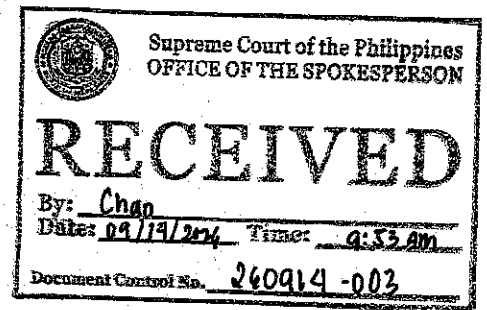




Republic of the Philippines
Supreme Court
Baguio City

FIRST DIVISION

DEMETRIA CACHO, represented by
DEMETRIA CONFESSOR VIDAL,
and AZIMUTH INTERNATIONAL
DEVELOPMENT CORPORATION,
Petitioners,

G.R. No. 239152

Present:

GESMUNDO, C.J., Chairperson,
HERNANDO,
ZALAMEDA,
ROSARIO, and
MARQUEZ, JJ.

- versus -

REPUBLIC OF THE PHILIPPINES,
Respondent.

X-----X

REPUBLIC OF THE PHILIPPINES,
Petitioner,

G.R. No. 239167

- versus -

DEMETRIA CACHO, represented by
alleged heir DEMETRIA CONFESSOR
VIDAL, and AZIMUTH
INTERNATIONAL DEVELOPMENT
CORPORATION,
Respondents.

Promulgated:

AUG 26 2026

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DECISION

HERNANDO, J.:

This resolves the consolidated Petitions for Review on *Certiorari*¹ under Rule 45 of the Rules of Court, assailing the Decision² dated August 11, 2017 and the Resolution³ dated April 30, 2018 of the Court of Appeals (CA) in CA-G.R. CV No. 04083-MIN.

The Antecedents

Subject of these petitions are two parcels of land located in what is now *Sitio Nunucan, Barangay Suarez, Iligan City*, but were originally part of Military Reservation No. 43, generally known as “Camp Overton.”

In 1912, Demetria Cacho (Demetria), predecessor-in-interest of Demetria Confessor Vidal (Vidal), filed an Original Application for Registration⁴ over two parcels of land referred to as: (1) lot 1 of Plan II-3732, with an area of 3,365 square meters or 0.36 hectare (“smaller parcel”), docketed as GLRO Records No. 6908; and (2) lot 2 of Plan II-3732, with an area of 378,707 square meters, or 37.87 hectares (“larger parcel”), GLRO Records No. 6909. The Government opposed⁵ Demetria’s applications for registration on the ground that the two parcels of land were properties of the United States and formed part of a military reservation.

Demetria claimed that she purchased the “smaller parcel” from Gabriel Salzos, who bought it from a Moro woman named Alanga, married to Darondon. Alanga, however, sold the “smaller parcel” without the consent of Darondon. The applications were jointly tried and decided by the Land Registration Court (LRC) on December 10, 1912 (1912 LRC Ruling).⁶ In its Decision,⁷ the LRC found that the “smaller parcel” was indeed the conjugal property of Alanga and Darondon. However, before admitting the “smaller

¹ *Rollo*, G.R. No. 239152, vol. 1, pp. 11–75 & G.R. No. 239167, vol. 1, pp. 15–62.

² *Rollo*, G.R. No. 239167, vol. 1, pp. 65–97. The August 11, 2017 Decision in CA-G.R. CV No. 04083-MIN was penned by Associate Justice Perpetua T. Atal-Paño and concurred in by Associate Justices Edgardo T. Lloren and Louis P. Acosta of the Special Twenty-Third Division, Court of Appeals, Cagayan de Oro City.

³ *Id.* at 98–106. The April 30, 2018 Resolution in CA-G.R. CV No. 04083-MIN was penned by Associate Justice Perpetua T. Atal-Paño and concurred in by Associate Justices Romulo V. Borja and Edgardo T. Lloren of the Special Former Special Twenty-Third Division, Court of Appeals, Cagayan de Oro City.

⁴ *Rollo*, G.R. No. 239152, vol. 1, p. 89.

⁵ *Id.* at 301.

⁶ *Id.* at 300–301.

⁷ *Id.* at 89–92.

parcel” for registration, the LRC ordered the presentation of a deed from Darondon, renouncing all his rights in the “smaller parcel” in favor of Demetria.⁸

With respect to the “larger parcel,” Demetria alleged that she acquired the same from another Moro named Datto Bunglay,⁹ as evidenced by a Deed of Sale¹⁰ dated January 15, 1904. The LRC awarded only a portion of the “larger parcel” in the southern portion thereof to Demetria,¹¹ it appearing that the 37.87 hectares is larger than what is cultivated ordinarily by Christian Filipinos. The LRC then denied Demetria’s application for registration as to the rest of the “larger parcel.”¹²

The dispositive portion of the LRC ruling reads:

From the proofs taken at the trial and an ocular inspection of the premises made in the presence of the parties, the court finds:

1. The parcel of land described in case No. 6908 was purchased by the applicant, Doña Demetria Cacho y Soriano from Gabriel Salzos. The deed of Gabriel Salzos, Exhibit C of said case in favor of the applicant, is dated September 14, 1904, but according to the deed itself the land was sold by Salzos to her on December 17, 1903. The title of Gabriel Salzos is founded on a deed of sale in his favor, executed and signed by a Moro woman named Alanga, who acted for her husband, a Moro named Darondon. This deed is Exhibit B of case No. 6908. No power of attorney or authorization, required by law, from the Moro Darondon in favor of his wife Alanga has been presented.

2. The parcel, object of case No. 6909, was purchased by the applicant Doña Demetria Cacho from the Moro, Datto Bunglay. The deed of sale in favor of the applicant is dated January 15, 1904, but was not acknowledged before the notary public until March 15, 1910. This deed is Exhibit G of case No. 6909.

....

4. The parcel described in case No. 6908 was cleared, tilled, and planted to coco, mango, lanzones, and other fruit trees by the Moro Darondon and his wife Alanga during their marriage many years before American occupation. The exact date of the first cultivation of this parcel is impossible to determine from the evidence. But the Mora Alanga testified that the coco trees were planted more than twenty years ago, and the court is satisfied that the greater part of the cocos are 20 or 25 years of age. Datto Duroc, witness for the Government, testified that Darondon, who, according to the witness, is also a datto, married his (the witness’) sister Alanga and that this parcel of land belonged to them because they planted the coco trees with his permission, or rather without his opposition.

⁸ *Id.*

⁹ *Id.* at 300.

¹⁰ *Id.* at 91.

¹¹ *Id.* at 91–92.

¹² *Id.*

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5. The parcel of land claimed by the applicant in case No. 6909 is the larger of the two parcels and contains 37.87 hectares, or more than 90 acres. It is a long narrow strip of land stretching along the beach in a southwesterly direction between the mouths of the Nunucan and Agus River. It is almost 2 kilometers long, and includes all the target range of Camp Overton.

....

