



Republic of the Philippines
Supreme Court
Manila

SUPREME COURT OF THE PHILIPPINES
PUBLIC INFORMATION OFFICE

RECEIVED
OCT 10 2023
BY: _____
TIME: _____

SECOND DIVISION

RODOLFO SERAPION, SR. and
RODOLFO SERAPION, JR.,
Petitioners,

G.R. No. 248505

- versus -

NAPOLEON D. AMBAGAN and
PHILIP AMBAGAN,
Respondents.

X-----X

NAPOLEON D. AMBAGAN
[substituted by his heirs] and
PHILIP AMBAGAN,
Petitioners,

G.R. No. 248739

- versus -

RODOLFO SERAPION, SR. and
RODOLFO SERAPION, JR.,
Respondents.

Present:
LEONEN, J., *Chairperson*,
LAZARO-JAVIER,
LOPEZ, M.,
LOPEZ, J., and
KHO, JR., *JJ*.

Promulgated:

DEC 07 2022

X-----X

DECISION

KHO, JR., J.:

Before the Court are consolidated petitions for review on *certiorari*¹ assailing the Decision² dated October 18, 2018 and the Resolution³ dated July 5, 2019 of the Court of Appeals (CA) in CA-G.R. SP No. 149380. The assailed CA rulings denied the petition for review filed by Rodolfo Serapion, Sr. (Rodolfo, Sr.), petitioner in **G.R. No. 248505**, from the Decision⁴ dated September 28, 2016 and the Order⁵ dated January 17, 2017 of the Regional Trial Court of Binangonan, Rizal, Branch 67 (RTC) in Civil Case No. 07-023, and referred the case to the Office of the Solicitor General (OSG) for its appropriate action with respect to the reversion of the property subject of the case in favor of the government.

The Facts

The present case stemmed from an Amended Complaint⁶ dated August 27, 2008 filed by Rodolfo, Sr. and his son Rodolfo Serapion, Jr. (Rodolfo, Jr.; collectively, Rodolfo, *et al.*) before the Municipal Trial Court of Binangonan, Rizal, Branch 2 (MTC) for **quieting of title and recovery of possession with damages** against Napoleon Ambagan (Napoleon), Philip Ambagan, and all persons claiming rights under them (Napoleon, *et al.*) involving a 2,439-square meter (sq.m.) parcel of land, designated as Lot 15326, Cad. 609-D, situated in Tayuman, Binangonan, Rizal (Lot 15326) and covered by Original Certificate of Title (OCT) No. M-4863.⁷

Rodolfo, *et al.* claimed that Napoleon was the caretaker of the adjacent lot leased by the Hinoba-an Mining Exploration Corporation. In time, Napoleon occupied Lot 15326 by demolishing the existing shanty and building another one in its place. Napoleon then applied for a free patent over Lot 15326 which they opposed because a title has already been issued to them. In view of their opposition, the Department of Environment and Natural Resources (DENR), in DENR Case No. V-5806 dated March 10, 2005, cancelled and revoked Free Patent Nos. (IV-1) 045804-91-1070P⁸ and (IV-1) 15053 previously issued to Napoleon.⁹

Thereafter, Rodolfo, Sr. donated the property to his son, Rodolfo, Jr., and Transfer Certificate of Title (TCT) No. M-41673 was issued in the latter's name. Lot 15326 was subsequently subdivided into 11 lots for which separate

¹ *Rollo* (G.R. No. 248739), pp. 9-26. *Rollo* (G.R. No. 248505), pp. 10-22.

² *Rollo* (G.R. No. 248739), pp. 27-46; *Rollo* (G.R. No. 248505), pp. 23-42. Penned by Associate Justice Rafael Antonio M. Santos with Associate Justices Sesonando E. Villon and Edwin D. Sorongon, concurring.

³ *Rollo* (G.R. No. 248739), pp. 47-50; *Rollo* (G.R. No. 248505), pp. 43-46.

⁴ *Rollo* (G.R. No. 248739), pp. 63-65. Penned by Presiding Judge Dennis Patrick Z. Perez.

⁵ *CA rollo*, p. 45.

⁶ *Id.* at 73-78.

⁷ *CA rollo*, pp. 51-52. Registered on June 23, 1988.

⁸ *Rollo* (G.R. No. 248739) at 51-52. See also *CA rollo*, p. 101.

⁹ See Decision dated June 4, 2004, penned by DENR Secretary Elisea G. Gozun; and Order dated March 10, 2005, signed by DENR OIC, Regional Executive Director Ernesto D. Adobo, Jr. *CA rollo*, pp. 63-66 and 67, respectively.

