July 7, 1989, the dispositive portion<sup>[8]</sup> of which reads:

"WHEREFORE, judgment is hereby rendered, dismissing the complaint against the defendants Aurelio Ocampo, Dominador Buhain and Teresa dela Cruz and ordering plaintiff to pay each of the herein defendants, the sum of FIVE THOUSAND PESOS (P5,000.00) as and for attorney's fees, and to pay the costs of suit."

The said complaint for recovery of possession of real property and/or reconveyance with damages and with a prayer for preliminary injunction was filed on August 15, 1988 by Engracio San Pedro as heir-judicial administrator of the "Intestate Estate of Don Mariano San Pedro y Esteban" against Jose G. De Ocampo, Aurelio Ocampo, MARECO, Inc., Rey Antonio Noguera, Teresa C. dela Cruz, Gaudencio R. Soliven, Diomedes Millan, Carmen Rayasco, Dominador D. Buhain, Mario D. Buhain, Jose D. Buhain, Arestedes S. Cauntay, Manuel Chung and Victoria Chung Tiu (El Mavic Investment & Development Corporation), Capitol Hills Realty Corporation and Jose F. Castro. The complaint was docketed as Civil Case No. Q-88-447 in Branch 104, Regional Trial Court of Quezon City.

In the complaint, it was alleged, among others: (1) that Engracio San Pedro discovered that the aforementioned defendants were able to secure from the Registry of Deeds of Quezon City titles to portions of the subject estate, particularly Transfer Certificates of Title Nos. 1386, 8982, 951975-951977, 313624, 279067, 1412, 353054, 372592, 149120, 86404, 17874-17875, all emanating from Original

Certificate of Title No. 614<sup>[9]</sup> and Transfer Certificates of Title Nos. 255544 and 264124, both derivatives of Original Certificate of Title No. 333; (2) that the aforesaid defendants were able to acquire exclusive ownership and possession of certain portions of the subject estate in their names through deceit, fraud, bad faith and misrepresentation; (3) that Original Certificates of Title Nos. 614 and 333 had been cancelled by and through a final and executory decision dated March 21, 1988 in relation to letter recommendations by the Bureau of Lands, Bureau of Forest Development and the Office of the Solicitor General and also in relation to Central Bank Circulars dated April 7, 1971, April 23, 1971, September 12, 1972 and June 10, 1980; and (4) that the issue of the existence, validity and genuineness of Titulo Propiedad No. 4136 dated April 25, 1894 which covers the subject estate had been resolved in favor of the petitioner estate in a decision dated April 25, 1978 by the defunct Court of First Instance, Branch 1 of Baliwag, Bulacan pertaining to a case docketed as Special Proceeding No. 312-B.<sup>[10]</sup>

Summons were served on only five of the aforementioned defendants, namely, Aurelio Ocampo, MARECO, Inc., Teresita G. dela Cruz, Dominador Buhain and Manuel Chung and Victoria Chung Tiu.<sup>[11]</sup>

On February 7, 1989, the lower court ordered the dismissal of the complaint against Mareco, Inc. for improper service of summons and against Manuel Chung and Victoria Chung Tiu for lack of cause of action considering that the registered owner of the parcel of land covered by TCT No. 86404 is El Mavic Investment and Development Co., Inc., not Manuel Chung and Victoria Chung Tiu.<sup>[12]</sup>

Trial on the merits proceeded against the private respondents Ocampo, Buhain and Dela Cruz.

On July 7, 1989, the lower court rendered judgment dismissing the complaint based on the following grounds: (a) Ocampo, Buhain and Dela Cruz are already the registered owners of the parcels of land covered by Torrens titles which cannot be defeated by the alleged Spanish title, Titulo Propiedad No. 4136, covering the subject estate; and (b) the decision of the Court of First Instance of Bulacan entitled "In the Matter of the Intestate Estate of the late Don Mariano San Pedro y Esteban" specifically stated in its dispositive portion that all lands which have already been legally and validly titled under the Torrens system by private persons shall be excluded from the coverage of Titulo Propiedad No. 4136.<sup>[13]</sup>

The motion for reconsideration thereof was denied,<sup>[14]</sup> and so, the petitioner estate interposed an appeal with the Court of Appeals. On January 20, 1992, the appeal was dismissed<sup>[15]</sup> for being unmeritorious and the lower court's decision was affirmed with costs against the petitioner estate. The appellate court ratiocinated:

(1) neither the Titulo Propiedad No. 4136 nor a genuine copy thereof was presented in the proceeding below;

(2) the illegible copy of the Titulo presented in court was not registered under the Torrens System hence, it cannot be used as evidence of land ownership;

(3) the CFI decision invoked by petitioner estate in its favor expressly

excluded from the Titulo titled lands of private individuals;

(4) the Titulo is inferior to that of the registered titles of Ocampo, Buhain and Dela Cruz as correctly ruled by the lower court;

(5) there is no evidence showing that OCT No. 614 from which titles of Ocampo, Buhain and Dela Cruz originated was already cancelled, hence, the lower court did not err in not declaring the same as null and void.<sup>[16]</sup>

Not having obtained a favorable judgment on appeal, the petitioner estate, on March 16, 1992, filed the present petition<sup>[17]</sup> docketed as G. R. No. 103727.