A tract of land 37 hectares in area, which is the extent of the land under discussion, is larger than is cultivated ordinarily by the Christian Filipinos. In the Zamboanga cadastral case of thousands of parcels now on trial before this court, the average size of the parcels is not above 3 or 4 hectares, and the court doubts very much if a Moro with all his family could cultivate as extensive a parcel of land as the one in question. The court has observed the old cottas and the lands cultivated in the vicinity of them on the shores of Lake Lanao, and especially the cotta where the municipality of Dansalan is established on lands purchased of the Moro owners; and it does not appear to the court that the whole extent of cultivated land surrounding any of these old cottas would equal 37 hectares. Due to the establishment of Camp Keithley in recent years, the Moros have planted extensively around said camp, and are, as the court is informed, producing rice for commerce. But this is an exceptional case and is due to peace and the fact, that they now have a market for their products. Although the territorial jurisdiction of each datto was often extensive, the land planted by him and his sacopes was generally only a few hectares around his cotta. The plantings outside of this were generally accidental and temporary. In times of peace a Moro could plant in any part of the jurisdiction of his datto. Nor did the planting of land necessarily indicate that the person planting it was owner or claimant of the land planted, as will be seen further on.

....

6th. The court is convinced from the proofs that the small parcel of land sold by the Moro woman Alanga was the home of herself and her husband, Darondon, and was their conjugal property; and the court so finds.

....

As we have seen, the deed on which applicant's title to the small parcel rests, is executed only by the Moro woman Alanga, wife of Datto Darondon, which is not permitted either by the Moro laws or the Civil Code of the Philippine Islands. It appears that the husband of Alanga, Datto Darondon, is alive yet, and before admitting this parcel to registration it is ordered that a deed from Datto Darondon, husband of Alanga, be presented, renouncing all his rights in the small parcel of land object of Case No. 6908, in favor of the applicant.

....

The court therefore finds that the applicant Doña Demetria Cacho is owner of the portion of land occupied and planted by the deceased Datto Anandog in the southern part of the large parcel object of expediente No. 6909 only; and her application as to all the rest of the land solicited in said case is denied. And it is

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ordered that a new survey of the land be made and a corrected plan be presented, excluding all the land not occupied and cultivated by Datto Anandog; that said survey be made and the corrected plan presented on or before the 30th day of March, 1913, with previous notice to the commanding general of the Division of the Philippines.

....

It is further ordered that one-half of the costs of the new survey be paid by the applicant and the other half by the Government of the United States, and that the applicant present the corresponding deed from Datto Darondon on or before the above-mentioned 30th day of March, 1913. Final decision in these cases is reserved until the presentation of the said deed and the new plan.¹³

On appeal,¹⁴ the Court¹⁵ affirmed *in toto* the LRC ruling in a Decision¹⁶ dated December 10, 1914 (1914 Decision) in No. L-9408.

Accordingly, Decree Nos. 10364 and 18969 were issued in GLRO Records Nos. 6908 and 6909,¹⁷ respectively, under Demetria's name over the subject properties.

1997 Reconstitution Case

On June 29, 1978, Teofilo Cacho (Teofilo), claiming to be the son and sole heir of Demetria, filed before the Regional Trial Court (RTC), Branch 1 of Iligan City (RTC Branch 1), a Petition for Reconstitution¹⁸ of the original certificates of title of Decree Nos. 10364 and 18969 (1997 Reconstitution Case). Herein Republic, together with National Steel Corporation (NSC) and the City of Iligan, opposed the petition.¹⁹

On June 9, 1993, the RTC Branch 1 ordered the reconstitution and re-issuance of titles in the name of Demetria, after finding that Decree Nos. 10364 and 18969 were duly issued in GLRO Records Nos. 6908 and 6909.²⁰

The CA reversed the Decision of the RTC Branch 1.²¹ However, in a Decision²² dated March 3, 1997, the Court reinstated the RTC Branch 1

¹³ *Id. See Cacho v. The Government of the United States*, 28 Phil. 616, 619-631 (1914) [Per. J. Carson, *En Banc*].

¹⁴ *Id.* at 92.

¹⁵ *Id.*

¹⁶ *Cacho v. The Government of the United States*, 28 Phil. 616 (1914) [Per J. Carson, *En Banc*].

¹⁷ *Rollo*, G.R. No. 239152, vol. 1, pp. 89-92.

¹⁸ *Id.* at 92.

¹⁹ *Id.*

²⁰ *Id.* at 92-93.

²¹ *Id.* at 93.

²² *Cacho v. Court of Appeals*, 336 Phil. 154, 168 (1997) [Per J. Melo, Third Division].

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Decision dated June 9, 1993. Thus, OCT Nos. 0-1200 [a.f.] and 0-1201 [a.f.] were issued in Demetria's name.

2004 Quieting of Title Case

On November 18, 1998, Demetria, represented by Vidal, together with Azimuth, instituted a Petition for Quieting of Title,²³ Injunction and Damages (Quieting of Title Case) before the RTC of Iligan City, Branch 3, (RTC Branch 3), against Teofilo, Teofilo's attorney-in-fact, Godofredo Cabildo, the Registry of Deeds of Iligan City, and John and Jane Does, over the subject properties. Vidal claimed that as the surviving granddaughter of Demetria, she, and not Teofilo, is the sole heir of Demetria.²⁴ One of the intervenors in this case was Landtrade Realty Corp. (Landtrade), to which Teofilo purportedly conveyed a portion of the subject properties.²⁵

In a Decision²⁶ dated July 17, 2004, RTC Branch 3 found that Vidal is the sole surviving heir of Demetria, and thus entitled to the subject properties. Landtrade's counterclaim was dismissed.²⁷ The July 17, 2004 Decision was affirmed by the CA,²⁸ which decision was later sustained by this Court in its Decision²⁹ dated July 7, 2010. Thus, Teofilo's and Landtrade's lack of right to the subject properties was finally laid to rest.

Present Case for Cancellation of Titles and Reversion

On September 27, 2004, the Republic, through the Office of the Solicitor General (OSG), filed the instant Complaint³⁰ for cancellation of OCT Nos. 0-1200 [a.f.] and 0-1201 [a.f.] with all their derivative titles, and for reversion of the subject properties to the public domain (Cancellation Case).

In an Order³¹ dated December 13, 2005, the RTC of Iligan City, Branch 4, dismissed the Cancellation Case on the ground that the Republic does not have a cause of action. Aggrieved, the Republic filed a Petition for Review³² before the Court, which was consolidated with the Quieting of Title Case titled *Republic v. Mangotara*.³³ In a Decision dated July 7, 2010, the Court ordered

²³ *Rollo*, G.R. No. 239152, vol. 1, p. 93.

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.* at 207-246.

²⁷ *Id.* at 93.

