

Republic of the Philippines Supreme Court Manila

SECOND DIVISION

ANTONIO GARCIA, BENJAMIN С. GARCIA, MARIA TERESA **GARCIA-**MARTINEZ, JOSE INAKI ANTON G. MARTINEZ, GUY ANTOINE* YANNIK G. ARNAULT, MARIE PASCALE G. ARNAULT and EDUARDO S. GARCIA, in their behalf and also in representation of minor CARLOS ANTONIO GARCIA, Petitioners,

- versus -

FELIPE **NERI** ESCLITO, CELESTINO DELA TORRE, GONO, ROMEO CECIL **IRENEO** WAHING, ADAN, **BIENVENIDO** ABENOJA, AÑASCO, FELIPE FELIX MALALIS, **ALDRIN** MONTALBAN, **MURILLO** DANDA, JOSE HIMARANGAN, FELICISIMO **PROCOPIO**, TALIB OSAY, NESTOR ROBLE, **FRANCISCO** OMEGA, CARLOS **BADOLATO** and WARLITO AÑASCO.

Respondents.

G.R. No. 207210

Present:

PERLAS-BERNABE, S.A.J.,** HERNANDO, *Acting Chairperson,**** ZALAMEDA, ROSARIO, and MARQUEZ, JJ.

Promulgated:	
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^{*} Also spelled as Antoinne in some parts of the records.

^{**} On official leave.

^{***} Per Special Order No. 2882 dated March 17, 2022.

DECISION

HERNANDO, J.:

This is a petition¹ for *certiorari* under Rule 65 of the Rules of Court, assailing the May 31, 2012 Decision² and the March 18, 2013 Resolution³ of the Court of Appeals (CA) in CA G.R. SP No. 01018, which dismissed petitioners' petition for *certiorari* and denied their motion for reconsideration, respectively.

Antecedents:

Sometime in 1979, petitioner Antonio Garcia purchased from Conchita Matute a 29-hectare parcel of land located at Barangay Magdug, Governor Generoso, Davao Oriental, through a deed of sale.⁴ In 1998, he divided the land and donated portions of it to his children and grandchildren (his co-petitioners) through deeds of transfer of rights.⁵ Petitioners then filed with the Department of Environment and Natural Resources (DENR) applications for the issuance of land titles pursuant to the DENR's *Handog Titulo* program.⁶ On November 17-25, 1998, petitioners were issued their respective patents and thereafter certificates of title upon registration.⁷

In 2003, respondents, who are holders of certificates of land ownership award (CLOA) issued by the Department of Agrarian Reform (DAR) on December 19, 1998, filed a petition for the annulment/declaration of nullity of deed of sale and all the deeds, documents and proceedings relying thereon⁸ before the Office of the Provincial Adjudicator of the Department of Agrarian Reform Adjudication Board (DARAB).⁹ Respondents alleged that the 1979 deed of sale was void for violating Section 6 of Republic Act No. (RA) 6657¹⁰ or the Comprehensive Agrarian Reform Law of 1988, which states:

SECTION 6. *Retention Limits.* — [x x x]

 $\mathbf{x} \mathbf{x} \mathbf{x} [\mathbf{x}]$

¹ *Rollo*, pp. 3-72.

² Id. at 75-87. Penned by Associate Justice Romulo V. Borja and concurred in by Associate Justices Carmelita Salandanan-Manahan and Pedro B. Corales.

³ Id. at 89-91. Penned by Associate Justice Romulo V. Borja and concurred in by Associate Justices Ma. Luisa C. Quijano-Padilla and Marie Christine Azcarraga Jacob.

¹ Id. at 76.

⁵ Id.

⁶ Id.

⁷ Id; *see* pp. 201-210.

⁸ Id. at 92-99.

⁹ Id. at 78.

Entitled "AN ACT INSTITUTING A COMPREHENSIVE AGRARIAN REFORM PROGRAM TO PROMOTE SOCIAL JUSTICE AND INDUSTRIALIZATION, PROVIDING THE MECHANISM FOR ITS IMPLEMENTATION, PROVIDING THE MECHANISM FOR ITS IMPLEMENTATION, AND FOR OTHER PURPOSES." Approved: June 10, 1988.