AKO

titles were issued.¹⁰ Rodolfo, *et al.* argued that Napoleon's occupation of Lot 15326 has been unlawful from the beginning knowing fully well that he and the others claiming rights under him are strangers to the lot and have no color of ownership whatsoever. Since their demands for Napoleon to vacate remained unheeded, and their efforts to settle with him proved futile, they were forced to file the Complaint.

For their part, Napoleon, *et al.* filed an Answer with Counterclaim,¹¹ arguing that the Amended Complaint states no cause of action since the free patent and OCT No. M-4863 issued in Rodolfo, Sr.'s name are void and fraudulent. They claimed that Rodolfo, Sr. did not comply with the strict legal requirements in applying for free patents since Napoleon had a pending application for free patent two years prior to the time the former filed his application. They argued that they are in fact the ones in actual possession of Lot 15326 as confirmed by Land Management Officer II Alice Saubon of DENR Region IV who conducted an ocular inspection and investigation of the said lot in 1995. In any event, they claimed that their possession of Lot 15326 has been public, continuous, adverse, and in the concept of an owner for more than 30 years. Further, they argued that the Amended Complaint's verification and certification against forum shopping was solely signed by Rodolfo, Sr. who was neither the real party in interest, since Lot 15326 is now in his son's name, nor was he properly authorized to file the action. Accordingly, Napoleon, *et al.* prayed for the: **(a) annulment of the free patent and OCT No. M-4863 issued in Rodolfo, Sr.'s name, including the derivative titles; (b) reconveyance of Lot 15326 in their favor; (c) cancellation of the titles issued in Rodolfo, *et al.*'s names and the issuance of new titles in their names; and (d) award of damages in their favor.**¹²

The MTC Ruling

In a Decision¹³ dated January 12, 2015, the MTC rendered judgment: (a) dismissing the Amended Complaint for quieting of title and recovery of possession filed by Rodolfo, *et al.*, and (b) partially granting the Counterclaim filed by Napoleon, *et al.*, and accordingly, declared null and void Free Patent No. (IV-1) 009894 and OCT No. M-4863 issued in the name of Rodolfo, Sr., as well as all derivative titles thereto. The MTC, however, did not grant Napoleon's prayer for reconveyance and instead ordered the reversion of Lot 15326 to the public domain.¹⁴

Primarily, the MTC ruled that Rodolfo, Sr. failed to prove that he was authorized to file the Amended Complaint on behalf of his son, Rodolfo, Jr.

¹⁰ Based on the Amended Complaints' allegations, as cited by the MTC; these TCTs are: TCT Nos. M-113680, M-113681, M-113682, M-113683, M-113684, M-113685, M-113686, M-113687, M-113688, M-113689, M-113690. See *rollo* (G.R. No. 248739) p. 55.

¹¹ Dated May 12, 2009. See *CA rollo*, pp. 79-85.

¹² *Id.* at 83-85.

¹³ *Rollo* (G.R. No. 248739), pp. 53-62. Penned by Presiding Judge George Andy B. Pantanosas.

¹⁴ *Id.* at 62.

In this regard, it noted that the special power of attorney (SPA) submitted by Rodolfo, Sr. to prove said authority was in fact executed long before the filing of the case. Thus, the MTC concluded that the Amended Complaint was not filed by the real party-in-interest since the verification and certification were executed solely by Rodolfo, Sr., who was not an authorized party.¹⁵

In any event, the MTC held that even if Rodolfo, Sr. had the authority to file the Amended Complaint, he still failed to prove by preponderance of evidence his cause of action for quieting of title and recovery of possession. In this regard, it reasoned that the application for free patent was fraudulent since Rodolfo, Sr. did not present any evidence showing that he had been in actual cultivation and occupation of Lot 15326. On the contrary, the evidence presented by Napoleon shows that the grant of free patent to Rodolfo, Sr. was tainted with fraud. However, the MTC opined that since Napoleon failed to appeal the nullification of his free patent over Lot 15326 in DENR Case No. V-5806, the same could not be awarded to him. Hence, the MTC concluded that Lot 15326 should revert back to the public domain, without prejudice to his reapplication.¹⁶

Aggrieved, Rodolfo, Sr. appealed before the RTC.

The RTC Ruling

In a Decision¹⁷ dated September 28, 2016, the RTC affirmed *in toto* the MTC ruling and accordingly, dismissed Rodolfo, Sr.'s appeal for lack of merit. The RTC upheld the MTC's finding that Rodolfo, Sr. failed to prove his authority to file the Amended Complaint on behalf of Rodolfo, Jr. Additionally, it found questionable the SPA presented by Rodolfo Sr. considering that it does not appear in the records of the Clerk of Court of the RTC,¹⁸ nor was it identified by a witness even when the notarizing lawyer is Rodolfo, Sr.'s counsel on record in the case. Worse, the authority granted to Rodolfo, Sr. under the SPA does not refer to the subject Complaint but to an entirely different matter. Thus, it concluded that no valid cause of action was proven.¹⁹

In any case, the RTC agreed that Rodolfo, Sr.'s application for free patent was fraudulent since he failed to prove that he had been in actual cultivation and occupation of Lot 15326 or that he formally filed an application for free patent with the DENR. In contrast, Napoleon sufficiently showed that he had applied first for free patent and was in actual possession of Lot 15326 since 1980 to date.²⁰

¹⁵ Id. at 59-60.