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.*

³¹ *Id.*

³² *Id.*

³³ *Id.* 638 Phil. 353 (2010) [Per J. Leonardo-De Castro, First Division].

the reinstatement of the Cancellation Case, and the return of the original record to the RTC for further proceedings.³⁴

After trial, the RTC of Iligan City, Branch 4, rendered a Decision³⁵ dated December 15, 2014, partially granting the Republic's prayer for reversion. The RTC awarded the "smaller parcel" and four hectares of the "larger parcel" in favor of Demetria, while the remaining 33.87 hectares from the "larger parcel" was ordered reverted back to the mass of public domain. The decretal portion of the RTC of Iligan City, Branch 4 Decision reads:

WHEREFORE, all told, judgment is hereby rendered in the following wise, to wit:

a. That OCT No. 0-1200 (a.f.) should be corrected to refer to the small portion of property containing an area of 3,635 sq. meters instead of 37.87 hectares. Afterwhich, declaring OCT No. 0-1200(a.f.) as corrected, to be valid in favor of [defendant] Demetria Vidal Cacho;

b. That OCT No. 0-1201(a.f.) be likewise corrected to reflect to the 37.87 hectares instead of 3,635 sq. meters contained in said title;

c. That to conform to the 1912 decision of the Land Registration Court, four (4) hectares being a portion of the 37.87 hectares to be declared valid in favor of defendant Demetria Vidal Cacho/Azimuth International Development Corporation (southern portion), while the rest containing an area of 33.87 hectares be declared reverted back to the mass of public domain;

d. That a segregation survey be conducted at the expense of the plaintiff, to separate the four (4) hectares from OCT No. 0[-]1201 (a.f.) and a new and separate title be issued by the Register of Deeds of Iligan City in favor of defendants, Demetria Vidal Cacho/Azimuth International Development;

e. That consequently, OCT No. 0-1201(a.f.) is declared annulled and cancelled;

f. No damages of any kind are being awarded for lack of legal feet to stand on.

SO ORDERED.³⁶ (Emphasis in the original)

³⁴ *Rollo*, G.R. No. 239152, vol. 1, p. 121. *Republic v. Mangotara* [638 Phil. 353 (2010)] was penned by Associate Justice Teresita J. Leonardo-De Castro (now a retired Member of this Court) and concurred in by Chief Justice Renato C. Corona and Associate Justices Presbitero J. Velasco, Jr., Mariano C. Del Castillo, and Jose P. Perez (now retired Members of this Court).

³⁵ *Id.* at 120–157. The December 15, 2014 Decision in Civil Case No. 6686 was penned by Presiding Judge Concordio Y. Baguio of Branch 4, Regional Trial Court, Iligan City.

³⁶ *Id.* at 156–157.

Vidal and Azimuth filed their Motion for Partial Reconsideration³⁷ with respect to the reversion of 33.87 hectares of the “larger parcel” to the Republic. On the other hand, the Republic did not file a motion for reconsideration of the RTC of Iligan City, Branch 4 Decision.³⁸

In an Order³⁹ dated June 30, 2015, the RTC of Iligan City, Branch 4 denied Vidal and Azimuth’s motion for partial reconsideration. However, instead of ruling on the propriety of the reversion of a portion of the “larger parcel” which was the subject of the motion for partial reconsideration, the RTC modified its earlier Decision and ordered the reversion of both parcels of land to the Republic.⁴⁰ The dispositive portion thereof reads:

WHEREFORE, premises considered, there being no factual nor legal justification for its allowance, the “Partial Motion for Reconsideration” is hereby DENIED for lack of merit.

On the other hand, the assailed Decision is hereby modified, to wit:

1. Directing the Register of Deeds of Iligan City to cancel and annul OCT No. 0-1200[a.f.] and OCT No. 0-1201[a.f.] and ALL its derivative titles;
2. Directing the Reversion and returning the entire land area covered by GLRO NO. 6909 with an area of 378,707 square meters to the mass of public domain;
3. Directing the Reversion and returning the entire area covered by GLRO No. 6908 with an area of 3,365 square meters to the mass of public domain, the circumstance of its issuance being similar to GLRO No. 6909.

SO ORDERED.⁴¹

This prompted Vidal and Azimuth to appeal⁴² the RTC Order dated June 30, 2015 to the CA.

On August 11, 2017, the CA rendered the assailed Decision⁴³ which partly granted Vidal and Azimuth’s appeal. According to the CA, the Republic failed to prove, by clear and convincing evidence, the existence of fraud and misrepresentation. Neither can the absence of a new survey plan and deed of conveyance, as required by the 1912 LRC Ruling, establish actual fraud

³⁷ *Id.* at 95.

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ *Id.* at 87–88.

⁴² *Id.* at 95–97.

⁴³ *Id.* at 86–118.

considering that they were already lost or damaged as a result of the war. Given the issuance of the decrees in question, it is assumed that Demetria complied with the said requirements.⁴⁴

However, the CA held that Vidal and Azimuth are only entitled to the area of the “larger parcel” awarded to Demetria pursuant to the 1912 LRC Ruling. It found that the excess area was erroneously included in the reconstituted OCT Nos. 0-1200 (a.f.) and 0-1201 (a.f.).⁴⁵ The *fallo* of the CA Decision reads:

WHEREFORE, premises considered, the appeal is PARTLY GRANTED. The Decision dated December 15, 2014 of the Regional Trial Court, Branch 4 of Iligan City, Lanao del Norte is AFFIRMED in so far as it ordered the correction of the OCT Nos. 0-1200 [a.f.] and 0-1201 [a.f.] to conform to the Land Registration Court’s Decision dated December 10, 1912 in GLRO Records Nos. 6908 and 6909, viz[.]:

a. That OCT No. 0-1200 [a.f.] should be corrected to refer to the small portion of property containing an area of 3,635 square meters instead of 37.87 hectares. After which, declaring OCT No. 0-1200 [a.f.] as corrected, to be valid in favor of defendant Demetria Vidal Cacho;

b. That OCT No. 0-1201 [a.f.] be likewise corrected to [reflect] the 37.87 hectares instead of 3,635 square meters contained in said title;

c. That to conform to the 1912 decision of the Land Registration Court, four (4) hectares being a portion of the 37.87 hectares to be declared valid in favor of defendant Demetria Vidal Cacho (southern portion), while the rest containing an area of 33.87 hectares be declared reverted back to the mass of public domain;

d. That a segregation survey be conducted at the expense of the State, to separate the four (4) hectares from OCT No. 0-1201 [a.f.] and a new and separate title be issued by the Register of Deeds of Iligan City in favor of Demetria Vidal Cacho;

e. That consequently, OCT No. 0-1201 [a.f.] is declared annulled and cancelled; and

f. No damages of any kind are being awarded for lack of legal feet to stand on.

The RTC Order dated June 30, 2015 directing (1) the cancellation and annulment of OCT No. 0-1200 [a.f.] and ALL the derivative titles; and (2) the reversion of the entire land area covered by GLRO Record No. 6909 consisting of 378,707 square meters and the area covered by GLRO Record No. 6908 consisting of 3,365 square meters to the mass of public domain is SET ASIDE.

⁴⁴ *Id.* at 105–115.

⁴⁵ *Id.*



SO ORDERED.⁴⁶

Both Vidal and Azimuth, and the Republic, moved for partial reconsideration,⁴⁷ but their motions were evenly denied by the CA in the Resolution⁴⁸ dated April 30, 2018. The CA likewise directed the Land Registration Authority (LRA) to cancel the old decrees of registration issued in GLRO Records Nos. 6908 and 6909, and to reissue the same pursuant to the LRC's ruling dated December 12, 1912, before issuing new certificates of title in favor of Demetria.⁴⁹

Not in conformity, Vidal and Azimuth,⁵⁰ and the Republic,⁵¹ interposed separate appeals⁵² with the Court.

