

NINTH DIVISION

[CA-G.R. CV NO. 97434, November 18, 2014]

**REPUBLIC OF THE PHILIPPINES, REPRESENTED BY THE
DIRECTOR OF LANDS, PLAINTIFF-APPELLANT, VS. HEIRS OF
EMILIANO CORTEZ, REPRESENTED BY ANTONIA GAFFUD VDA.
DE CORTEZ AND THE REGISTER OF DEEDS OF ISABELA,
DEFENDANTS AND THIRD PARTY PLAINTIFFS-APPELLEES, VS.
HEIRS OF DOMINGO SAMUT AND ANTONIA SAMUT,
REPRESENTED BY LETICIA GONZALES AND CHITO SINGSON
THIRD-PARTY DEFENDANTS,
CHITO SINGSON, THIRD-PARTY DEFENDANT-APPELLANT.**

D E C I S I O N

PERALTA, JR., E. B., J.:

In *Republic vs. Roxas, et al.*,^[1] the Supreme Court reiterated previous indoctrination in land registration that reversion can still prosper based on grounds other than fraud:

"Reversion is an action where the ultimate relief sought is to revert the land back to the government under the Regalian doctrine. Considering that the land subject of the action originated from a grant by the government, its cancellation is a matter between the grantor and the grantee. In Estate of the Late Jesus S. Yujuico v. Republic (Yujuico case), reversion was defined as an action which seeks to restore public land fraudulently awarded and disposed of to private individuals or corporations to the mass of public domain. It bears to point out, though, that the Court also allowed the resort by the Government to actions for reversion to cancel titles that were void for reasons other than fraud, i.e., violation by the grantee of a patent of the conditions imposed by law; and lack of jurisdiction of the Director of Lands to grant a patent covering inalienable forest land or portion of a river, even when such grant was made through mere oversight. In Republic v. Guerrero, the Court gave a more general statement that the remedy of reversion can be availed of "only in cases of fraudulent or unlawful inclusion of the land in patents or certificates of title." (Emphasis ours, citations omitted.)"

With the trial court's rejection of the Republic's quest to revert certain lands in Echague, Isabela, through the Decision on June 16, 2011,^[2] can We decree reversion from a different perspective unlike what was perceived below, or in line with *Republic vs. Roxas, et al.*?

Before the focal point on appeal is addressed, We unravel pertinent backdrop.

What the Republic wanted to nullify was Free Patent No. V-24082 and Original Certificate No. P-9148 in the name of Emiliano Cortez, inclusive of the derivative title, Transfer Certificate of Title No. T-42959, in the name of Antonia Gaffud Vda. De Cortez, for Lots No. 4602 and 4603, at Isabela.^[3]

It appeared from the Republic's Complaint that Emiliano Cortez filed a free patent application for Lots 4602 and 4603 in 1953. On the basis of such application, an entry was issued in 1955 and Original Certificate of Title No. P-9148 was issued for the applicant but it was later cancelled in 1969 by Certificate of Title No. T-42959 of Antonia Gaffud Vda. De Cortez.

Averred as well on the initiatory pleading was the opposition in 1956 from Domingo Samut, represented by Antonia Samut, to Cortez's application on the strength of Samut's claim of actual possession since the last global war and fraud. An investigation in 1974 supposedly disclosed that Cortez was not the actual occupant and neither did he cultivate the lots in 1946.

Per their Answer and Third-Party Complaint against the heirs of Domingo and Antonia Samut and Chito Singson,^[4] the heirs of Emiliano Cortez denied fraud.^[5] They capitalized on ownership borne of the title,^[6] and alleged that Joaquin Samut, Domingo Samut or Antonia Samut, their heirs and successors-in-interest, were permitted to occupy the subject lots per a lease contract executed on June 21, 1961.^[7]

Defendants and third-party plaintiffs also asserted that the heirs of Joaquin and Domingo Samut violated the terms of the Contract of Lease due to inability to deliver the share of the landowner upon the death of the registered owner-lessor, Emiliano Cortez and Antonia Vda de Cortez. Moreover, the heirs of Joaquin Samut and Domingo Samut acted in bad faith when they sold a portion of the subject property to third-party defendant Chito Singson.^[8] With respect to the investigation and the findings of the Bureau of Lands, it was assailed as illegal due to the lapse of 18 years subsequent to the issuance of OCT No. P-9148 in 1956. Prescription was also invoked against the State's intent to revert the property after more than 40 years following the grant of patent to Emiliano Cortez.^[9]