¹⁶ Id. at 60-62.

¹⁷ Id. at 63-65.

¹⁸ See Certification issued by the RTC Office of the Clerk of Court dated June 22, 2009. *CA rollo*, p. 103.

¹⁹ *Rollo* (G.R. No. 248739), pp. 64.

²⁰ Id. at 64-65.

Undeterred, Rodolfo, Sr. elevated the case before the CA via a petition for review²¹ under Rule 42 of the Rules of Court.

The CA Ruling

In the Decision²² dated October 18, 2018, the CA: (a) denied Rodolfo, Sr.'s petition for review; and (b) referred the case to the Office of the Solicitor General (OSG) for its appropriate action with respect to the reversion of Lot 15326 in favor of the government.²³

As regards the procedural issue, the CA agreed that Rodolfo Sr. was not the real party-in-interest to file the Amended Complaint since Lot 15326 was already titled in his son's name. On the substantive issue, the CA affirmed that Rodolfo, *et al.* failed to establish their claim or interest over Lot 15326 considering that they failed to prove the requirement of continuous occupation and possession thereof to justify the grant of a free patent. In this regard, the CA noted Rodolfo, Sr.'s admission in court that at the time he applied for the free patent in 1987, Lot 15326 was in fact occupied by Napoleon, *et al.* which he did not disclose in the said application. The CA thus, held that Rodolfo, Sr.'s failure to disclose this material fact amounts to fraud and misrepresentation, warranting the cancellation of his free patent and title for being void *ab initio*. As such, Rodolfo, *et al.* has no right over Lot 15326.²⁴

With respect to the counterclaim, the CA ruled that Napoleon, *et al.* failed to prove that Lot 15326 was already privately owned by them prior to the issuance of Rodolfo, Sr.'s free patent. It pointed out that by filing his own application for free patent, Napoleon effectively admitted that Lot 15326 was still a public land whose management and disposition remained with the government, through the DENR. Thus, the CA concluded that pursuant to case law, Napoleon, *et al.* had no standing to ask for the declaration of nullity of Rodolfo, Sr.'s free patent and title, and for the reconveyance of Lot 15326, since the right to bring the said action lies with the State.²⁵

This time, both parties respectively moved for partial reconsideration which the CA denied in a Resolution²⁶ dated July 5, 2019. Hence, the present consolidated petitions.

²¹ *Rollo* (G.R. No. 248505), pp. 47-62.

²² *Rollo* (G.R. No. 248739), pp. 27-46; *Rollo* (G.R. No. 248505), pp. 23-42.

²³ *Rollo* (G.R. No. 248739), pp. 45-46; *Rollo* (G.R. No. 248505), pp. 41-42.

²⁴ *Rollo* (G.R. No. 248739), pp. 34-42; *Rollo* (G.R. No. 248505), pp. 30-38.

²⁵ *Rollo* (G.R. No. 248739), pp. 42-45; *Rollo* (G.R. No. 248505), pp. 38-41.

²⁶ *Rollo* (G.R. No. 248739), pp. 47-50; *Rollo* (G.R. No. 248505), pp. 43-46.

The Issues Before the Court

The essential issues before the Court are as follows: (1) in **G.R. No. 248739** filed by Napoleon, *et al.*, whether the CA erred in declaring that they did not have standing to ask for the reconveyance of Lot 15326 and that reconveyance is the proper remedy in this case; and (2) in **G.R. No. 248505** filed by Rodolfo, *et al.*, whether the CA seriously erred in denying their petition for review from the Decision dated September 28, 2016 of the RTC which affirmed *in toto* the MTC ruling cancelling the free patent and OCT issued in Rodolfo, Sr.'s name, as well as in referring the case to the OSG for the reversion of Lot 15326 in favor of the government.