Vidal and Azimuth's Arguments

In their petition, Vidal and Azimuth maintain that the titles/decrees granted in the name of Demetria enjoy the presumption of regularity in their issuance. Considering that the said titles were duly issued, the presumption is that all the requisites for their grant had been complied with. Vidal and Azimuth argue that the Republic failed to prove its allegation that Demetria obtained the decrees and the reconstituted titles through fraud and misrepresentation, or that the government's agents erred in awarding the entire area to Demetria. Moreover, the discrepancies pointed out by the Republic do not constitute actual and extrinsic fraud to justify the review of a decree of registration which has long been issued.⁵³

Vidal and Azimuth further aver that the CA incorrectly applied the doctrine of unlawful or erroneous inclusion in this case. The said doctrine presupposes the existence of specific details, or sufficient showing of unlawful or erroneous inclusion of a public land in the property of a private person, through actual fraud or other illegal means. In this case, the CA merely made a comparison between the 1912 LRC Ruling and the subject properties' approved plan and technical description, and concluded on that basis that the discrepancies constituted fraud or misrepresentation, which warrant the reversion of the subject properties to the State. In addition, Vidal and Azimuth assert that there was no proof of any error which may have been committed by

⁴⁶ *Id.* at 116–117.

⁴⁷ *Id.* at 42.

⁴⁸ *Id.* at 249–257.

⁴⁹ *Id.* at 256.

⁵⁰ *Rollo*, G.R. No. 239152, vol. 1, pp. 11–71.

⁵¹ *Rollo*, G.R. No. 239167, vol. 1, pp. 15–58.

⁵² *Rollo*, G.R. No. 239152, vol. 1, pp. 11–75 and G.R. No. 239167, vol. 1, pp. 15–62.

⁵³ *Rollo*, G.R. No. 239152, vol. 1, pp. 46–47.

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the agents of the government who had surveyed the subject properties, as in the case of *Republic v. Guerrero*.⁵⁴ In short, the Republic failed to prove that Demetria obtained the subject properties through actual fraud or other illegal means.⁵⁵

Vidal and Azimuth also contend that the issues on the lack of a resurvey and the correctness of the technical description of the “larger parcel” were already squarely addressed by the Court in the 1997 Reconstitution Case. Hence, the CA violated the principle of *stare decisis* when it re-litigated the same issue which was already sufficiently passed upon by this Court in the 1997 Reconstitution Case.⁵⁶

The Republic’s Arguments

The Republic maintains that Demetria procured the titles to the subject properties through fraud and misrepresentation. To support its basic posture, the Republic points to the patent and material discrepancies between the technical descriptions in the original decrees and OCTs, *vis-à-vis* the technical descriptions in 1912 LRC Ruling.⁵⁷

Citing *Heirs of Manuel A. Roxas v. Court of Appeals*,⁵⁸ the Republic postulates that misrepresentation of a material fact constitutes actual fraud. The fraud consisted of Vidal and Azimuth’s misrepresentation that they own the entire area of the “larger parcel” when the 1912 LRC Ruling awarded only a portion thereof to Demetria.⁵⁹

The Republic further submits that it has overturned the presumption of regularity in the conduct of public officials by showing the following: (i) patent discrepancies and irregularities in the issuance of Decree Nos. 10364 and 18969, and OCTs Nos. 0-1200 (a.f.) and 0-1202 (a.f.); (ii) non-compliance with the conditions laid down in *Cacho v. The Government of the United States*;⁶⁰ (iii) unlawful inclusion of land not awarded to Demetria; and (iv) the irregularities in the filing of the 1997 Reconstitution Case by Teofilo.⁶¹

⁵⁴ 520 Phil. 296, 311 (2006) [Per J. Garcia, Second Division].

⁵⁵ *Rollo*, G.R. No. 239152, vol. 1, pp. 46–71.

⁵⁶ *Id.* at 59–65.

⁵⁷ *Rollo*, G.R. No. 239152, vol. 5, pp. 1824–1832.

⁵⁸ 337 Phil. 41, 52 (1997) [Per J. Romero, Second Division].

⁵⁹ *Rollo*, G.R. No. 239152, vol. 5, pp. 1824–1832.

⁶⁰ *Cacho v. The Government of the United States*, 28 Phil. 616, 619–631 (1914) [Per. J. Carson, *En Banc*].

⁶¹ *Id.*

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Issue

The ultimate issue to be resolved is whether Demetria procured the titles to the subject properties through fraud, misrepresentation or other illegal means as to warrant its reversion to the mass of the public domain.

Our Ruling

The Court finds no reversible error committed by the CA in its assailed Decision and Resolution.

Prefatorily, it must be stated that in petitions for review on *certiorari*, only questions of law may be raised by the parties and passed upon by the Court. Inquiry upon the veracity of the CA's factual findings and conclusion is not the function of the Court as it is not a trier of facts.⁶²

This rule, however, admits of exceptions: (1) When the conclusion is a finding grounded entirely on speculation, surmises or conjectures; (2) When the inference made is manifestly mistaken, absurd, or impossible; (3) When there is a grave abuse of discretion; (4) When the judgment is based on a misapprehension of facts; (5) When the findings of fact are conflicting; (6) When the CA, in making its findings, went beyond the issues of the case and the same is contrary to the admissions of both appellant and appellee; (7) The findings of the CA are contrary to those of the trial court; (8) When the findings of fact are conclusions without citation of specific evidence on which they are based; (9) When the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondents; and (10) The finding of fact of the CA is premised on the supposed absence of evidence, and is contradicted by the evidence on record.⁶³

Here, both petitioners assert that the CA committed a serious misapprehension of facts, and that its findings are contrary to those of the trial court, thereby warranting this Court's review of the CA's factual determinations.

With the backdrop of these assertions, the Court deems it proper to re-evaluate the factual findings and the conclusions reached by the CA.

*Actual fraud and misrepresentation
were not substantiated by clear and
convincing evidence*

The Republic argues in essence that Demetria and her successor-in-interest

⁶² See *Eterton Multi-Resources v. Filipino Pipe and Foundry Corporation*, 638 Phil. 143, 147 (2010) [Per J. Nachura, Second Division].

⁶³ See *Pascual v. Burgos*, 776 Phil. 167, 182–183 (2016) [Per J. Leonen, Second Division].

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procured Decree Nos. 10364 and 18969 and OCTs Nos. 0-1200 (a.f.) and 0-1202 (a.f.), through fraud and misrepresentation. In support thereof, the Republic points to the 1912 LRC Ruling which limited the area of the "larger parcel" to be awarded to Demetria to three to four hectares, instead of the 37.87 hectares ultimately granted.

The Court is not persuaded.

Section 38 of Act No. 496⁶⁴ recognizes the right of a person deprived of land to institute an action to reopen or revise a decree of registration obtained by actual fraud. Section 38 of Act No. 496 provides:

SEC. 38. — . . . Every decree of registration shall bind the land, and quiet title thereto, subject only to the exceptions stated in the following section. It shall be conclusive upon and against all persons, including the [Republic of the Philippines] and all the branches thereof, . . . Such decree shall not be opened by reason of the absence, minority, or other disability of any person affected thereby, nor by any proceeding in any court for reversing judgments or decrees, *subject, however, to the right of any person deprived of the land or of any estate or interest therein by decree of registration obtained by actual fraud, to file in the proper Court of First Instance [now Regional Trial Court] a petition for review of the decree of registration within one year after entry of the decree provided no innocent purchaser for value has acquired an interest. Upon the expiration of said term of one year, every decree or certificate of title issued in accordance with this section shall be incontrovertible. . . .* (Emphasis supplied)

Section 38 of Act No. 496 mandates that for a reversion case to prosper, it must be proved by clear and convincing evidence that the grantee employed actual or extrinsic fraud in obtaining the public property sought to be reverted.