In his Answer, third-party defendant Chito Singson (Chito) admitted that he purchased a portion of the subject lots, which he occupied and cultivated, from the heirs of Domingo Samut.^[10] He argued that his occupation and cultivation of the lot, including that of his predecessors-in-interests, for more than thirty years, vested title over the lot to him and the heirs of Domingo Samut.^[11] Chito rejected the existence of a lease contract between Joaquin Samut and Emiliano Cortez and contended that Joaquin could not have bound his father, Domingo, to the contract of lease as Joaquin had no authority to represent his father.^[12] Moreover, Chito pointed out that Joaquin denied his signature on the lease contract and claimed forgery thereon.^[13]

For their part, as third-party defendants, the heirs of Domingo and Antonia Samut, represented by Leticia Gonzales, filed their Answer which reiterated material

averments in the protest of Domingo Samut dated November 4, 1956 and the findings and conclusions of the DENR, Region 2, Tuguegarao, Cagayan in 1997.^[14] They further argued that the Contract of Lease, relied upon by the heirs of Emiliano Cortez to prove that third-party defendants were merely lessees, was found to be a forgery and executed without authority.^[15] They also interposed among other defenses, that third-party plaintiffs acquired title to the property by fraudulent manipulation as to their fact of possession over the subject lots.^[16]

Aggrieved by the trial court's Order dated July 10, 2001 which denied their plea for injunctive relief, defendants-appellees/third-party plaintiffs filed a Petition for Certiorari with the Court of Appeals.^[17]

In the meantime, Pre-Trial of the main case was conducted on October 12, 2001.^[18] On the other hand, Pre-Trial Conference for the Third-Party Complaint was conducted on November 6, 2001.^[19]

On April 12, 2002, the Court of Appeals denied defendants'-appellees/third-party plaintiffs' Petition for Certiorari on the aspect of injunctive relief.^[20] Defendants-appellees/third-party plaintiffs sought further recourse before the Supreme Court which rendered its Decision which enjoined third-party defendants Heirs of Domingo Samut/Antonia Samut, represented by Leticia Samut-Gonzales, and Chito Singson from selling or disposing the subject lots.^[21]

Subsequently, trial on the merits ensued. At the trial, plaintiff-appellant presented three witnesses namely: Nicanor Guiab, Atty. Nicanor Garcia and Leticia Samut-Gonzales.

Nicanor Guiab (Nicanor) testified that he was a 73 years old and a farmer from Maligaya, Echague Isabela;^[22] that he personally knew Domingo Samut, as he was the husband of his aunt Fulciana;^[23] that during his childhood days he stayed on the subject lots with Domingo;^[24] that Domingo commenced possession and occupation of the subject lot in 1927;^[25] that no one disturbed Domingo's possession;^[26] that he was not aware of any person who laid any claim over the subject lots.^[27] Nicanor recounted that Domingo planted fruit-bearing trees and constructed a house thereon;^[28] that when Domingo passed away in 1983, his children and grandchildren continued possession and cultivation of the lots;^[29] that Leticia Gonzales, one of the Domingo's grandchildren, planted fruit bearing trees and corn on a portion of the subject lots;^[30] that he was aware of the improvements on the property because he would visit the place often.^[31]

When cross-examined, Nicanor testified that he did not know the father or mother of Domingo;^[32] that he was not aware of any title or document on the subject lots;^[33] that he did not know Isidro Rosario, Gregorio Eloria, Dominador Agustin and Manuel Gorospe;^[34] that he moved out from the disputed properties in 1953 when he got married.^[35] Nicanor only assumed that it was the Samuts who planted trees on the subject lots as they were the only ones staying in the premises.^[36] Nicanor declared that corn was planted thereon by a certain Mr. Singson.^[37] In his re-direct

examination, Nicanor confirmed that he did not know the date of Domingo's death as he was in Babaran at that time.^[38]

Atty. Nicanor Garcia (Atty. Garcia) testified, among other matters, that he was a former employee of the Legal Division of the DENR;^[39] that he received a directive from the DENR Regional Director to conduct investigatory inspection on the report and findings of land investigator Napoleon Dulay relative to the Protest filed by Domingo Samut against the free patent and title of Emiliano Cortez over the subject lots (Lots No. 4602 and 4603, Cad 210 of Echague Cadastre);^[40] that he conducted an inspection of the subject lot; that based on his inspection of the subject lots, the Samuts were the occupants of the property, and confirmed the ocular inspection of land investigator Dulay;^[41] that he drafted an Order recommending the filing of reversion proceedings against Emiliano Cortez.^[42] While reviewing the records of the report of land investigator Dulay, Atty. Garcia chanced upon the free patent applications of Dominador Agustin and Victoriano Agustin over the subject lots.^[43] He testified that Domingo Samut and his heirs did not apply for Free Patent over the disputed lots.^[44]

