

# REPUBLIC OF THE PHILIPPINES SUPREME COURT Manila

# SECOND DIVISION

# NOTICE

Sirs/Mesdames:

Please take notice that the Court, Second Division, issued a Resolution dated **03 March 2021** which reads as follows:

"G.R. No. 243054 (Estrella P. Caasi and Carla Adelaine S. Delmo v. Rosita A. Sacramento). — The applicant's compliance with the legal requirements for the grant of a free patent is the core issue in this Petition for Review on Certiorari<sup>1</sup> under Rule 45 of the Rules of Court assailing the Court of Appeals' (CA) Decision<sup>2</sup> dated April 27, 2018 in CA G.R. SP No. 146133.

## ANTECEDENTS

Miguel de Perio (Miguel) possessed Lot Nos. 7201 to 7206 and 7063 to 7064 of Cad. 559-D, Barangay Estanza, Bolinao, Pangasinan with a total land area of 62,372.95 square meters. When Miguel died in 1913, he was succeeded by his son Pascual de Perio (Pascual). Pascual was then succeeded by his children, Bernabe de Perio (Bernabe), Trinidad Sacramento (Trinidad), and Concepcion Camero (Concepcion). Trinidad is the mother of Hector de Perio (Hector) and the grandmother of petitioner Carla Adelaine S. Delmo (Carla), while Bernabe is the mother of petitioner Estrella P. Caasi (Estrella).<sup>3</sup>

Hector and his wife, respondent Rosita A. Sacramento (Rosita), claimed to be in possession of Lot Nos. 7201, 7202, 7203 and 7206. When Hector died on October 4, 2004, he was succeeded by Rosita and their four children.<sup>4</sup> Thereafter, Rosita filed a Free Patent Application (FPA) covering Lot No. 7203 with the Department of Environment and Natural Resources (DENR)-Region I. As supporting evidence, Rosita submitted Certifications dated February 28, 2005 and March 8, 2005 from the Community Environment and Natural Resources Office (CENRO) that Lot Nos. 7201-

Rollo, pp. 8-27.

<sup>&</sup>lt;sup>2</sup> Id. at 78-102; penned by Associate Justice Pablito A. Perez, with the concurrence of Associate Justices Ramon M. Bato, Jr. and Ramon A. Cruz.

<sup>&</sup>lt;sup>3</sup> Id. at 79.

<sup>&</sup>lt;sup>4</sup> Id. at 80.

7203 of Cad. 559-D were declared alienable and disposable. Also, Rosita averred that she and her late husband have been in open, continuous, and exclusive possession of Lot No. 7203 for at least 30 years, thus, she has the right to a free patent.<sup>5</sup>

Estrella and Carla protested the FPA covering Lot No. 7203 and asked DENR-Region I to suspend any action involving Lot Nos. 7201, 7202, 7204, 7205, 7206, 7063, and 7064.<sup>6</sup> They contended that the parcels of land were part of what they inherited from Miguel. On June 27, 2008, Officer-in-Charge Regional Executive Director (OIC-RED) Constancio Arciaga granted the protest, and held that Rosita was unable to prove any possessory right over Lot No. 7203.7 The OIC-RED gave credence to the sworn declaration of Atty. Antolin P. Camero stating that Hector and Rosita's occupation of Lot No. 7203 was only tolerated by his mother and Hector's aunt.8 Further, the OIC-RED quoted the Terminal Report dated June 21, 2007 prepared by Special Investigator Graciano Boquiren of the Lands Management Bureau stating that Rosita's actual residence is in Muntinlupa. Lastly, the OIC-RED explained that Rosita's late husband did not inherit Lot No. 7203 from his mother, Trinidad, because the latter sold what she inherited to a certain Remedios Delmo. Consequently, no inheritance was transmitted to Rosita upon her husband's death, viz :

Moreover, the house purported to [be] the residence of Mrs. Rosita Sacramento in Bolinao is not actually [used] for [vacation] purposes, the space occupied in the premises was merely tolerated by the protestant, Remedios P. Sacramento-Delmo. The truth of the matter is that her official residence is at Block 28, Lot 3, Soldiers Hills Village, Muntinlupa. Her claim that she and her husband were the ones planting the coconut trees of about more than fifty years old cannot be sustained by any iota of evidence to prove the same.

