Office of the President
of the Philippines
Malacañang

ENRIQUE L. NACE, represented by EMMANUEL E. NACE,

Appellant,

-versus-

VICTORIA CAMU, et al.,

Appellees.

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OP CASE NO. 17-K-278
DENR Case No. 8988

DECISION

For resolution is the appeal filed by appellant Enrique L. Nace, represented by Emmanuel E. Nace (Appellant), assailing the 05 April 2017 Resolution of the Secretary of the Department of Environment and Natural Resources (DENR), which modified its 23 October 2014 Decision.

Antecedent facts are as follows:

On 15 February 2008, Victoria Camu, et al. (Appellees) filed a Petition/Complaint[1] for the cancellation of Free Patent (FP) No. 045802-06-5379, covering Lot No. 13144,[2] in Sitio Painuman, Barangay Inarawan, Antipolo City (subject lot), issued in the name of Enrique L. Nace (Appellant); as well as FPs issued in the name of the Heirs of Juan Peynado, represented by Rodolfo Lico, over Lot Nos. 13143, 12683, and 12675 (Peynado lots).

Appellees alleged that appellant and Mr. Lico were never in possession of the said properties because they did not build structures thereon, enter into, work upon, improve, or cultivate said land by themselves. Instead, appellees have been in actual, exclusive, and continuous possession of the land in question for over thirty (30) years, and cultivated the same by planting several fruit-bearing trees. Appellees also averred that appellant and Mr. Lico submitted false statements and affidavits in their Free Patent Applications (FPAs).

Mr. Lico did not file his Answer to the said complaint.

In appellant's Answer dated 27 March 2008,[3] he specifically denied appellees' claims, and stated that his house is the only one constructed in the subject lot; Appellees did not show proof of possession/ownership of the property; and the patent

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[1] Records, DENR Case No. IV-5996 Folder 1, pp. 390-422.
[2] Under Original Certificate of Title No. P-96 with an area of 11,120 square meters.
[3] *Id.*, pp. 35-77.

granted to him is already final and incontestable for not being made at the proper and opportune time.

On 02 February 2009, Director Nilo B. Tamoria, Regional Executive Director (RED), DENR-Region IV-A, CALABARZON, issued a Resolution[4] declaring the FPs of the Heirs of Paynado inoperative due to fraud, misrepresentation, and failure to establish their registerable right over the Peynado lots; directing the DENR-Region IV-A, CALABARZON, Legal Division to coordinate with the Office of the Solicitor General (OSG) in the filing of cancellation proceedings against the FPs issued in the name of the Heirs of Peynado; declaring appellant's FP No. 045802-06-5379 cancelled and revoked for not having been registered with the Register of Deeds (ROD); and finding both lots to be within Proclamation No. 1637, the Lungsod Silangan Townsite Reservation.

In an Order dated 03 January 2011, Appellant and Mr. Lico's Motions for Reconsideration were denied for lack of merit.[5]

On 17 January 2011, appellant filed his Notice of Appeal and Appeal Memorandum, both dated 15 January 2011,[6] and paid the corresponding appeal fee, with the Office of the DENR Secretary.[7] Mr. Lico also filed his Notice of Appeal with Appeal Memorandum dated 01 February 2011.[8]

On 23 October 2014, the DENR Secretary issued the Decision[9] disposing the case, thus:

> "**WHEREFORE**, in view of the foregoing, the Resolution dated 02 February 2009 is **MODIFIED**. The Appeal of Appellant Nace is **GRANTED**. However, the Appeal of Appellant Lico is **DENIED** and the cancellation of his free patents/titles should instead be filed by parties concerned in court of competent jurisdiction.
>
> **SO ORDERED**."

Appellees Froilan M. Sta. Ana and Florinda Garcia, as well as Mr. Lico filed their respective Motions for Reconsideration on 14 November 2014,[10] 18 November 2014,[11] and 01 December 2014.[12] However, on 11 July 2016, Mr. Lico filed a Motion to Withdraw his Motion for Reconsideration.[13]

In a Resolution dated 05 April 2017,[14] the DENR Secretary dispositively ruled:

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[4] *Id.*, pp. 149-154.
[5] *Id.*, pp. 371-382.
[6] Supra *note* 1, DENR Case No. 8988 Folder, pp. 1-142.
[7] *Id.*, p. 164.
[8] *Id.*, pp. 171-202.
[9] *Id.*, pp. 336-345.
[10] Supra *note* 5, pp. 362-406.
[11] *Id.*, pp. 408-425.
[12] *Id.*, pp. 430-441.
[13] *Id.*, pp. 548-550.
[14] *Id.*, pp. 581-587.

"**WHEREFORE**, in view of the foregoing, the Motion for Reconsideration filed by Appellant Olivia Sta. Ana represented by Froilan Sta. Ana and Florinda Garcia are hereby Denied for lack of merit.

The Motion to Withdraw Motion for Reconsideration filed by Appellant Rodolfo S. Lico is GRANTED.