*Republic v. Guerrero*⁶⁵ is instructive:

Fraud is of two kinds: actual or constructive. Actual or positive fraud proceeds from an intentional deception practiced by means of the misrepresentation or concealment of a material fact. Constructive fraud is construed as a fraud because of its detrimental effect upon public interests and public or private confidence, even though the act is not done with an actual design to commit positive fraud or injury upon other persons.

Fraud may also be either extrinsic or intrinsic. Fraud is regarded as intrinsic where the fraudulent acts pertain to an issue involved in the original action, or where the acts constituting the fraud were or could have been litigated therein. The fraud is extrinsic if it is employed to deprive parties of their day in court and thus prevent them from asserting their right to the property registered in the name of the applicant.

⁶⁴ An Act to Provide for the Adjudication and Registration of Titles to Lands in the Philippine Islands (1902). See also *Republic v. Guerrero*, 520 Phil. 296, 308 (2006) [Per J. Garcia, Second Division].

⁶⁵ 520 Phil. 296 (2006) [Per J. Garcia, Second Division].



The distinctions assume significance because only actual and extrinsic fraud had been accepted and is contemplated by the law as a ground to review or reopen a decree of registration . . . In all these examples, the overriding consideration is that the fraudulent scheme of the prevailing litigant prevented a party from having his day in court or from presenting his case. The fraud, therefore, is one that affects and goes into the jurisdiction of the court.⁶⁶ (Citations omitted)

In the case at bar, the Court agrees with the CA that the Republic failed to prove that fraud and misrepresentation attended the issuance of the original decrees as well as the reconstituted OCTs in favor of Demetria, such that the Republic was deprived of its day in court, or from presenting its case. No clear and convincing proof of such fraud and misrepresentation was adduced. Neither was it established that Demetria, or her successor-in-interest, Vidal, actually took part in the alleged fraud, if there was any.

The Republic's allegation of fraud and misrepresentation against Vidal and Azimuth is hinged on the fact that OCT No. 0-1200 (a.f.) covered the entire area of 37.87 hectares of the "larger parcel," in contravention of the 1914 Decision in *Cacho v. The Government of the United States*,⁶⁷ and the failure of Vidal and Azimuth to show that they complied with the conditions set forth by the 1912 LRC Ruling with respect to the "smaller parcel." However, other than the Republic's heavy reliance on the discrepancies between the areas described in the reconstituted decrees and the 1912 LRC Ruling, it did not specifically allege how fraud and misrepresentation was perpetuated by Demetria in procuring the original decrees and the subsequent OCTs in her name. It merely made a sweeping statement that since the technical descriptions in the reconstituted decrees were the same as the technical descriptions submitted by Demetria in her original application, the only conclusion is that the decrees in question were obtained through fraud and misrepresentation.

This argument is specious and bereft of basis.

Settled is the rule that a complaint for reversion involves a serious controversy, involving a question of fraud and misrepresentation committed against the government, and it is aimed at the return of the disputed portion of the public domain. It seeks to cancel the original certificate of registration and nullify the original certificate of title, including the transfer certificate of title of the successors-in-interest, because the same were all procured through fraud and misrepresentation. Thus, the Republic, as the party alleging fraud and misrepresentation that attended the application of the free patent, bears that burden of proof. Fraud and misrepresentation, as grounds for cancellation of patent and annulment of title, should never be presumed, but must be proved by

⁶⁶ *Id.* at 309.

⁶⁷ *Cacho v. The Government of the United States*, 28 Phil. 616, 619-631 (1914) [Per. J. Carson, *En Banc*].

clear and convincing evidence; mere preponderance of evidence not even being adequate.⁶⁸

*The action for reversion may prosper
on the basis of unlawful or erroneous
inclusion*

Be that as it may, it must be noted that fraud and misrepresentation are not the only grounds upon which an action for reversion may prosper. Reversion may likewise be resorted to when the title over the contested lot had been erroneously issued in the name of the defendant.⁶⁹

To recall, the issue presented in the instant case is anchored on the doctrine established in *Mangotara*, where the Court categorically declared that an action for reversion is not confined to instances involving actual fraud. In that case, the Court cited established jurisprudence recognizing that reversion may likewise be warranted on other legal grounds, including the violation of statutory conditions governing land disposition, the issuance of patents over lands that are inalienable despite the government's lack of authority to do so, and the erroneous or unauthorized inclusion of public land in a certificate of title due to mistake or errors committed by government officials. These rulings underscore the principle that reversion may be maintained even when the defect does not stem from fraudulent conduct but instead arises because the property covered by the title was never legally capable of being conveyed.

Similarly, in *Republic v. Hachero*,⁷⁰ the Court likewise affirmed that reversion remains an available remedy where a title was issued through mistake or oversight, even in the absence of fraud or intentional misrepresentation.

*Presumption of regularity cannot
prevail over the material
discrepancies between the 1912 LRC
Ruling, as affirmed by the Court's
1914 Decision, and the Decrees and
OCTs*

Presumption of regularity in the performance of official duties is an aid to the effective and unhampered administration of government functions. Without such benefit, every official action could be negated with minimal effort from litigants, irrespective of merit, or sufficiency of evidence to support such challenge. To this end, jurisprudence has been consistent in requiring nothing short of a clear and convincing evidence to the contrary to overthrow such

⁶⁸ See *Saad Agro-Industries, Inc. v. Republic*, 534 Phil. 648, 656 (2006) [Per J. Tinga, Third Division].

⁶⁹ *Spouses Padilla v. Salovino*, 860 Phil. 994, 1001 (2019) [Per J. Reyes, J., Jr., Second Division].

⁷⁰ 785 Phil. 784, 796 (2016) [Per J. Mendoza, Second Division].

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presumption.⁷¹ Absent which, the presumption of regularity accorded to public officials in the performance of their official functions stands.

In this case, the Court finds that the Republic has successfully presented controverting evidence to contradict or overcome such disputable presumption.

Notably, the LRC, in its 1912 Ruling, as affirmed by this Court in its 1914 Decision, adjudicated to Demetria only a limited portion of the larger parcel—specifically, the southern portion consisting of approximately four hectares. Yet, following the 1997 reconstitution proceedings, the reconstituted decrees and the corresponding OCTs were inexplicably expanded to cover the entire 37.87-hectare property. This substantial enlargement finds no support in either the 1912 LRC Ruling or the Court's 1914 Decision. Instead, it reflects a material deviation from the original adjudication, effectively bringing within the titles vast tracts of land that were never judicially awarded in the first instance.

Given these circumstances, the presumption that official acts have been regularly performed must yield to the controlling terms of the 1912 LRC Ruling, as affirmed by the 1914 Decision, from which the decrees purportedly originated. To reiterate, no evidence has been presented to demonstrate that the original adjudication was subsequently modified to justify the expanded coverage reflected in the reconstituted decrees and titles. Accordingly, the discrepancy cannot be dismissed as a matter of speculation. It is evident from the face of the records that there exists a material divergence between the limited property adjudicated in the 1912 LRC Ruling and the far more extensive area subsequently embraced by the reconstituted OCTs allegedly issued pursuant thereto.