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Upon the effectivity of this Act, any sale, disposition, lease, management, contract or transfer of possession of private lands executed by the original landowner in violation of this Act shall be null and void: *Provided, however*, That those executed prior to this Act shall be valid only when registered with the Register of Deeds within a period of three (3) months after the effectivity of this Act. Thereafter, all Registers of Deeds shall inform the Department of Agrarian Reform (DAR) within thirty (30) days of any transaction involving agricultural lands in excess of five (5) hectares.¹¹ (Emphasis supplied)

According to respondents, since the 1979 Deed of Sale was not registered before the Registry of Deeds (RD) within three months from the effectivity of RA 6657, the sale was void.¹² Consequently, all other deeds, documents, and proceedings relying thereon, including petitioners' certificates of title, are also void.¹³

For their part, petitioners countered, among others, that (1) it is the DENR, not the Office of the Provincial Adjudicator of the DARAB, which has jurisdiction to cancel the patents because it was the DENR that issued the same, and because the property at the time was outside the coverage of the government's comprehensive agrarian reform program (CARP);¹⁴ (2) that petitioners' Torrens certificates of title cannot be collaterally attacked;¹⁵ (3) that their patents were issued earlier than respondents' CLOAs and hence should prevail;¹⁶ and (4) that there was no formal turn-over of the property to DAR for coverage in CARP.¹⁷

Ruling of the Provincial Adjudicator:

The Provincial Adjudicator dismissed respondents' petition for lack of jurisdiction.¹⁸ It agreed with petitioners that the land was outside the coverage of RA 6657.¹⁹ Further, it held that the validity of title cannot be attacked collaterally, and ultimately, the annulment of the deed of sale constitutes a collateral attack as it is the link between the original owner and the petitioners.²⁰ Hence, the *fallo*:

WHEREFORE, premises considered, the instant petition is hereby dismissed.

¹¹ Rollo, p. 78.

¹² Id.

¹³ Id.

¹⁴ Id. at 288-289.

¹⁵ Id. at 289-290.

¹⁶ Id. at 289.

¹⁷ Id. at 289-290. In the instant Petition, petitioners adverted to the existence of a prior forcible entry case between the parties where petitioners won (*rollo*, pp. 11-13). However, since possession is a non-issue here, the existence of the said prior proceedings is irrelevant.

¹⁸ Id. at 107.

¹⁹ Id. at 105-106.

²⁰ Id. at 107.

SO ORDERED.²¹

Ruling of the Department of Agrarian Reform Adjudication Board:

On appeal, the DARAB reversed the Provincial Adjudicator's Decision and declared the deed of sale and the subsequent donations, deeds of transfer of rights, and the incidental documents void, *viz.*:

WHEREFORE, premises considered, judgment is hereby rendered REVERSING and SETTING ASIDE the appealed decision and a new one is entered, as follows:

(1) DECLARING the Deed of Sale dated 28 May 1979 entered into between Respondent Conchita V. Matute and Respondent Antonio Garcia and the subsequent donations, Deeds of Transfer of Rights and the incidental documents covering the subject landholdings executed by Antonio Garcia in favor of his [c]o-respondents children and grandchildren, namely: Jose Marie Martinez, Carlos Antonio Garcia, Guy Antoine Arnault, Beatriz Martinez, Benjamin Garcia, Allana Arnault, Eduardo Garcia, Jose Inaki Martinez, Ma. Teresita Martinez and Alain Arnault, null and void.

SO ORDERED.²²

The DARAB held, among others, that since the land has an area of more than five hectares, the deed of sale should have been registered as required by Section 6 of RA 6657;²³ that since the deed was not registered, it is void and does not bind third persons;²⁴ that consequently, the succeeding certificates of title are likewise void;²⁵ and that the petition filed before the Provincial Adjudicator is not a direct attack on petitioners' patents but only on the unregistered deed of sale, as well as the succeeding transfers.²⁶

Unsatisfied, petitioners filed a motion for reconsideration but it was denied by the DARAB for lack of merit.²⁷

Hence, petitioners' *certiorari* petition before the CA, attributing grave abuse of discretion on the part of the DARAB.²⁸

²³ Id. at 122.