The Decision of this Office dated 23 October 2014 is MODIFIED. The parcels of land subject of this case under F.P. Nos. 045802-03-4453, 045802-03-4683, 045802-03-4454, and 045802-06-5379, covering Lot Nos. 13143, 12683, 12675, and 13144 now covered by OCT Nos. P-21, P-44, P-22, and P-96, in the names of the Hrs. of Juan Peynado, represented by Rodolfo Lico and Enrique L. Nace, respectively, which were found to be within the coverage of Proclamation No. 1637 otherwise known as the Lungsod Silangan Townsite Reservation, shall be referred/indorsed to the Office of the Solicitor General for the filing of appropriate action in court leading to the cancellation of the said titles.

SO ORDERED."

From this Resolution, appellees filed a Motion for Clarification and for Issuance of Notice of *Lis Pendens* on 03 May 2017,[15] while appellant filed a Motion for Reconsideration on 22 May 2017.[16] Both motions, however, were denied for lack of merit in the 28 September 2017 Resolution of the DENR Secretary.[17] Aggrieved, appellant elevated his case to this Office.

In his Appeal Memorandum[18] dated 08 November 2017, appellant reiterated that the DENR itself acknowledged in its 23 October 2014 Decision, that appellant has proven on record his actual, physical, exclusive, and continuous possession of the subject lot for thirty (30) years, whereby he built a house upon the land, worked thereon, and cultivated the lot. Appellant also stated that he presented uncontroverted documents and pieces of evidence in support of his FPA, for which a corresponding Original Certificate of Title (OCT) was issued, and has not been assailed; his FPA was duly registered as evidenced by its entry in the logbook of the ROD, and the corresponding OCT No. 2015000008 was registered on 28 January 2015. He further contends that appellees are occupants of the Peynado lots, not the subject lots; and that their Motions for Reconsideration dated 14 November 2014 and 18 November 2014 do not refer to the subject property, thus, the 23 October 2014 Decision has attained finality with respect to the subject lot, and the 05 April 2017 Resolution of the DENR Secretary modifying said Decision is without merit and proper basis.

On 02 February 2018, appellee Camu filed a Motion for Extension of Time to File Memorandum, which was granted by this Office in a Supplementary Order dated 13 February 2018 for an unextendible period of thirty (30) days from 31 January 2018. To date, however, no Memorandum was filed by appellee Camu.

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[15] *Id.*, pp. 588-688.
[16] *Id.*, pp. 766-772.
[17] *Id.*, pp. 784-790.
[18] *Id.*, pp. 855-890.

Instead, on 10 August 2018, 16 March 2019, and 17 June 2020, appellees, excluding appellee Camu, sent letters stating that since the present appeal refers only to the subject lot and appellant was the only party who filed an appeal with this Office, the Resolution of the DENR Secretary dated 05 April 2017 has become final and executory as to the Peynado lots. Thus, appellees requested that the DENR be ordered to issue the certificate of finality of said Decision, and order the OSG to institute the appropriate proceeding against the OCTs in so far as the Peynado lots are concerned.[19]

As found in the records, appellees and Mr. Lico did not file an appeal. Thus, the DENR Secretary's Decision and Resolutions affirming the findings of the RED, which declared the FPs of the Heirs of Paynado's inoperative, and holding that the cancellation of said FPAs should be filed in the court of competent jurisdiction, has become final as to them and can no longer be reviewed by this Office.

As held by the Supreme Court (SC) in *Mercury Drug Corporation v. Huang et al.*, [20] it is a fundamental principle that a judgment that lapses into finality becomes immutable and unalterable. The primary consequence of this principle is that the judgment may no longer be modified or amended by any court in any manner even if the purpose of the modification or amendment is to correct perceived errors of law or fact. This principle known as the doctrine of immutability of judgment is a matter of sound public policy, which rests upon the practical consideration that every litigation must come to an end.

However, contrary to appellant's allegation that the Motions for Reconsideration of appellees Sta. Ana and Garcia do not refer to the subject property, a reading of said pleadings clearly show that appellees specifically included both the Peynado lots and the subject lot in their claims. Thus, the 23 October 2014 Decision did not attain finality as to the subject property, and the 05 April 2017 Resolution of the DENR Secretary modifying said Decision was properly issued. It is also axiomatic that an appeal, once accepted by the court, throws the entire case open to review, and that it has the authority to review matters not specifically raised or assigned as error by the parties, if their consideration is necessary in arriving at a just resolution of the case.[21]

With regard to appellant's present appeal, the issue posed is whether his FP No. 045802-06-5379 covering the subject lot is valid and binding.

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[19] Letter dated 10 August 2018 of appellees Florinda Garcia, Ruben Henson, Teresita N. Enriquez, Rowena Castueras, Jocelyn Lastimoso, Rosita Cuaresma, Roberto Locaba, Emilina Cisreo, Corazon Batiles, Agnes Boldo, Agustin Gultian, Leticia Caseros, Rafael Francisco, Maria Valencia, Rosalia Coña, and Rosita Arevalo; Letter dated 16 March 2019 of appellees' counsel, Atty. Manuel M. Katapang, and Letter dated 17 June 2020 of appellee's representative, Florinda Garcia.