Indeed, the remedy of reversion is not limited to instances of fraud and misrepresentation as it may be resorted to in cases of unlawful inclusion of public land in patents or certificates of title. In the following cases, the Court ordered the reversion of the subject lands to the public domain upon a determination that mistake and oversight attended the issuance of the OCTs in question.

In *Republic v. De la Cruz*,⁷² the Court upheld the right of the Republic to revert and recover the land in question, there being a certification from the Bureau of Forest Development that the same is a forest land, hence, inalienable land of the public domain.

In *Spouses Morandarte v. Court of Appeals*,⁷³ the Court ordered the reversion to the State a portion of the Miputak River, which was erroneously included in the free patent and OCT granted to the applicant. The Court noted

⁷¹ See *Yap v. Lagtapon*, 803 Phil. 652, 653 (2017) [Per J. Caguioa, First Division].

⁷² 160-A Phil. 374, 382 (1975) [Per J. Teehankee, First Division].

⁷³ 479 Phil. 870, 885 (2004) [Per J. Austria-Martinez, Second Division].

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the apparent error committed by the government's agents when they failed to notice the existence of the Miputak River traversing the subject land. Considering the inalienability of the river, the Court concluded that the said area must be reverted to the public domain, as it was covered by the title by mistake or oversight.

In *Republic v. Court of Appeals*,⁷⁴ the Court ordered the return of a lot to the mass of the public domain on the ground that the grantee of a patent violated the conditions imposed by law.

In the present case, the discrepancy between the limited adjudication made in the 1912 LRC Ruling, as affirmed in the 1914 Decision, and the area ultimately reflected in the reconstituted OCTs in favor of Demetria, sufficiently demonstrated that an unlawful or erroneous inclusion of the excess area of the "larger parcel" occurred herein. To the Court, this has sufficiently overturned the legal presumption of regularity in the performance of official duties.

In this regard, it is a settled rule that mistake or error of the officials or agents of the government cannot be invoked against it with regard to property of the public domain. It has been said that the State cannot be estopped by the omission, mistake or error of its officials or agents.⁷⁵

Conclusiveness of judgment

The Republic is essentially impugning the grant of the entire "larger parcel" to Demetria on the basis of the discrepancy in the technical description submitted by Teofilo in the 1997 Reconstitution Case and the 1912 LRC Ruling, which limited the grant to three to four hectares, instead of the 37.87 hectares eventually granted to Demetria. Pursuant to the 1912 LRC Ruling, the Republic argues that Demetria unlawfully inflated the area of the "larger parcel" originally granted to her. By virtue of this, Demetria lost her right to the subject properties.

In this regard, it bears stressing that the doctrine of *res judicata* embraces two different concepts: (1) bar by former judgment, and (b) conclusiveness of judgment.⁷⁶ Considering that the Court has already made a definite pronouncement in *Mangotara* that *res judicata*, in the concept of bar by prior judgment does not apply between the 1997 Reconstitution Case and the present case for Cancellation of Titles, the only issue to be determined in this aspect is whether the present reversion proceedings are barred by *res judicata* by conclusiveness of judgment.

⁷⁴ 253 Phil. 698, 716 (1989) [Per J. Melencio-Herrera, Second Division].

⁷⁵ *Spouses Morandarte v. Court of Appeals*, 479 Phil. 870, 885 (2004) [Per J. Austria-Martinez, Second Division].

⁷⁶ *See Heirs of Casiño v. Development Bank of the Philippines*, 872 Phil. 810, 828 (2020) [Per J. Hernando, Second Division].

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The answer is in the negative.

The second concept, which is conclusiveness of judgment, states that a fact or question which was in issue in a former suit, and was judicially passed upon and determined by a court of competent jurisdiction, is conclusively settled by the judgment therein, as far as the parties to that action and persons in privity with them are concerned, and cannot be again litigated in any future action between such parties, or their privies, in the same court or any other court of concurrent jurisdiction on either the same or different cause of action, while the judgment remains unreversed by proper authority.⁷⁷

It has been held that in order that a judgment in one action can be conclusive as to a particular matter in another action between the same parties or their privies, it is essential that the issue be identical. If a particular point or question is in issue in the second action, and the judgment will depend on the determination of that particular point or question, a former judgment between the same parties or their privies, will be final and conclusive in the second, if that same point or question was in issue, and adjudicated in the first suit. In this case, identity of cause of action is not required, but merely identity of issues.⁷⁸

In the instant case, identity of issues is absent.

Reconstitution merely restores or reissues a lost or destroyed certificate of title in substantially the same form and condition as the original.⁷⁹ It does not adjudicate or conclusively determine ownership over the property covered by the title. A reconstituted title, like the original certificate itself, does not by itself confer or vest ownership of the land or estate described therein.⁸⁰

Thus, the 1997 Reconstitution Case did not resolve whether portions of the 37.87-hectare property were unlawfully or erroneously included in the decrees and titles contrary to the 1912 LRC Ruling. Rather, the issue resolved therein was whether the decrees and titles could be reconstituted notwithstanding the loss or destruction of the original records. More importantly, the Court in the 1997 Reconstitution Case did not undertake any examination of the precise metes and bounds, technical descriptions, or extent of the property validly awarded under the 1912 LRC Ruling, as affirmed in the Court's 1914 Decision. Neither did it determine whether the areas reflected in the decrees and OCTs conformed to the portions actually adjudicated therein. By contrast, the present case is an action for cancellation of title and reversion grounded on the alleged unlawful inclusion in the decrees and titles of areas beyond those actually awarded by the LRC, whether through fraud, mistake, oversight, or other unlawful means.

⁷⁷ *Id.*

⁷⁸ *Id.*

⁷⁹ *Republic v. Gallego, Jr.*, 940 Phil. 99, 106 (2023) [Per J. Leonen, Second Division].

⁸⁰ *Alonso v. Cebu Country Club, Inc.*, 426 Phil. 61 (2002) [Per J. Pardo, *En Banc*].

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Significantly, any discussion concerning the technical description in the 1997 Reconstitution Case was made solely in relation to the propriety of reconstitution under Republic Act No. 26. They cannot be construed as a definitive ruling that the entire 37.87-hectare property had, in fact, been validly awarded to Demetria. Indeed, reconstitution merely restores a lost title to its previous form; it neither validates an otherwise void title nor enlarges the property actually adjudicated.

Mangotara itself allowed the present reversion proceedings to continue notwithstanding the 1997 Reconstitution Case. Had the Court believed that the issue of unlawful inclusion had already been conclusively settled in the prior reconstitution proceedings, there would have been no reason to reinstate and remand the case for trial on the merits.