### **G.R. NO. 106496**

G.R No. 106496, a petition for review on certiorari, began as a petition<sup>[18]</sup> for letters of administration over the intestate estate of the late Mariano San Pedro y Esteban which eventually resulted to an Order<sup>[19]</sup> dated November 17, 1978 declaring *inter alia*, Titulo de Propiedad No. 4136 as null and void and of no legal force and effect.

The dispositive portion<sup>[20]</sup> of the said Order reads:

"WHEREFORE, this Court so orders that:

- 1) The Decision dated April 25, 1978 is reconsidered and set aside.
- 2) Titulo de Propiedad No. 4136 is declared null and void and of no legal force and effect and that therefore no rights could be derived therefrom.
- 3) All orders approving the sales, conveyances, donations or any other transactions involving the lands covered by Titulo de Propiedad No. 4136 are declared invalidated, void and of no force and effect.
- 4) All lands covered by Titulo de Propiedad No. 4136 are excluded from the inventory of the estate of the late Mariano San Pedro y Esteban.
- 5) The heirs, agents, privies or anyone acting for and in behalf of the estate of the late Mariano San Pedro y Esteban are enjoined from representing or exercising any acts of possession or ownership or from disposing in any manner portions of all the lands covered by Titulo de Propiedad No. 4136 and to immediately vacate the same.
- 6) Engracio San Pedro and Justino Benito as co-administrators submit in Court within twenty days their final accounting and inventory of all real and personal properties of the estate which had come into their possession or knowledge under oath.
- 7) This case is hereby re-opened, to allow movants-intervenors to continue with the presentation of their evidence in order to rest their case.

The consideration and approval of the administrator's final accounting and inventory of the presentation of movants-intervenors' evidence as well as the consideration of all other incidents are hereby set on December 22, 1978 at 8:30 a. m."

The aforementioned petition for letters of administration over the intestate estate of the late Mariano San Pedro y Esteban was filed on December 29, 1971 with the defunct Court of First Instance of Bulacan, Fifth Judicial District, Branch IV, Baliuag, Bulacan. The petition docketed as Sp. Proc. No. 312-B was initiated by Engracio San Pedro and Justino Z. Benito who sought to be appointed as administrator and co-administrator, respectively.

On February 29, 1972, after the jurisdictional facts were established, evidence for the petitioners was received by the lower court without any opposition.<sup>[21]</sup>

On March 2, 1972, then Presiding Judge Juan F. Echiverri issued an Order appointing Engracio San Pedro as Administrator of the subject estate.<sup>[22]</sup>

On March 11, 1972, the Court issued letters of administration in favor of Engracio San Pedro upon posting of a bond in the sum of Ten Thousand Pesos (P10,000.00).<sup>[23]</sup>

On February 7, 1974, Administrator Engracio San Pedro was ordered to furnish copies of the letters of administration and other pertinent orders approving certain dispositions of the properties of the estate to the following entities:

- (a)** The Commanding General  
Philippine Constabulary  
Camp Crame, Quezon City
- (b)** The Solicitor General  
Manila
- (c)** The Government Corporate Counsel  
A. Mabini St., Manila
- (d)** The City Mayors of Quezon City & Caloocan
- (e)** The Governors of Rizal, Quezon and Bulacan
- (f)** The City Treasurers of Quezon City and  
Caloocan
- (g)** The Provincial Treasurers of Quezon, Bulacan  
and Rizal
- (h)** The PHHC, Diliman, Quezon City
- (i)** The PAHRRA Quezon Boulevard, Quezon City  
The Municipal Treasurers of the various
- (j)** municipalities in which properties of the estate are  
located; and
- (k)** Office of Civil Relations, Camp Crame, Quezon  
City and Camp Aguinaldo, Quezon City.<sup>[24]</sup>

The above Order was issued so as to protect the general public from any confusion brought about by various persons who had been misrepresenting themselves as having been legally authorized to act for the subject estate and to sell its properties