²¹ Id.

²² Id. at 124-125.

 ²⁴ Id. at 123.
 ²⁵ Id. at 123-124.

 $^{^{26}}$ Id. at 123-124.

²⁷ Id. at 131-132.

²⁸ Id. at 133-168.

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However, before the CA could issue the assailed Decision and Resolution, petitioners filed a direct complaint for cancellation of certificates of title²⁹ with the Regional Trial Court (RTC) of Lupon, Davao Oriental, where they similarly questioned the validity of the deed of sale and the resulting certificates of title.³⁰

Ruling of the Court of Appeals:

Upon review, the CA denied the petition, viz.:

WHEREFORE, the instant Petition for Certiorari is DENIED.

SO ORDERED.³¹

The CA agreed with the DARAB that the latter has jurisdiction over respondents' petition to nullify the deed of sale as it concerned a violation of Section 6, RA 6657;³² that the property is within the coverage of the law;³³ that based on Section 6, the deed of sale should have been registered to be valid and effective;³⁴ and that since it was not registered, the DARAB was justified in declaring it void.³⁵

Undeterred, petitioners filed a motion for reconsideration but this was denied by the CA through the assailed Resolution, *viz*.:

Movant having failed to present new and substantial arguments to warrant the reversal of the Court's ruling, the instant motion for reconsideration is hereby DENIED.

SO ORDERED.36

Hence, the petition, where petitioners insist, among others, that the deed of sale is not covered by Section 6 of RA 6657,³⁷ and that their Torrens certificates of title cannot be cancelled by the DARAB based on the collateral attack instituted by respondents.³⁸

Respondents, on the other hand, countered that the deed of sale is covered by Section 6 because it involves a private land exceeding five hectares,³⁹ and that the DARAB has jurisdiction because the case concerns a violation of RA 6657.⁴⁰

³⁷ Id, at 31-35.

⁴⁰ Id. at 642-643.

²⁹ Id. at 303-319
³⁰ Id. at 305-311 and 21.

³¹ Id. at 86.

³² Id. at 81-82.

³³ Id. at 82-83.

³⁴ Id. at 84-85.

³⁵ Id. at 85-86.

³⁶ Id. at 90-91.

³⁸ Id. at 41-42.

³⁹ CA *rollo*, pp. 640-642. Because respondents failed to file a Comment, the Court considered their arguments before the CA in response to petitioners' motion for reconsideration (CA *rollo*, pp. 635-645.)

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Issue

Did the CA commit grave abuse of discretion amounting to lack or excess of jurisdiction in rendering the assailed Decision and Resolution?

Our Ruling

The petition is meritorious.

Preliminarily, the Court notes that petitioners availed the wrong remedy. Instead of filing an ordinary appeal, they resorted to the special civil action of *certiorari*, a remedy that is available only when there is no appeal or any plain, speedy, and adequate recourse in the ordinary course of law.⁴¹ It is settled that when appeal is available, the action will not prosper even if the ascribed error is lack or excess of jurisdiction or grave abuse of discretion.⁴²

However, there are instances when recourse to *certiorari* may be allowed despite the availability of appeal, such as (1) when public welfare and the advancement of public policy dictates, (2) when the broader interest of justice so requires, (3) when the writs issued are void, or (4) when the questioned order amounts to an oppressive exercise of judicial authority.⁴³ Here, the Court believes that the interest of justice will be better served by giving due course to the petition considering that the DARAB decision, which the CA effectively affirmed, is a patent nullity.

Respondents' petition before the Provincial Adjudicator constitutes an impermissible collateral attack on petitioners' Torrens certificates of title.

Section 43 of Presidential Decree No. 1529, or the Property Registration Decree, states that a certificate of title shall not be subject to a collateral attack and cannot be altered, modified, or cancelled except in a direct proceeding in accordance with law. A direct attack is an action whose main objective is to annul, set aside, or enjoin the enforcement of a judgment pursuant to which a registration decree is issued, if the judgment has not yet been implemented, or if already implemented, to seek the recovery of the property.⁴⁴ On the other hand, a collateral attack transpires when, in an action to obtain a different relief, an attack is incidentally made against the judgment.⁴⁵

⁴¹ RULES OF COURT, Rule 65, Sec. 1.