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Thirdly, Protestee claims in her Position Paper that Protestee, being the successor-in-interest of her late husband, has all the right to apply for Free Patent as part of their conjugal property. However, like the Protestee, no evidence was adduced to establish that the subject properties were owned by her late husband for her to succeed him. Even with the established fact that her husband, Hector de Perio-Sacramento, is one of the forced [heirs] of MIGUEL DE PERIO who may succeed him, still, no inheritance may be transmitted to her by her husband because of the fact that sometime in August 1988, TRINIDAD P. SACRAMENTO, mother and predecessor-in-interest of Hector de Perio-

<sup>&</sup>lt;sup>5</sup> *Id.* at 39.

<sup>&</sup>lt;sup>6</sup> Id. at 31-35.

<sup>&</sup>lt;sup>7</sup> Id. at 46-58.

<sup>&</sup>lt;sup>8</sup> Id. at 52. He was tolerated to stay in the premises in question out of the good graces of my late mother [Concepcion] de Perio vda. de Camero whose consent he (Hector) solicited from her in my presence which my mother granted so that he can put up his house on those lots because Hector was sick in 1988. 1 accommodated my cousin Hector and Free Patent Applicant Rosita Assidao vda. de Sacramento and their children to stay in my house in Bolinao, Pangasinan when he wanted to recuperate in Bolinao for his illness.

Sacramento, had sold all her rights, shares and interests and participation over 1/3 pro in diviso over two (2) parcels of land located at Brgy. Balingasay and Luciente I, now Brgy. Estanza, both of Bolinao Cadastre, in favor of REMEDIOS S. DELMO. Stated otherwise, Hector de Perio-Sacramento has nothing to inherit from her mother that may be transmitted to his wife. Hence, Protestee cannot claim any right over the subject properties by right of representation x x x.<sup>9</sup>

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WHEREFORE, in view of the foregoing, this Office finds merit to the instant Protest. [H]ence, the same is hereby GIVEN DUE COURSE. Further, the Free Patent Application No. 015514610 in the name of Ms. Rosita A. vda. de Sacramento and all actions affecting Lot Nos. 7201, 7202, 7204, 7205, 7206, 7063, 7064 of Cad. 599-D, Barangay Estanza, Bolinao, Pangasinan are hereby ordered to be CANCELLED and DROPPED from the records of this Office.

### **SO ORDERED.**<sup>10</sup> (Emphases in the original.)

Rosita moved for reconsideration, and argued that her residence in Muntinlupa was transient in character due to medical checkups. She also pointed out the conflicting assertions about Remedios or Concepcion's alleged tolerance of her and her late husband's possession of Lot No. 7203. On August 25, 2008, the OIC-RED denied Rosita's motion.<sup>11</sup> Dissatisfied, Rosita appealed to the DENR Secretary. On October 18, 2010, the DENR Secretary dismissed the appeal, and held that there was no clear indication that Rosita was in possession of Lot No. 7203. Rosita only admitted that she is in actual possession of Lot Nos. 7201 and 7206 in her Answer to Protest with Motion to Dismiss.<sup>12</sup> Aggrieved, Rosita sought reconsideration but was denied.<sup>13</sup> Rosita then elevated the case to the Office of the President (OP). On November 13, 2014, the OP denied the appeal.<sup>14</sup>

Unsuccessful at a reconsideration,<sup>15</sup> Rosita filed a Petition for Review under Rule 43 in the CA, and raised the issue of non-compliance with the requirements of barangay conciliation under the Local Government Code (LGC). Rosita also argued that the OIC-RED's Decision, as upheld by the DENR Secretary and OP, did not specifically identify Lot No. 7203 as part of the property that her husband allegedly occupied by mere tolerance. Rosita pointed out that she admitted actual possession of Lot Nos. 7201 and 7206, but OIC-RED and the DENR Secretary took it as an admission that she was not in possession at all of Lot No. 7203.<sup>16</sup>