Napoleon, *et al.* (in **G.R. No. 248739**, as well as in their Comment²⁷ in **G.R. No. 248505**) argue that the CA erred in ruling that they did not have standing to ask for the reconveyance of Lot 15326 through their Counterclaim despite the fact that a free patent was already issued in their favor, thereby converting the same into their private ownership. Since the MTC already nullified the free patent and title issued in Rodolfo, Sr.'s name, the said nullification effectively voided the cancellation of the free patent previously issued in Napoleon's name. In any event, they claim that the CA erred in not applying Section 48(b) of Commonwealth Act (C.A.) No. 141, or the "Public Land Act," since, as evidence has shown, they have been in open, continuous, exclusive, and notorious possession of Lot 15326 since the 1980s or earlier. Finally, they contend that an action for reversion is no longer necessary and practicable since the MTC, as affirmed by the RTC and CA, already found that Rodolfo, Sr.'s free patent and title were fraudulently issued.²⁸

For their part, Rodolfo, *et al.* (in **G.R. No. 248505**, as well as in their Comment²⁹ in **G.R. No. 248739**) maintain that Rodolfo, Sr. is a party-in-interest clothed with legal standing to prosecute the amended complaint, and that they have sufficiently proven their cause of action for quieting of title as against Napoleon, *et al.* In any event, Rodolfo, Sr. was an indispensable party whose interest would be adversely affected by the cancellation of his free patent and title. Moreover, they insist that the free patent and title issued in Rodolfo, Sr.'s name were issued in the regular performance of duties, which remained unrebutted, especially considering that it had gone through investigation, verification, and ocular inspection. Finally, they reiterate that the MTC erred in taking cognizance of Napoleon, *et al.*'s counterclaim which, pursuant to the CA Decision, could only be raised by the OSG in an action for reversion; and in any case, the counterclaim was actually permissive, albeit presented as compulsory, over which the MTC did not properly acquire jurisdiction for lack of payment of the docket fees. Thus, they claim that the MTC should not have entertained Napoleon, *et al.*'s counterclaim and simply

²⁷ Dated October 1, 2020. *Rollo* (G.R. No. 248505), pp. 99-106.

²⁸ See Petition dated August 29, 2019. *Rollo* (G.R. No. 248739), pp. 9-26.

²⁹ Dated September 28, 2020. *Rollo* (G.R. No. 248739), pp. 79-82.

limited the disposition of their amended complaint on the issue of non-prosecution by the real party-in-interest.

The Court's Ruling

The Court denies the petitions.

At the outset, it bears reiterating that a petition for review on *certiorari* “shall raise only questions of law which must be distinctly set forth.”³⁰ There is a question of law in a given case when the doubt or difference arises as to what the law is on certain state of facts. To be one of law, a question must not involve an examination of the probative value of the evidence presented by the litigants or any of them. In contrast, there is a question of fact when the doubt or difference arises as to the truth or falsehood of alleged facts. Whether or not the proofs on one side or the other are clear and convincing and adequate to establish a proposition in issue; or whether or not the body of proofs presented by a party, weighed and analyzed in relation to contrary evidence submitted by adverse party, may be said to be strong, clear and convincing — are issues of fact.³¹ As a rule, factual matters are not the proper subject of an appeal by *certiorari* as it is not the function of the Court to analyze and weigh the evidence that has been considered in the proceedings below.³² “The resolution of factual issues is the function of lower courts, whose findings thereon are received with respect and are [generally] binding on the Supreme Court.”³³ Nonetheless, case law permits a review of factual matters in exceptional situations, such as when the findings are contrary to those of the trial courts,³⁴ as in this case.

Rodolfo did not have the requisite interest nor authority to file the Amended Complaint for quieting of title and recovery of possession

³⁰ Section 1, Rule 45 of the Rules of Court.

³¹ See *Angeles v. Pascual*, 673 Phil. 499, 505 (2011) [Per J. Bersamin, First Division].

³² See *Waterfront Philippines, Inc. v. Social Security System*, G.R. No. 249337, July 6, 2021 [Per J. Gaerlan, First Division].

³³ *Angeles v. Pascual*, supra.

³⁴ These exceptions include: (a) when the findings are grounded entirely on speculation, surmises or conjectures; (b) when the inference made is manifestly mistaken, absurd or impossible; (c) when there is grave abuse of discretion; (d) when the judgment is based on a misapprehension of facts; (e) when the findings of facts are conflicting; (f) when in making its findings the Court of Appeals went beyond the issues of the case, or its findings are contrary to the admissions of both the appellant and the appellee; (g) when the findings are contrary to those of the trial court; (h) when the findings are conclusions without citation of specific evidence on which they are based; (i) when the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondent; (j) when the findings of fact are premised on the supposed absence of evidence and contradicted by the evidence on record; and (k) when the Court of Appeals manifestly overlooked certain relevant facts not disputed by the parties, which, if properly considered, would justify a different conclusion. (See *Angeles v. Pascual*, 673 Phil. 499, 506 [2011] [Per J. Bersamin, First Division]; *Loadstar International Shipping, Inc. v. Cawaling*, G.R. No. 242725, June 16, 2021 [Per J. Delos Santos, Third Division]; and *Waterfront Philippines, Inc. v. Social Security System*, G.R. No. 249337, July 6, 2021 [Per J. Gaerlan, First Division])

The main thrust of Rodolfo, *et al.*'s arguments refers to the alleged error of the CA in ruling that Rodolfo, Sr. was not the real party-in-interest nor was he authorized to file the Amended Complaint on his son's behalf, and in any case, that they failed to prove their cause of action for quieting of title and recovery of possession — an error that affected their right and interest over Lot 15326. Verily, the resolution of this issue evidently requires a calibration of the evidence presented — a clear question of fact which is barred in a Rule 45 petition.