⁴² Chua v. People, 821 Phil. 271, 278-279 (2017), citing Cuevas v. Macatangay, 806 Phil. 325, 336 (2017).

⁴³ Butuan Development Corp. v. Court of Appeals (21st Division), 808 Phil. 443, 452 (2017), citing Tanenglian v. Lorenzo, 573 Phil. 472, 488 (2008).

 ⁴⁴ Campos v. Ortega, Sr., 734 Phil. 585, 602 (2014), citing Vda. de Aguilar v. Spouses Alfaro, 637 Phil. 131, 145 (2010).

⁴⁵ Id., citing Vda. de Aguilar v. Spouses Alfaro, id. at 144.

A collateral attack is prohibited because the integrity of land titles and their indefeasibility are guaranteed by the Torrens system of registration.⁴⁶ The Torrens system was adopted precisely to quiet titles to lands and to put a stop forever to any question of legality of the titles, except claims which were noted at the time of registration or which may arise subsequent thereto.⁴⁷ By guaranteeing the integrity of land titles and their indefeasibility, the Torrens system gives the registered owners complete peace of mind.⁴⁸

Here, it is important to note that petitioners are holders of certificates of title registered under the Torrens system.⁴⁹ Thus, their certificates can only be attacked directly.

Yet respondents instituted a collateral attack in their petition before the Provincial Adjudicator. Although they mainly sought the nullification of the deed of sale, they also alleged that such instrument ultimately gave rise to the issuance of certificates of title in favor of petitioners; hence, their express prayer to have the certificates be cancelled or nullified as a consequence, *viz*.:

11. On the basis of the Deed of Sale between respondents Conchita Matute Cunanan and Antonio N. Garcia, the deed, "Transfer of Rights" executed by respondent Antonio N. Garcia, and the approved subdivision plan, respondents Jose Marie G. Martinez (minor), Carlos Antonio Garcia (minor), Guy Antoine Yannik G. Arnault (minor), Beatriz G. Martinez (minor), Alanna Marie Pascale G. Arnault (minor), Eduardo S. Garcia (minor), Benjamin C. Garcia, Ma. Teresita Garcia-Martinez, Jose Inaki Anton Garcia Martinez, and Alain A. Arnault *[sic]* filed their respective applications with the CENRO of the DENR in Lupon, Davao Oriental on October 13, 1998 except that of respondents Jose Inaki Anton Garcia Martinez and Alain A. Arnault which were filed on October 23, 1998. x x x

12. Respondents' applications for Free Patent grant were given due course by the DENR and the applicants-respondents were issued with their respective original certificates of title, to wit:

<u>Title</u> Number	Title Holder			<u>Date of</u> Approval	<u>Date</u> Registered	Annex
P-22390	Jose Martin	Marie lez (minor)	G.	11/17/98	11/25/98	"N"

⁴⁶ See Philippine Bank of Communications v. Register of Deeds for the Province of Benguet, G.R. No. 222958, March 11, 2020, citing Heirs of Cullado v. Gutierrez, G.R. No. 212938, July 30, 2019.

⁴⁷ Spouses Pontigon v. Heirs of Sanchez, 801 Phil. 1042, 1071 (2016), citing Rabaja Ranch Development Corp. v. AFP Retirement and Separation Benefits System. 609 Phil. 660, 676-677 (2009).

⁴⁸ See Philippine Bank of Communications v. Register of Deeds for the Province of Benguet, supra note 46.
⁴⁹ Petitioners' certificates of title, derived from the DENR's grant of patents, were registered in 1998 (rollo, p. 10). Unipprudence provides that once a putert is registered and the corresponding corresponding of title is

p. 10). Jurisprudence provides that once a patent is registered and the corresponding certificate of title is issued, the land ceases to be part of public domain and becomes private property, and the Torrens title issued pursuant to the patent becomes indefeasible upon the expiration of one year from the date of such issuance (*Lorzano v. Tabayag, Jr.*, 681 Phil. 39, 52 (2012), citing *Heirs of Alcaraz v. Republic*, 502 Phil. 521, 532 (2005)).