Indeed, while the discussion in *Mangotara* was made in relation to bar by prior judgment, the Court's own explanation necessarily demonstrates that the issues concerning the validity and extent of the decrees and titles were never conclusively settled in the 1997 Reconstitution Case. Otherwise, the remand ordered by the Court would have served no purpose. As the Court itself explained in *Mangotara*:

The 1997 Cacho case only settled the issuance, existence, and subsequent loss of Decree Nos. 10364 and 18969. Consequently, said decrees could be re-issued in their original form or condition. The Court, however, could not have passed upon in the 1997 Cacho case the issues on whether Doña Demetria truly owned the parcels of land covered by the decrees and whether the decrees and the OCTs subsequently issued pursuant thereto are void for unlawfully including land of the public domain which were not awarded to Doña Demetria.⁸¹

It must also be emphasized that the Court categorically declared in *Mangotara* that the Republic is not precluded from showing by clear and convincing evidence that the questioned decrees and certificates of title are null and void in Civil Case No. 6686 (Cancellation of Titles and Reversion Case), which the Court, in its Decision dated July 7, 2010, ordered reinstated before the RTC, Branch 4 of Iligan City, Lanao del Norte. The Court decreed:

If the Republic is able to establish after trial and hearing of Civil Case No. 6686 that the decrees and OCTs in Doña Demetria's name are void for some reason, then the trial court can still order the reversion of the parcels of land covered by the same because indefeasibility cannot attach to a void decree or certificate of title. The RTC-Branch 4 jumped the gun when it declared that the cause of action of the Republic for reversion in Civil Case No. 6686 was already lost or extinguished by prescription based on the Complaint alone.⁸²

Accordingly, the Court's pronouncements in the 1997 Reconstitution Case

⁸¹ *Republic v. Mangotara*, 638 Phil. 353, 469 (2010) [Per J. Leonardo-Castro, First Division].

⁸² *Id.* at 478.



regarding the technical descriptions appearing in the decrees and titles cannot be treated as conclusively settling the validity of the inclusion of the entire 37.87- hectare property. To hold otherwise would effectively expand the limited scope of a reconstitution proceeding into a final adjudication on whether portions of the public domain had been unlawfully included through the issuance of titles of private ownership, an issue which *Mangotara* itself expressly recognized remained unresolved and properly subject to determination in the present Cancellation and Reversion Case.

Verily, the doctrine of *res judicata* as conclusiveness of judgment does not apply in this case.

Vidal and Azimuth are entitled only to the "smaller parcel" as well as the area of the "larger parcel" awarded to Demetria in the 1912 LRC Ruling, as affirmed by this Court in its 1914 Decision

Given that the present action for reversion is not precluded either by the absence of proof of actual fraud or by the doctrine of conclusiveness of judgment, the Court is left to resolve the scope of the property that may lawfully remain under the ownership of Vidal and Azimuth.

The Court concurs with the CA's finding that Vidal and Azimuth are entitled only to the area awarded in favor of Demetria in the 1912 LRC Ruling, as affirmed by the Court in its 1914 Decision.

In *Republic v. Guerrero*,⁸³ the Court issued a more general statement that "th[e] remedy of reversion can only be availed of in cases of fraudulent or unlawful inclusion of the land in patents or certificates of title." Nevertheless, the Court recognized in *Mangotara* that there were instances when it granted reversion 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 the instant case, is it undisputed that Decree Nos. 10364 and 18969 were issued by virtue of Demetria's original application for registration docketed as GLRO Records Nos. 6908 ("smaller parcel") and 6909 ("larger parcel"), respectively.

As regards the "smaller parcel", it was established in the 1912 LRC Ruling as confirmed in the Court's 1914 Decision that the entire area of the "smaller

⁸³ 520 Phil. 296, 314 (2006) [Per J. Garcia, Second Division].

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parcel” was indeed sold by Moro woman Alanga to Demetria. Hence, the entire area of 3,365 square meters or 0.36 hectare was awarded to her in GLRO Records No. 6908.

With respect to the “larger parcel”, however, it bears to point out that in GLRO Records No. 6909, the LRC found Demetria to be the owner of only the southern portion of the land occupied and planted by Datto Anandog from whom she acquired the land, while her application as to the rest of the “larger parcel” was denied. This ruling was affirmed by the Court in its 1914 Decision. An examination of the records reveals that Vidal and Azimuth failed to adduce evidence to prove that the entire area covered in GLRO Records No. 6909 was subsequently awarded to Demetria after the finality of the Court’s 1914 Decision.

In view of the lack of competent evidence to show that a subsequent judgment or adjudication was issued expanding the area of the “larger parcel” awarded to Demetria, the 1912 LRC Ruling stands. Accordingly, the Court concurs with the CA’s finding that the excess of the original area granted to Demetria by the 1912 LRC Ruling was erroneously included in the reconstituted titles issued in her favor. Consequently, the excess area must necessarily revert to the mass of the public domain.

It is settled that the inclusion of areas in excess of the original area awarded to an applicant does not vest any right of private ownership because registration of lands under the Torrens system is not a mode of acquiring ownership.⁸⁴ Otherwise stated, property of the public domain is incapable of registration and its inclusion in a title nullifies that title.⁸⁵

Vidal and Azimuth argue that it is absurd for the CA to uphold the presumption of regularity as to the “smaller parcel” and disregards the same for the “larger parcel”.

This argument does not hold water.

While generally, the decrees or titles enjoy the presumption of regularity in their issuance, this presumption was overcome by evidence to the contrary. As earlier discussed, the presumption is not absolute and may be rebutted by clear and convincing evidence to the contrary or by affirmative evidence of irregularity or failure to perform a duty.⁸⁶

In the case at bar, the presumption cannot be made to apply to the “larger parcel” because the regularity of the issuance of OCT 0-1200 (a.f.) has been effectively defeated by the fact that the area covered by the said title did not

⁸⁴ See *Belizario v. DENR*, 899 Phil. 610, 617–618 (2021) [Per J. Caguioa, First Division].

⁸⁵ *Republic v. Mangotara*, 638 Phil. 353, 477 (2010) [Per J. Leonardo-Castro, First Division].

⁸⁶ *Sevilla v. Cardenas*, 529 Phil. 419, 433 (2006) [Per J. Chico-Nazario, First Division].

correspond to the area awarded by the 1912 LRC Ruling. In view of the existence of the 1912 LRC Ruling which granted only a portion of the "larger parcel" to Demetria, Vidal and Azimuth cannot simply rely on the presumption of regularity in the performance of official acts.

The presumption having been overcome by the presentation of the 1912 LRC Ruling which was affirmed by the Court, it behooved upon Vidal and Azimuth to adduce a clear and convincing evidence that there was no irregularity in the reconstitution of OCT 0-1200 (a.f.). Regrettably, not only did Vidal and Azimuth fail to present evidence showing that the excess area of the "larger parcel" was lawfully awarded to Demetria, they also utterly failed to explain how the area was increased such that the reconstituted title already covered the entire 37.87 hectares when the LRC granted only about three to four hectares to Demetria.

In a vain attempt to obtain a favorable judgment, Vidal and Azimuth argue that the CA erred in holding that the 1912 LRC Ruling is the final and executory judgment in the land registration proceedings. They insist that the land registration court has the authority to award the entire area of the "larger parcel" to Demetria after the conduct of a new survey. In short, Vidal and Azimuth avers that the land registration court may lawfully overturn the final and executory 1912 LRC Ruling which was affirmed by no less than the Court in its 1914 Decision. In support of this argument, Vidal and Azimuth cite Section 36 of Act No. 496 which provides:

SECTION 36. If in any case an appearance is entered and answer filed, the case shall be set down for hearing on motion of either party, but a default and order shall be entered against all persons who do not appear and answer, in the manner provided in the preceding section. The court may hear the parties and their evidence or may refer the case or any part thereof to one of the examiners of title, as referee, to hear the parties and their evidence, and make report thereon to the court. The trial before the referee may occur at any convenient place within the province or city, and the time and place of trial shall be fixed by the referee and reasonable notice thereof shall be given by him to the parties. The court shall render judgment in accordance with the report as though the facts had been found by the judge himself, unless the court shall for cause shown set the report aside or order it to be recommitted to the referee for further finding: *Provided, nevertheless*, That the court may in its discretion accept the report in part or set it aside in part. The court may in any case before decree require a survey to be made for the purpose of determining boundaries, and may order durable bounds to be set, and referred to in the application, by amendment. The expense of survey and bounds shall be taxed in the costs of the case and may be apportioned among the parties as justice may require. If no persons appear to oppose the application, such expense shall be borne by the applicant. If two or more applications claim the same land, or part of the same land, the court may order the hearing upon all such applications to be consolidated, if such consolidation is in the interest of economy of time and expense.