- <sup>9</sup> Id. at 52-54.
- <sup>10</sup> Id. at 57.
- <sup>11</sup> *Id.* at 59-60. <sup>12</sup> *Id.* at 62-65.
- <sup>13</sup> *Id.* at 67-69.
- <sup>14</sup> *Id.* at 70-74.
- <sup>15</sup> Id. at 75-76.
- <sup>16</sup> Id. at 88-89.

On April 27, 2018,<sup>17</sup> the CA ruled that the filing of the Protest should have been preceded by barangay conciliation proceedings since both parties reside in Bolinao, Pangasinan. Absent such requirement, the Protest was premature, and should have been dismissed outright. Anent the merits, the CA found that Rosita is qualified to apply for a free patent since there is substantial evidence showing that she and her late husband possessed and occupied Lot No. 7203 in the concept of owners since 1954,<sup>18</sup> thus:

WHEREFORE, the instant petition is GRANTED. The Decision and Resolution, dated November 13, 2014 and April 26, 2016, respectively, of the Office of the President in O.P. Case No. 11-J-359 are **REVERSED and SET ASIDE**. The **PROTEST** filed before the Department of Environment and Natural Resources' Regional Office No. 1, San Fernando City by herein respondents, Estrella P. Caasi and Carla Adelaine S. Delmo against Rosita A. Sacramento's Free Patent Application No. 015514610 covering Lot No. 7203 of Cad. 599-D, Barangay Estanza, Bolinao, Pangasinan is hereby **DISMISSED**. Let Free Patent Application No. 015514610 and actions filed by Rosita A. Sacramento before the Department of Environment and Natural Resources affecting Lot Nos. 7201, 7202, and 7206 of Cad. 599-D, Barangay Estanza, Bolinao, Pangasinan be **GIVEN DUE COURSE**.

# SO ORDERED.<sup>19</sup>

Estrella and Carla sought reconsideration but was denied.<sup>20</sup> Hence, this recourse. Estrella and Carla argue that the approval of the application and award of free patent cannot be subjected to amicable settlement under the LGC.<sup>21</sup> Moreover, Rosita failed to substantiate compliance with the legal requirements for the grant of free patent.<sup>22</sup> Estrella and Carla also pointed out that the Deed of Sale executed by Trinidad, Hector's mother, in favor of Remedios, was notarized and cannot be collaterally attacked.<sup>23</sup> The non-registration of the deed does not relieve the parties from the obligations arising from it.<sup>24</sup> Lastly, Estrella and Carla aver that Remedios merely tolerated Rosita's presence on the land.<sup>25</sup>

# RULING

The *Katarungang Pambarangay* system is a way of amicably settling disputes and aim to substantially unclog court dockets.<sup>26</sup> In this case, however, the CA erred in ruling that the Protest before DENR-Region 1 should have been preceded by barangay conciliation proceedings. Foremost, barangay conciliation is a pre-condition for the filing of

<sup>&</sup>lt;sup>17</sup> Id. at 78.

<sup>&</sup>lt;sup>18</sup> Id. at 92-97.

<sup>&</sup>lt;sup>19</sup> Id. at 97.

<sup>&</sup>lt;sup>20</sup> *Id.* at 111-114.

<sup>&</sup>lt;sup>21</sup> *Id.* at 22.

 <sup>&</sup>lt;sup>22</sup> Id. at 15.
<sup>23</sup> Id. at 17.

 $<sup>^{24}</sup>$  Id. at 18.

 $<sup>^{25}</sup>$  Id. at 25.