Plaintiff's-appellant's proposed last witness was Leticia Samut-Gonzales but her testimony was dispensed with after the defendants' counsel admitted the substance of her would-be testimony.^[45]

In furtherance of its Petition, plaintiff-appellant submitted its formal offer of documentary exhibits:^[46]

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| Exhibit "A" | - | F.P.A. No. V-17515 of Emiliano Cortez; |
| Exhibit "B" | - | Free Patent Entry No. V-24082 dated December 5, 1955; |
| Exhibit "C" | - | Original Certificate of Title No. 9148 in the name of Emiliano Cortez; |
| Exhibit "D" | - | Transfer Certificate of Title No. T-42959 issued in the name of Antonia Vda. De Cortez on July 2, 1969; |
| Exhibit "E" | - | Protest of Antonia Samut dated November 5, 1956; |
| Exhibit "F" | - | Investigation Report of Napoleon Dulay dated March 8, 1985; |
| Exhibit "F-1" | - | Ocular Inspection of Napoleon Dulay embedded in the Investigation Report dated March 18, 1985; |
| Exhibit "G" | - | Picture showing Atty. Nicanor G. Garcia who conducted a confirmatory ocular inspection of the area; and |

Exhibit "G-1" - Picture showing Sonia Dancel, sister of Leticia Gonzales in her small but built on the protested area covered by the title of Emiliano Cortez, Sr.

Defendants-appellees/third-party plaintiffs presented three witness namely: Mr. Christina Cortez-Estrada, Ms. Minerva Ruma and Lolita P. Ramos.

Before presentation of **Ma. Christina Cortez-Estrada** (Christina), defendants'-appellees' counsel manifested to the Court that her testimony would be utilized as her testimony in their third-party Complaint against the Heirs of Domingo Samut and Chito Singson.^[47] In her Judicial Affidavit, Christina declared that her deceased parents, Emiliano Cortez and Antonia Gaffud owned two (2) parcels of lot identified as Lots No. 4602 and 4603 at Barangay Libertad, Echague, Isabela.^[48] Christina also declared that Emiliano Cortez acquired the subject pieces of property in 1953 from the original Free Patent Applicant Gregorio Eloria; that when her late father bought the property, he pursued its cultivation through paid laborers and planted it with rice, corn and cassava; that her father allowed Joaquin Samut to enter and cultivate the two (2) lots after execution of a lease contract; that when she visited the subject lots, she learned that the Director of Land filed a reversion proceeding against her father and that the heirs of Samut were claiming ownership of the subject lots; that she sought the services of a lawyer to protect the rights and interests of her family for the disputed property.^[49]

During her cross-examination, Christina testified that she was born on November 30, 1939 in Manila and grew up in Quezon City;^[50] that she was not aware of any Complaint filed against her father before the Bureau of Lands;^[51] that she was not aware of any letter or telegram sent to one Mangubat and one Demetrio Vehemente on April 6, 1975;^[52] that she came to know the existence of the lease contract when she looked into the files of her deceased father;^[53] that she does not know and has not personally met Gregoria Eloria. Christina admitted that she did not see Gregorio clear the land and construct pilapil thereon; and that her statement on her affidavit, that Gregorio was the original applicant of the land and that he cleared the land, constructed the pilapils and converted a portion thereof into ricefield, was merely based on the documentary evidence she obtained.^[54] Further, Christina recalled that it was her mother who often collected the landowner's share during her lifetime. Christina also pointed out that real estate taxes of the subject property was religiously paid by her.^[55]

The second witness for defendants-appellees/third-party plaintiffs was **Ms. Minerva Ruma**. Minerva testified that she was from the Municipal Assessor's Office of the Municipality of Echague;^[56] that Lot 4602 Cad 210 was declared for taxation purposes in the name of Antonia G. Vda. Cortez;^[57] that there were two declarants for Lot 4603 namely, Antonia G. Vda de Cortez^[58] and Domingo Samut;^[59] and that she does not know the basis of the issuance of Tax Declaration for Domingo Samut.^[60]

The last witness for defendants-appellees/third-party plaintiffs was **Lolita P.**