In any event, even if this Court evaluates Rodolfo, Sr.'s arguments with respect to the sufficiency of his presented interest or of his authority to file the action for quieting of title, it still finds no compelling reason to disturb the findings as well as the conclusions of the courts *a quo* as the same is well supported by the records of this case as well as prevailing laws, rules, and case law pertinent thereto.

Section 2, Rule 3 of the Rules of Court requires every action to be prosecuted or defended in the name of the real party-in-interest, thus:

Section 2. *Parties-in-interest.* — A real party-in-interest is the party who stands to be benefited or injured by the judgment in the suit, or the party entitled to the avails of the suit. Unless otherwise authorized by law or these Rules, every action must be prosecuted or defended in the name of the real party-in-interest.³⁵

In *Magallanes v. Palmer Asia, Inc.*,³⁶ the Court, through Senior Associate Justice Antonio T. Carpio, explained that this provision has two requirements, namely: "(1) to institute an action, the plaintiff must be the real party-in-interest; and (2) the action must be prosecuted in the name of the real party-in-interest. Interest within the meaning of the Rules of Court means material interest or an interest in issue to be affected by the decree or judgment of the case, as distinguished from mere curiosity about the question involved."³⁷ A real party-in-interest, therefore, is a litigant whose right or interest stands to benefit or get injured by the judgment of the case.³⁸ They bring a suit because the act or omission of another has caused them to directly suffer its consequences.³⁹ "One having no material interest to protect cannot invoke the jurisdiction of the court as the plaintiff in an action."⁴⁰ In such situation, the action filed "is dismissible for lack of personality to sue upon

³⁵ Reproduced as Section 2, Rule 3 of the 2019 Amendments to the 1997 Rules of Civil Procedure (A.M. No. 19-10-20-SC).

³⁶ 739 Phil. 231 (2014), citing *Goco v. Court of Appeals*, 631 Phil. 394 (2010) [Per J. Brion, Second Division].

³⁷ *Id.* at 239. See also *Uy v. Court of Appeals*, 372 Phil. 743 (1999) [Per J. Kapunan, First Division].

³⁸ *Consumido v. Hon. Reynaldo G. Ros*, 555 Phil. 652 (2007) [Per J. Tinga, Second Division]. See also *Kilosbayan v. Morato*, 316 Phil. 652 (1995) [Per J. Mendoza, *En Banc*].

³⁹ See *Rebollido v. Court of Appeals*, 252 Phil. 831 (1989) [Per J. Gutierrez, Third Division]; citations omitted.

⁴⁰ *Magallanes v. Palmer Asia, Inc.*, *supra*, at 239.

proof that the plaintiff is not the real party-in-interest, hence grounded on failure to state a cause of action.”⁴¹

This notwithstanding, plaintiffs who are not the real parties-in-interest may be included in a suit pursuant to Section 3, Rule 3 of the Rules of Court, viz.:

Section 3. *Representatives as parties.* Where the action is allowed to be prosecuted or defended by a representative or someone acting in a fiduciary capacity, the beneficiary shall be included in the title of the case and shall be deemed to be the real party in interest. A representative may be a trustee of an express trust, a guardian, an executor or administrator, or a party authorized by law or these Rules. An agent acting in his own name and for the benefit of an undisclosed principal may sue or be sued without joining the principal except when the contract involves things belonging to the principal.⁴²

However, in order for a representative to properly pursue the action on behalf of the real party-in-interest, the rule requires that the representative must be acting in a fiduciary capacity or one “authorized by law or these Rules.”

Guided by the foregoing considerations, the Court rules that the CA correctly affirmed the dismissal of the Amended Complaint for quieting of title and recovery of possession on the ground that Rodolfo, Sr. was not the real party-in-interest, but rather his son, Rodolfo, Jr., whose authorization to sue on his behalf was not duly proven by the former.