<sup>&</sup>lt;sup>26</sup> Supreme Court Administrative Circular No. 29 dated July 3, 1989.

complaint in court not administrative proceedings.<sup>27</sup> At any rate, one of the parties to the dispute is the Government which exempts the case from barangay conciliation. To be sure, a free patent is an instrument by which the Government conveys a grant of public land to a private person. The applicant recognizes that the land applied for belongs to the Government.<sup>28</sup> Since the award in a free patent involves a public property and the grantor is the Government, the parties are not subject to barangay conciliation. Apropos is the first exception in Section 408 (a) of the LGC, to wit:

SEC. 408. Subject Matter for Amicable Settlement; Exception Thereto. — The lupon of each barangay shall have authority to bring together the parties actually residing in the same city or municipality for amicable settlement of all disputes except:

# (a) Where one party is the government, or any subdivision or instrumentality thereof[.] (Emphasis supplied.)

Nevertheless, we find the petition unmeritorious. Under Section 11 of the Commonwealth Act No. 141, otherwise known as the 'Public Land Act,' as amended by Republic Act No. 6940,<sup>29</sup> there are four (4) modes of disposition of agricultural lands, namely: (1) for homestead settlement; (2) by sale; (3) by lease; or (4) by confirmation of imperfect or incomplete titles. The last mode of disposition of agricultural lands of the public domain by confirmation of imperfect or incomplete titles is either through judicial legalization or through administrative legalization. The second subcategory refers to the grant of free patents which is governed by Section 44, paragraph 1 of the Public Land Act, as amended which states:

SEC. 44. Any natural-born citizen of the Philippines who is not the owner of more than twelve (12) hectares and who, for at least thirty (30) years prior to the effectivity of this amendatory Act, has continuously occupied and cultivated, either by himself or through his predecessors-in-interest, a tract or tracts of agricultural public lands subject to disposition, who shall have paid the real estate tax thereon while the same has not been occupied by any person shall be entitled, under the provisions of this Chapter, to have a free patent issued to him for such tract or tracts of such land not to exceed twelve (12) hectares.

Corollarily, the applicant for a free patent must prove compliance with the following requisites: (1) the applicant must be a natural-born citizen of the Philippines; (2) the applicant must not own more than 12 hectares of land; (3) the applicant or his or her predecessors-in-interest must have continuously occupied and cultivated the land; (4) the continuous occupation and cultivation must be for a period of at least 30

<sup>27</sup> Agbayani v. CA, 689 Phil. 11, 16 (2012).

<sup>&</sup>lt;sup>28</sup> Taar v. Lawan, 820 Phil. 26, 56 (2017).

<sup>&</sup>lt;sup>29</sup> AN ACT GRANTING A PERIOD ENDING ON DECEMBER 31, 2000 FOR FILING APPLICATIONS FOR FREE PATENT AND JUDICIAL CONFIRMATION OF IMPERFECT TITLE TO ALIENABLE AND DISPOSABLE LANDS OF THE PUBLIC DOMAIN UNDER CHAPTERS VII AND VIII OF THE PUBLIC LAND ACT (CA 141, AS AMENDED); approved on March 28, 1990.

years before April 15, 1990, which is the date of effectivity of Republic Act No. 6940; and (5) payment of real estate taxes on the land while it has not been occupied by other persons.<sup>30</sup>

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Notably, the first two (2) requisites are undisputed. Also, it is beyond question that Lot No. 7203 can be a subject of an FPA, considering the two CENRO Certifications attesting to its alienable and disposable character.<sup>31</sup> The only issue involves Rosita's continuous occupation and cultivation of Lot No. 7203. Here, a review of the records reveals that Rosita submitted the following pieces of evidence before the DENR-Region 1, to wit:

1. Affidavits of the owners of the adjoining properties, Pedro Ramos and Hemena Regaton, attesting that the Spouses Sacramento are the actual occupants and possessors of Lot No. 7203 since 1954;

2. Joint Affidavit in support of Rosita's FPA of long-time residents of Bolinao, Conchita De Perio and Perfecto Conde, Sr.;

3. Tax Declaration No. 13514 covering Lot No. 7203 in Rosita's name and receipt for real property tax payment for Lot No. 7203 issued on January 15, 2008 while the subject lot has not been occupied by other persons;