P-22391	Carlos Antonio Garcia (minor)	11/17/98	11/25/98	"N-1"
P-22392	Guy Antoine Yannik G. Arnault (minor)	11/17/98	11/25/98	"N-2"
P-22393	Beatriz G. Martinez (minor)	11/17/98	11/25/98	"N-3"
P-22409	Benjamin C. Garcia	11/19/98	11/25/98	"N-4"
P-22410	Alanna Marie Pascale	11/19/98	11/25/98	"N-5"
	G. Arnault (minor)			
P-22411	Eduardo S. Garcia (minor)	11/19/98	11/25/98	"N-6"
P-22412	Jose Inaki Anton Garcia Martinez	11/19/98	11/25/98	"N-7"
P-22418	Ma. Teresita Garcia- Martinez	11/25/98	11/27/98	"N-8"
P-22419	Alain A. Arnault	11/25/98	11/27/98	"N-9"

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WHEREFORE, premises considered, it is respectfully prayed that judgment be rendered declaring the Deed of Sale entered into on May 28, 1979 by and between respondent Conchita V. Matute, as Vendor, and respondent Antonio Garcia, as Vendee, over the subject land *Null and Void* as well as all the proceedings utilizing said deed and all the documents and <u>certificates of title</u> emanating therefrom.⁵⁰ (Underscoring supplied)

Jurisprudence has recognized an attack on a deed of sale pursuant to which a certificate of title was issued as an impermissible collateral attack on the certificate of title.⁵¹ In *Vicente v. Avera*,⁵² the petitioner Spouses Vicente sought an injunction to prevent the execution of a prior court decision which allowed the respondents to interfere with the spouses' rights as registered owners of the property. In defense, the respondents questioned the validity of the deed of sale pursuant to which the spouses' certificate of title was issued. However, the Court, speaking through then Chief Justice Reynato Puno, held that the attack on the deed of sale constitutes a collateral attack on the certificates of title and is therefore prohibited by law, *viz.*:

It was erroneous for respondents to assail the deed of sale executed on October 1, 1987 in favor of petitioners, because this constitutes a collateral attack on petitioners' TCT. Section 48 of P.D. No. 1529 prohibits a collateral attack on a Torrens title. This Court has held that a petition which, in effect, questioned the validity of a deed of sale for registered land constitutes a collateral attack on a certificate of title. In the case at bar, respondents' allegation, that the deed of sale executed on October 1, 1987 in favor of petitioners does not exist, clearly constitutes a collateral attack on a certificate of title. The allegation of the inexistence of the deed of sale in effect attacks the validity of the TCT issued in the petitioners' names.⁵³ (Citations omitted)

⁵³ Id.

⁵⁰ *Rollo*, pp. 95-96, 98.

⁵¹ Vicente v. Avera, 596 Phil. 693, 701 (2009). See also Spouses Zaragoza v. Court of Appeals, 395 Phil. 516, 525-526 (2000).

⁵² Id.

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Indeed, here, to attack the deed of sale would be to effectively attack the certificates of title. Once the deed is nullified by the DARAB, the cancellation of the certificates will logically follow, reducing the succeeding cancellation proceedings to a mere formality.

Significantly, the collateral attack made by respondents was recognized by the Provincial Adjudicator, *viz*.:

It is elementary in land registration cases that the validity of the title as issued cannot be attacked collaterally. The assailed Deed of Sale is the link between the original owner and the answering respondents herein. Ultimately, the annulment and/or declaration of nullity would lead to a nullification of the titles of the answering respondents. If allowed, this case will constitute a collateral attack on the answering respondents. Under the laws and series of jurisprudence, an attack on the validity of titles under the Torrens System should be made in a proceeding directly brought for this purpose.⁵⁴ (Emphasis supplied)

Hence, the Provincial Adjudicator properly dismissed the petition.

However, on appeal, the DARAB reversed the Provincial Adjudicator and held that there was no direct attack.⁵⁵ As to whether there was a collateral attack, the relevant issue, the DARAB remained silent.