Relying on the above-cited provision of law, Vidal and Azimuth maintain that it is the land registration court that has the final say as regards the area to be awarded to Demetria notwithstanding the final and executory 1912 LRC Ruling as affirmed in the Court's 1914 Decision which determined with finality that Demetria is entitled only to the southern portion of the "larger parcel," viz.:

The court therefore finds that the applicant Doña Demetria Cacho is owner of the portion of land occupied and planted by the deceased Datto Anandog in the southern part of the large object of expediente No. 6909 only; and her application as to all the rest of the land solicited in said case is denied. And it is ordered that a new survey of the land be made and a corrected plan be presented, excluding all the land not occupied and cultivated by Datto Anandog; that said survey be made and the corrected plan presented on or before the 30th day of March, 1913, with previous notice to the commanding general of the Division of the Philippines.⁸⁷ (Emphasis supplied)

Vidal and Azimuth's reliance in Section 36 of Act No. 496 is clearly misplaced. A plain reading of Section 36 of Act No. 496 shows that it pertains to the proceedings before the land registration court for an original application for registration of a parcel of land. In the proceedings below, the land registration court may in any case before decree require a survey to be made for the purpose of determining boundaries, and may order durable bounds to be set, and referred to in the application, by amendment.

Evidently, this procedure presupposes an application for registration at the level of the land registration court only. It does not refer to a dispute which was adjudicated by the land registration court and eventually elevated to the Court for confirmation. Simply stated, Section 36 of Act No. 496 pertains to the proceedings below which has not yet reached the Court.

In the case at bar, a controversy arose involving the area to be awarded to Demetria as she claimed to be the owner of the entire area of the "larger parcel." Upon investigation, however, it was found out that Demetria was entitled to the southern portion only and her application as to the rest of the land was denied. This was reiterated by the Court in its 1914 Decision which has long attained finality. Thus, the conduct of a new survey as mandated by the 1912 LRC Ruling and the 1914 Decision was intended for the purpose of determining the land occupied by Datto Anandog and segregating the same from the rest of the "larger parcel" to determine the extent of the land owned by Demetria. The 1912 LRC Ruling pertinently reads:

And it is ordered that a new survey of the land be made and a corrected plan be presented, excluding all the land not occupied and cultivated by Datto Anandog.

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⁸⁷ *Cacho v. The Government of the United States*, 28 Phil. 616, 629-630 (1914) [Per. J. Carson, *En Banc*].

⁸⁸ *Id.*

Accordingly, the appellate court was correct when it held that Demetria's presentation of a new survey plan did not have any bearing on the extent of the land awarded to her as it was only for the purpose of ensuring her compliance with the conditions imposed therein. If Vidal and Azimuth's argument that the land registration court has the authority to amend the final award made by the final and executory 1912 LRC Ruling were to be followed, the same would result in an unjustified modification and alteration of a final and executory decision of the land registration court as affirmed by the Court. To reiterate, the survey ordered by the Court was intended to segregate the three to four hectares of the "larger parcel" adjudicated in favor of Demetria pursuant to the final and executory 1912 LRC Ruling as affirmed by the Court. Thus, it is incorrect to say that the LRC has the authority to award the entire "larger parcel" to Demetria in contravention of the Court's final and executory 1914 Decision.

In this light, Vidal and Azimuth's claim of ownership extends no further than the parcels specifically adjudicated in favor of Demetria under the 1912 LRC Ruling, which this Court subsequently affirmed in its 1914 Decision. Any claim exceeding the bounds of that judicial award finds no support in the controlling judgments. In sum, the excess portion of the "larger parcel" beyond the area awarded in the 1912 LRC Ruling, as affirmed in the 1914 Decision, must revert to the mass of the public domain.

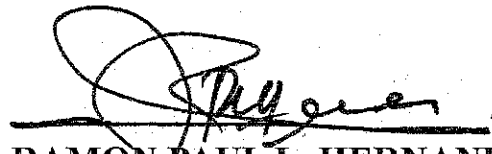
Anent the "smaller parcel" covered by the ruling in GLRO Records No. 6908, the records indicate that irregularities may have attended the issuance of the corresponding OCTs. Nevertheless, such irregularities, standing alone, do not demonstrate that lands beyond those adjudicated under the 1912 LRC Ruling were improperly incorporated into the titles. While the LRC required the submission of a deed evidencing Darondon's relinquishment of his rights over the smaller parcel in favor of Demetria, the absence of that document, without more, does not warrant the nullification of the decree or the titles subsequently issued. In the absence of competent proof that the titles were procured through fraud, misrepresentation, or the unlawful inclusion of property not covered by the LRC's adjudication, there exists no sufficient basis to disturb the title to the smaller parcel. As such, no reversion may be decreed with respect to the property covered by GLRO Records No. 6908.

ACCORDINGLY, the petitions filed by Azimuth International Development Corp. and Demetria Confessor Vidal in G.R. No. 239152 and the Republic of the Philippines in G.R. No. 239167, are **DENIED**.

The assailed Decision dated August 11, 2017 and the Resolution dated April 30, 2018 of the Court of Appeals in CA-G.R. CV No. 04083-MIN are **AFFIRMED**.

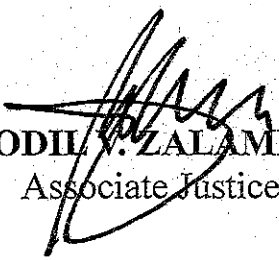


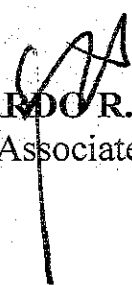
SO ORDERED.

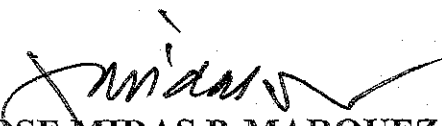

RAMON PAUL L. HERNANDO
Associate Justice
Working Chairperson

WE CONCUR:


ALEXANDER G. GESMUNDO
Chief Justice
Chairperson

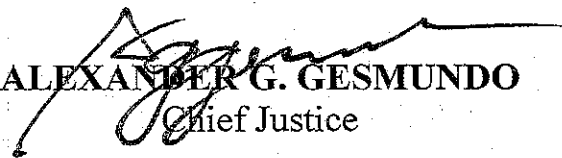

RODIL V. ZALAMEDA
Associate Justice


RICARDO R. ROSARIO
Associate Justice


JOSE MIDAS P. MARQUEZ
Associate Justice

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the cases were assigned to the writer of the opinion of the Court's Division.


ALEXANDER G. GESMUNDO
Chief Justice