An action for quieting of title is essentially a common law remedy grounded on equity. “[F]or an action to quiet title to prosper, two indispensable requisites must concur, namely: (1) the plaintiff or complainant has a legal or an equitable title to or interest in the real property subject of the action; and (2) the deed, claim, encumbrance, or proceeding claimed to be casting cloud on his title must be shown to be in fact invalid or inoperative despite its *prima facie* appearance of validity or legal efficacy.”⁴³ Legal title denotes registered ownership, while equitable title means beneficial ownership. In the absence of such legal or equitable title, or interest, there is no cloud to be prevented or removed.⁴⁴ Based on the foregoing, it is clear that in an action for quieting of title and recovery of possession, the real party-in-interest is the person claiming title to or interest that is adverse to the one in possession of the real property subject of the action.

⁴¹ *Magallanes v. Palmer Asia, Inc.*, supra, at 238, citing *Evangelista v. Santiago*, 497 Phil. 269 (2005) [Per J. Chico-Nazario, Second Division].

⁴² Reproduced as Section 3, Rule 3 of the 2019 Amendments to the 1997 Rules of Civil Procedure (A.M. No. 19-10-20-SC).

⁴³ *Mananquil v. Moico*, 699 Phil. 120, 127 (2012) [Per J. Del Castillo, Second Division].

⁴⁴ Id. at 122.

Here, it is undisputed that Lot 15326 had already been donated by Rodolfo, Sr. to his son and co-plaintiff Rodolfo, Jr., by reason of which OCT No. M-4863, issued in the former's name, was cancelled and TCT No. M-41673 was issued under the name of the latter. Additionally, they judicially admitted that after the said donation and issuance of the new title in Rodolfo, Jr.'s name, Lot 15326 was subdivided into 11 lots, with each lot bearing a separate title. Verily, and as aptly observed by the CA as it affirmed the trial courts' rulings, the party with the material interest in prosecuting the action for quieting of title and recovery of possession against Napoleon, *et al.* was Rodolfo, Jr., and not his father Rodolfo, Sr.

Since the real party-in-interest in the case is Rodolfo, Jr., it was incumbent upon Rodolfo, Sr. to prove that he was authorized to file the Amended Complaint and sign the verification and certification of non-forum shopping on the former's behalf. Under Sections 4 and 5, Rule 7⁴⁵ of the Rules of Court, the authorization of the affiant to act on behalf of a party must be attached to the pleading, failing in which shall be cause for the dismissal of the case without prejudice. Here, Rodolfo, Sr. failed to present sufficient evidence that Rodolfo, Jr. specifically authorized him to institute the action subject of the present petition since the SPA he presented to prove the said authority appeared highly questionable, was general in tenor, and executed 5 years prior to the filing of the case.

⁴⁵ Sections 4 and 5, Rule 7 of the Rules of Court, which are substantially reproduced under Sections 4 and 5, of the 2019 Amendments to the 1997 Rules of Civil Procedure (A.M. No. 19-10-20-SC), respectively read:

Section 4. *Verification.* — Except when otherwise specifically required by law or rule, pleadings need not be under oath, verified or accompanied by affidavit.

A pleading is verified by an affidavit that the affiant has read the pleading and that the allegations therein are true and correct of his knowledge and belief.

A pleading required to be verified which contains a verification based on "information and belief", or upon "knowledge, information and belief", or lacks a proper verification, shall be treated as an unsigned pleading.

Section 5. *Certification against forum shopping.* — The plaintiff or principal party shall certify under oath in the complaint or other initiatory pleading asserting a claim for relief, or in a sworn certification annexed thereto and simultaneously filed therewith: (a) that he has not theretofore commenced any action or filed any claim involving the same issues in any court, tribunal or quasi-judicial agency and, to the best of his knowledge, no such other action or claim is pending therein; (b) if there is such other pending action or claim, a complete statement of the present status thereof; and (c) if he should thereafter learn that the same or similar action or claim has been filed or is pending, he shall report that fact within five (5) days therefrom to the court wherein his aforesaid complaint or initiatory pleading has been filed.

Failure to comply with the foregoing requirements shall not be curable by mere amendment of the complaint or other initiatory pleading but shall be cause for the dismissal of the case without prejudice, unless otherwise provided, upon motion and after hearing. The submission of a false certification or non-compliance with any of the undertakings therein shall constitute indirect contempt of court, without prejudice to the corresponding administrative and criminal actions. If the acts of the party or his counsel clearly constitute willful and deliberate forum shopping, the same shall be ground for summary dismissal with prejudice and shall constitute direct contempt, as well as a cause for administrative sanctions.

All told, the CA correctly upheld the trial courts' dismissal of the Amended Complaint on the ground that Rodolfo, Sr. was not the real party-in-interest and hence, the amended complaint failed to state a cause of action, and he failed to prove his authority to file the case on his son's behalf. Accordingly, all other issues raised by Rodolfo, *et al.* with respect to the merits of their action for quieting of title are hereby denied for lack of merit.