By giving due course to the appeal and therefore allowing a prohibited collateral attack, the DARAB gravely abused its discretion. Again, petitioners' certificates of title, being registered in the Torrens system, can only be attacked in an action expressly instituted for that purpose. It cannot be assailed even incidentally in an action mainly seeking a different relief, such as in respondents' petition to nullify the deed of sale.

But aside from allowing a collateral attack, the DARAB also went further and effectively declared the certificates void based on the said collateral attack.⁵⁶ In its Decision, the DARAB openly recognized petitioners' Torrens certificates of title—which were derived from the DENR's grant of patents and not from any CARP-related award such as CLOAs or emancipation patents, over which the DARAB may have jurisdiction⁵⁷—to be invalid. Thus, in the *fallo*, it pronounced "the incidental documents covering the subject landholdings" as void:

Applying the foregoing provisions and jurisprudence, the subject Deed of Sale, being unregistered, is, therefore, null and void and does not bind third persons. As a logical consequence, the succeeding Deed of Transfer of Rights (Annex "K" of Appellants' Memorandum), the Certificates of Title (Annexes

⁵⁴ *Rollo*, p. 107.

⁵⁵ Id. at 124.

⁵⁶ See Gabriel v. Jamias, 587 Phil. 216, 230-232 (2008).

⁵⁷ Id.

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"N" to N-9" [sic] of Appellants' Memorandum) are likewise null and void, as they come from invalid source.

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WHEREFORE, premises considered, judgment is hereby rendered REVERSING and SETTING ASIDE the appealed decision and a new one is entered, as follows:

(1) DECLARING the Deed of Sale dated 28 May 1979 entered into between Respondent Conchita V. Matute and Respondent Antonio Garcia and the subsequent donations, Deeds of Transfer of Rights and **the incidental documents covering the subject landholdings** executed by Antonio Garcia in favor of his [c]o-respondents children and grandchildren, namely: Jose Marie Martinez, Carlos Antonio Garcia, Guy Antoine Arnault, Beatriz Martinez, Benjamin Garcia, Allana Arnault, Eduardo Garcia, Jose Inaki Martinez, Ma. Teresita Martinez and Alain Arnault, null and void.

SO ORDERED.⁵⁸ (Emphasis supplied)

Clearly, then, the CA is not justified in dismissing petitioners' *certiorari* petition that questioned the DARAB's patently void Decision. For doing so, the CA itself committed grave abuse of discretion amounting to lack or excess of jurisdiction, rendering the assailed Decision a nullity as well.

Notably, respondents themselves appear to have realized the need to institute a direct attack for petitioners' Torrens certificates of title to be cancelled. In 2009, they filed a direct complaint for cancellation before the RTC of Lupon, Davao Oriental.⁵⁹ Such would be a more appropriate forum to thresh out their arguments on the invalidity of the certificates resulting from the alleged defect of the deed of sale.

In fine, the CA committed grave abuse of discretion in dismissing petitioners' *certiorari* action and thus effectively affirming the DARAB's Decision. Not only was it grave abuse for the DARAB to give due course to respondents' appeal, it was also beyond its jurisdiction to effectively declare them void.

WHEREFORE, the petition is GRANTED. The Court of Appeals' May 31, 2012 Decision and March 18, 2013 Resolution in CA G.R. SP No. 01018 are SET ASIDE. In their place, the Provincial Adjudicator's October 30, 2003 Decision, which dismissed respondents' petition for the annulment/declaration of nullity of deed of sale and all the deeds, documents and proceedings relying thereon, is REINSTATED.

⁵⁸ Rollo, pp. 123-125.

⁵⁹ Id. 303-317.

SO ORDERED.

L. HERNANDO R Associate Justice

WE CONCUR:

On official leave. ESTELA M. PERLAS-BERNABE Senior Associate Justice

RODI ÈDA ociate Justice As

RICARI ROSARIO Associate Justice

DAS P. MARQUEZ JOSE M Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

RAMON PAUL L. HERNANDO

Associate Justice Acting Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Acting Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

R G. GESMUNDO Chief Justice