4. Zoning Clearance, Building Permit and Application for Electrical Permit issued to Hector on October 17, 1997;

5. Certification issued by the Punong Barangay of Estanza stating that Spouses Sacramento occupied and cultivated the subject lot on which they planted coconut trees for the last 30 years; and

6. Certification issued by Community Environment and Natural Resources Office (CENRO) Land Investigator Romeo Canullas indicating that no other person claims a possessory interest over Lot No. 7203 and recommending the grant of Rosita's FPA.<sup>32</sup>

On the other hand, Estrella and Carla did not offer any proof or testimony of disinterested witnesses to counter the evidence in support of Rosita's possession and cultivation of Lot No. 7203. In their Protest, it is unclear whether it was Remedios or Concepcion who allegedly tolerated Rosita and her husband's occupation of the subject lot.<sup>33</sup> They also

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<sup>&</sup>lt;sup>30</sup> *Rollo*, p. 54.

<sup>&</sup>lt;sup>31</sup> Id. at 81.

<sup>&</sup>lt;sup>32</sup> *Id.* at 80-81.

<sup>&</sup>lt;sup>33</sup> *Id.* at 95.

submitted a Real Property Field Appraisal and Assessment Sheet indicating a certain Antonio de Perio as administrator of Lot No. 7203 which further complicated their allegation.

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Estrella and Carla likewise presented a photocopy of the alleged Deed of Absolute Sale to support their claim that Rosita did not inherit the subject lot from her husband because the latter's mother sold her shares to Remedios.<sup>34</sup> Yet, it bears emphasis that the lot in question is a public land. Trinidad could not have sold it to Remedios as she did not own it. At any rate, the photocopy of the supposed deed is inadmissible in evidence without Estrella and Carla proving the execution or existence of the original deed.<sup>35</sup> Worse, they failed to present proof of loss or other satisfactory explanation for non-production of the original instrument.<sup>36</sup>

More importantly, the lots mentioned in the photocopy of the purported deed are located in Barangays Balingasay and Luciente 1, not Barangay Estanza.<sup>37</sup> The lot subject of the FPA is clearly not the same property allegedly subject of the sale, contrary to what Estrella and Carla would have us believe. The OIC-RED misappreciated this fact and held that Barangays Balingasay and Luciente 1 are "now Brgv. Estanza."<sup>38</sup> Indeed, Rosita raised this issue at the initial stage of the case, but it was only the CA that noted the discrepancy.<sup>39</sup> Also, the DENR Secretary misread Rosita's admission in her Answer to Protest with Motion to Dismiss. Rosita admitted actual possession of Lot Nos. 7201 and 7206 but it does not contain an exclusionary statement that she and her husband occupied these lots only.<sup>40</sup> Nonetheless, the DENR Secretary took the statement to mean that Rosita and her husband did not possess Lot No.

<sup>&</sup>lt;sup>34</sup> *Id.* at 82.

<sup>&</sup>lt;sup>35</sup> Rule 130, Section 3 of the Rules of Court. SEC. 3. Original document must be produced; Exceptions. — When the subject of inquiry is the contents of a document, no evidence shall be admissible other than the original document itself, except in the following cases: (a) When the original has been lost or destroyed, or cannot be produced in court, without bad faith on the part of the offeror; (b) When the original is in the custody or under the control of the party against whom the evidence is offered, and the latter fails to produce it after reasonable notice; (c) When the original consists of numerous accounts or other documents which cannot be examined in court without great loss of time and the fact sought to be established from them is only the general result of the whole; and (d) When the original is a public record in the custody of a public officer or is recorded in a public office.

<sup>&</sup>lt;sup>36</sup> Rule 130, Section 5 of the Rules of Court. SEC. 5. When original document is unavailable. — When the original document has been lost or destroyed, or cannot be produced in court, the offeror, upon proof of its execution or existence and the cause of its unavailability without bad faith on his part, may prove its contents by a copy, or by a recital of its contents in some authentic document, or by the testimony of witnesses in the order stated.