Napoleon, et al. did not have standing to file the reversion case

Meanwhile, the main thrust of Napoleon, *et al.*'s arguments refers to the alleged error of the CA in ruling that they did not have standing to ask for the cancellation of Rodolfo, Sr.'s free patent and OCT and for the reconveyance of Lot 15326 through their counterclaim. To recall, the MTC, which the RTC affirmed, partially granted the counterclaim, cancelling Rodolfo, Sr.'s free patent and OCT and ordering the reversion of Lot 15326 to the public domain, based on the finding that Rodolfo, Sr.'s application for free patent was fraudulent. On the other hand, the CA, while agreeing with the MTC's finding of fraud, nonetheless referred the matter of reversion to the OSG on the ground that, based on its allegations and the evidence on record, Napoleon, *et al.*'s counterclaim is essentially an action for reversion which, under the law, can only be brought by the OSG.

Napoleon, *et al.* argue that since a free patent was already issued in their favor, Lot 15326 was converted into their private ownership thereby giving them standing to sue for the cancellation of Rodolfo, Sr.'s free patent and OCT. In any case, they argue that an action for reversion is no longer necessary and practicable since the MTC, as affirmed by the RTC and CA, already found that Rodolfo, Sr.'s free patent and title were fraudulently issued. Rodolfo, *et al.*, on the other hand, contend that the MTC should have dismissed the counterclaim which, based on its allegations and following the CA's ruling, is an action for reversion that could only be instituted by the OSG.

While as a rule, factual matters are not the proper subject of an appeal by *certiorari*, the contrary findings of the trial courts and the CA with respect to the propriety of the grant of Napoleon, *et al.*'s counterclaim permits the Court's review of the factual matters in this case.

An ordinary civil action for declaration of nullity of free patents and certificates of title is different from an action for reversion. Whether an action is one for reversion or for the ordinary action for declaration of nullity of free patents and certificates of title depends on the allegations in the complaint (or

Atty

counterclaim) as to the character of ownership of the realty whose title is sought to be nullified.⁴⁶

In an action for reversion, the **pertinent allegations in the complaint would admit State ownership of the disputed land.**⁴⁷ The action essentially seeks to cancel or annul a certificate of title and revert public land to the State.⁴⁸ Under Section 101 of C.A. No. 141, “actions for the reversion to the Government of lands of the public domain or improvements thereon shall be **instituted by the Solicitor-General or the officer acting in his stead**, in the proper courts, in the name of the” Republic of the Philippines. Thus, pursuant to this provision, a private individual may not bring an action for reversion or any action which would have the effect of cancelling a free patent and the corresponding certificate of title issued on the basis thereof, such that the land covered thereby will again form part of the public domain.⁴⁹ If a title originates from a grant of the government, its cancellation is a matter between the grantor and the grantee.⁵⁰ Thus, only the Solicitor General or the officer acting in his stead, on behalf of the State, may do so.

In contrast, a cause of action for declaration of nullity of free patent and certificate of title would require **allegations of the plaintiff’s ownership of the contested lot prior to the issuance of such free patent and certificate of title as well as the defendant’s fraud or mistake**, as the case may be, in successfully obtaining these documents of title over the parcel of land claimed by plaintiff.⁵¹ In such a case, the nullity arises strictly not from the fraud or deceit but from the fact that the land is beyond the jurisdiction of the Bureau of Lands to bestow and whatever patent or certificate of title obtained therefor is consequently void *ab initio*. The real party-in-interest is not the State but the plaintiff who alleges a preexisting right of ownership over the parcel of land in question even before the grant of title to the defendant.⁵²

Meanwhile, in an action for reconveyance, the free patent and the certificate of title are respected as incontrovertible. What it seeks is the transfer of the property, or the title thereof, which has been wrongfully or erroneously registered in the defendant’s name. All that must be alleged in the complaint are 2 facts which admitting them to be true would entitle the plaintiff to recover the title to the disputed land, namely: (a) that the plaintiff was the owner of the land; and (b) that the defendant had illegally dispossessed him/her of the same.⁵³ Albeit partly different from an ordinary action for cancellation of title in that it respects the indefeasibility of a Torrens title, an action for reconveyance, nonetheless, similarly requires an allegation

⁴⁶ *Heirs of Kionisala v. Heirs of Dacut*, 428 Phil. 249, 260 (2002) [Per J. Bellosillo, Second Division].

⁴⁷ *Id.* at 260.

⁴⁸ *Id.*

⁴⁹ See *Alvarico v. Sola*, 432 Phil. 792, 800 (2002) [Per J. Quisumbing, Second Division].

⁵⁰ *Id.*

⁵¹ *Heirs of Kionisala v. Heirs of Dacut*, *supra* at 260.