[20] G.R. No. 197654, 30 August 2017, citing *National Housing Authority v. Court of Appeals*, 731 Phil. 400, 405-406.

[21] *Sociedad Europea de Financiacion, et al., v. Court of Appeals, et al.*, GR No. 75787, 21 January 1991, citing *Saura Import & Export Co., Inc., v. Philippine International Surety Co., Inc.*, 8 SCRA 143; *Miguel v. Court of Appeals*, 29 SCRA 760.

Commonwealth Act (C.A.) No. 141, otherwise known as "The Public Land Act", as amended by Presidential Decree (P.D.) No. 152,[22] governs in the determination of who has a better and superior right to acquire alienable or disposable lands of the public domain.[23] In the case at bar, the DENR held that the appellant is occupying and cultivating the subject lot based on the DENR investigation report dated 11 August 2008,[24] and verification survey conducted by on 22-29 November 1999.[25] However, the DENR also found that the subject property is within the coverage of Proclamation No. 1637,[26] which established the town site reservation in the municipalities of Antipolo and San Mateo, Province of Rizal. Nothing in the records show that appellant disputed nor disproved that the subject property is part of the Lungsod Silangan Townsite Reservation.

Section 79 of CA No. 141, provides that all lots within a town site reservation shall be sold at public auction to the highest bidder. Hence, the DENR correctly held that the disposition of the subject lot through an FPA is not in accordance with law. The said lot cannot be disposed under Section 44 of CA No. 141 on free patents since the property involved is not capable of private ownership even by continuous occupation for thirty (30) years or more. Considering that the land covered by appellant's FP No. 045802-06-5379 is not capable of disposition under the free patent law, it follows that said FP is inoperative and confers no right to the patentee/titleholder.

In *Alica C. Galdinez v. Salvacion Firmalan et al.*,[27] the SC affirmed that administrative agencies are considered specialists in the fields assigned to them; hence, they can resolve problems in their respective fields with more expertise and dispatch than can be expected from the legislature or the courts of justice. Thus, the Court has consistently accorded respect and even finality to the findings of fact of administrative bodies, in recognition of their expertise and technical knowledge over matters falling within their jurisdiction.

Pursuant to its mandate under C.A. No. 141, the DENR is the government agency tasked with overseeing and regulating the award of public lands in the country.[28] Section 4 of C.A. No. 141, as amended, provides that the Director of Lands, subject to the control of the DENR Secretary, shall have direct executive control of the survey, classification, lease, sale or any other form of concession or disposition and management of the lands of the public domain, and his decisions as to questions of fact shall be conclusive when approved by the DENR Secretary.

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[22] Entitled *Prohibiting the Employment or Use of Share Tenants in Complying with the Requirements of Law Regarding Entry, Occupation, Improvement, and Cultivation of Public Lands, Amending for the Purpose certain Provisions of C.A. No. 141, as amended, otherwise known as The Public Land Act.*
[23] Section 2.
[24] Supra *note* 1, pp. 111-148.
[25] As per Order of the Court dated 08 June 1998 in LRC Case No. 93-1316 (In Re Application for Registration of Land, Honorata S.Lico, et al., Applicants) to determine the lot perimeter and the actual occupants of the property subject for registration.
[26] Signed on 18 April 1977, amending Proclamation No. 1283 dated 21 June 21 1974.
[27] G.R. No. 187186, 06 June 2018, citing *Solid Homes v. Payawal,* 257 Phil. 914 (1989); *JMM Promotions and Management v. Court of Appeals*, 439 Phil. 1, 10-11 (2002); *Spouses Calvo v. Spouses Vergara*, 423 Phil. 939, 947 (2001); and *Alvarez v. PICOP Resources, Inc.*, 538 Phil. 348, 397 (2006).
[28] Supra *note* 22, Section 3.

In its 05 April 2017 Resolution, the DENR Secretary affirmed the findings of the RED, when he found that the subject lot is included in the coverage of Proclamation No. 1637, and directed the indorsement of the case to the OSG for the filing of the appropriate action in court for the cancellation of the title.

As the administrative agency with expertise over specific matters such as the processing, inspection, and/or investigation of public land sale applications, the factual findings of the DENR is generally accorded great weight and respect in the absence of substantial showing that such pronouncements are patently erroneous. Considering, therefore, that the DENR's findings and justifications in the instant case are supported by substantial and uncontroverted evidence, this Office finds the same to be in order.

WHEREFORE, premises considered, the instant appeal is **DENIED** for lack of merit. The Resolutions dated 05 April 2017 and 28 September 2017 of the DENR Secretary are hereby **AFFIRMED**.

SO ORDERED.

Manila, Philippines. MAY 27 2022

By authority of the President:

SALVADOR C. MEDIALDEA
Executive Secretary

CERTIFIED TRUE COPY
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