<sup>&</sup>lt;sup>37</sup> Rollo, p. 96.

<sup>&</sup>lt;sup>38</sup> Id. at 54. [T]RINIDAD P. SACRAMENTO, mother and predecessor-in-interest of Hector de Perio-Sacramento, had sold all her rights, shares and interests and participation over 1/3 portion pro in diviso over two (2) parcels of land located at Brgy. Balingasay and Luciente 1, now Brgy. Estanza both of Bolinao Cadastre in favor of REMEDIOS S. DELMO. x x x.

<sup>&</sup>lt;sup>39</sup> Id. at 96. [B]esides being inadmissible as evidence, note too that the disputed lots are located in Barangay Estanza, not in Barangays Balingasay and Luciente as indicated in the said Deed of Sale.

<sup>&</sup>lt;sup>40</sup> Id. at 37. 4. That she admits allegation on paragraph 5 being in actual possession of CAD Lot 7201 and 7206, the truth of the matter being that ESTRELLA CAASI, one of the protestant[s] declared under oath in an AFFIDAVIT executed by her in 1998 that she and my late husband HECTOR de PERIO SACRAMENTO were adjoining owners of property situated in Brgy. Estanza, Bolinao, Pangasinan x x x.

7203.<sup>41</sup> Taken together, it is clear that the OP, DENR Secretary, and OIC-RED's conclusions are based on erroneous appreciation of facts.

Quite the contrary, the CA found substantial evidence that Rosita complied with the occupation and cultivation requirement and is qualified for the grant of free patent. We quote with approval the CA's factual and legal findings, thus:

In actions filed before administrative agencies, the quantum of proof required is substantial evidence, which is defined as follows in *Primo C*. *Miro, etc. v. Marilyn Mendoza Vda. De Erederos, x x x*:

Substantial evidence is defined as such amount of relevant evidence which a reasonable mind might accept as adequate to support a conclusion. It is more than a mere scintilla of evidence. [x x x] It need not be overwhelming or preponderant, as is required in an ordinary civil case, or evidence beyond reasonable doubt, as is required in criminal cases, but the evidence must be enough for a reasonable mind to support a conclusion.

An examination of the evidence submitted by Rosita before the DENR convinces the Court that she had discharged the burden of proof required to support her FPA.

The Spouses Sacramento's actual possession and occupation of the disputed lots since 1945 or 1954 in the concept of owners is attested to by the owners of the adjoining properties, Pedro Ramos and Hemena Regaton, and long[-]time residents of Bolinao, Conchita de Perio and Estanza Barangay Captain Conde. The (1) Certifications issued by (a) LI Canullas recommending the grant of Rosita's FPA covering Lot No. 7203, and (b) the CENRO and LVO Datic as regards the alienable and disposable character of Lot No. 7203; (2) TD and receipt of tax payment in Rosita's name covering Lot No. 7203; and (3) Zoning Clearance, Building Permit and Application for Electrical Permit in Hector's name further lend credence to Rosita's claims.<sup>42</sup>

FOR THESE REASONS, the petition is DENIED. The Court of Appeals' Decision dated April 27, 2018 and Resolution dated November 8, 2018 in CA G.R. SP No. 146133 are AFFIRMED.

SO ORDERED." (Rosario, J., on leave.)

<sup>&</sup>lt;sup>41</sup> Id. at 64. Appellant, in her "Answer to Protest with Motion to Dismiss," dated October 20, 2006, admitted that she is in actual possession of Lot Nos. 7201, 7206. Hence, this is a clear indication that she is not in possession of Lot No. 7203 and the other lots subject of the controversy. Being not in possession of Lot No. 7203, [a]ppellant, therefore, committed a misrepresentation of facts in her application which merits the denial of the same.

<sup>&</sup>lt;sup>42</sup> *Id.* at 94. Citations omitted.

By authority of the Court:

TERESITA HNO TUAZON dlerk of Court 7 1/8 Division 0 9 JUL 2021

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