⁵² *Id.*

⁵³ See *Heirs of Kionisala v. Heirs of Dacut*, *supra* at 262; and *Heirs of Cullado v. Gutierrez*, G.R. No. 212938, July 30, 2019, 911 SCRA 557, 589 [Per J. Caguioa, *En Banc*].

that the property is already privately owned, and hence beyond State jurisdiction. In both actions, the party with material interest in filing the action is the one claiming ownership of the private property in question.

Based on the foregoing, the Court finds no reason to disturb the ruling of the CA. Indeed, a reading of the counterclaim shows that Napoleon, *et al.* in fact essentially admitted that Lot 15326 was part of the public domain by reason of which Napoleon filed his own application for free patent. Moreover, there is nothing in their allegations, more so in the evidence they presented, which shows their possession and occupation of the said lot in the character and for the period required by law sufficient to vest in them an imperfect title. On the contrary, the records show that Napoleon began occupying Lot 15326, at the earliest, only sometime in 1980⁵⁴ and had purchased the same in 1991 from a certain Cornelio Cenina,⁵⁵ whose purported ownership thereof remained questionable. While Napoleon may have applied for free patent as early as 1985, it remains undisputed that the said free patent was approved only in 1991 or 3 years after a free patent and OCT were already issued in Rodolfo, Sr.'s name in 1988. Significantly, as found by the MTC in its January 12, 2015 Decision, Napoleon's free patent was already cancelled and revoked by the DENR in its ruling in DENR Case No. V-5806, which Napoleon did not appeal.

On this score, case law provides that prior to the issuance of the patent and its subsequent registration with the Register of Deeds, the title over the lot remained with the State; it is only after registration that the lot is segregated from the mass of public domain and converted into private property.⁵⁶ As such, the CA correctly ruled that Napoleon, *et al.* had no standing to ask for the declaration of nullity of Rodolfo, Sr.'s free patent and title, and for the reconveyance of Lot 15326. Accordingly, following Section 101 of C.A. No. 141 and pursuant to case law, only the State, through the OSG, may properly sue for the cancellation of Rodolfo, Sr.'s free patent and OCT and seek the reversion of Lot 15326 to the public domain.

Considering that Napoleon, *et al.* are not the real parties-in-interest to sue for reversion of Lot 15326, their counterclaim for the cancellation of Rodolfo, Sr.'s free patent and title must perforce be dismissed for failure to state a cause of action. The dismissal shall be without prejudice to the right of the State, through the OSG, to file the appropriate action for reversion if warranted under the circumstances.

⁵⁴ See Transcript of Stenographic Notes dated February 13, 2014, pp. 6-10. CA *rollo*, pp. 243-247.

⁵⁵ See December 16, 1991 confirmation of sale; CA *rollo*, pp. 292-293.

⁵⁶ See *Unciano v. Gorospe*, 859 Phil 466, 474 (2019), citing *Visayan Realty v. Meer*, 96 Phil. 515, 520 (1955); and *Javier v. Court of Appeals*, 301 Phil 506, 515 (1994).

YLG

ACCORDINGLY, the petitions in G.R. No. 248739 and G.R. No. 248505 are **DENIED**. The Decision dated October 18, 2018 and the Resolution dated July 5, 2019 of the Court of Appeals in CA-G.R. SP No. 149380 are hereby **AFFIRMED** with **MODIFICATION**, in that the counterclaim of Napoleon Ambagan and Philip Ambagan for the annulment of Free Patent No. (IV-1) 009894 and Original Certificate of Title No. M-4863 issued in the name of Rodolfo Serapion, Sr. is **DISMISSED**, without prejudice to the right of the State to file the appropriate action for reversion.

SO ORDERED.



ANTONIO T. KHO, JR.

Associate Justice

WE CONCUR:



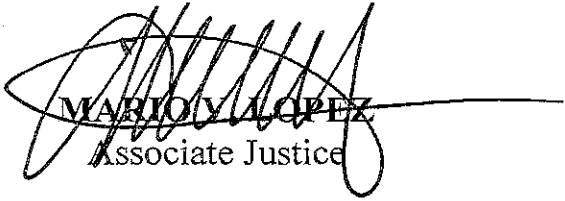
MARVIC M.V.F. LEONEN

Senior Associate Justice
Chairperson



AMY C. LAZARO-JAVIER

Associate Justice



MARIO Y. LOPEZ

Associate Justice



JHOSEP Y. LOPEZ

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.

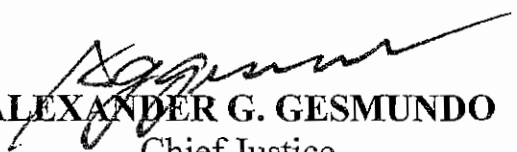


MARVIC M.V.F. LEONEN

Senior Associate Justice
Chairperson, Second Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, and the Division 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.



ALEXANDER G. GESMUNDO
Chief Justice

