[Syllabus]

EN BANC

[G.R. No. 103727. December 18, 1996]

INTESTATE ESTATE OF THE LATE DON MARIANO SAN PEDRO Y ESTEBAN, represented by its HEIR-JUDICIAL ADMINISTRATOR, ENGRACIO F. SAN PEDRO, *petitioner-appellant, vs*. COURT OF APPEALS (Second Division), AURELIO OCAMPO, DOMINADOR D. BUHAIN, TERESA C. DELA CRUZ, *respondents-appellees*.

[G.R. No. 106496. December 18, 1996]

ENGRACIO SAN PEDRO, CANDIDO GENER, ROSA PANTALEON, VICENTE PANTALEON, ELEUTERIO PANTALEON, TRINIDAD SAN PEDRO, RODRIGO SAN PEDRO, RICARDO NICOLAS, FELISA NICOLAS, and LEONA SAN PEDRO, *petitioners, vs*. THE HONORABLE COURT OF APPEALS, (Sixteenth Division) and REPUBLIC OF THE PHILIPPINES, *respondents*.

D E C I S I O N

HERMOSISIMA, JR., *J*.:

The most fantastic land claim in the history of the Philippines is the subject of controversy in these two consolidated cases. The heirs of the late Mariano San Pedro y Esteban laid claim and have been laying claim to the ownership of, against third persons and the Government itself, a total land area of approximately 173,000 hectares or "214,047 *quiniones*,"[1] on the basis of a Spanish title, entitled "Titulo de Propriedad Numero 4136" dated April 25, 1894. The claim, according to the San Pedro heirs, appears to cover lands in the provinces of Nueva Ecija, Bulacan, Rizal, Laguna and Quezon; and such Metro Manila cities as Quezon City, Caloocan City, Pasay City, City of Pasig and City of Manila, thus affecting in general lands extending from Malolos, Bulacan to the City Hall of Quezon City and the land area between Dingalan Bay in the north and Tayabas Bay in the south.[2]

Considering the vastness of the land claim, innumerable disputes cropped up and land swindles and rackets proliferated resulting in tedious litigation in various trial courts, in the appellate court and in the Supreme Court,[3] in connection therewith.

We have had the impression that our decisions in *Director of Forestry, et al. v. Muñoz*, 23 SCRA 1183 [1968]; *Antonio, et al. v. Barroga, et al*., 23 SCRA 357 [1968]; *Carabot, et al. v. Court of*

Appeals, et al., 145 SCRA 368 [1986]; *Republic v. Intermediate Appellate Court, et al.,* 186 SCRA 88 [1990]; *Widows and Orphans Association, Inc. (WIDORA) v. Court of Appeals, et al*., 212 SCRA 360 [1992]; *NAPOCOR v. Court of Appeals, et al*., 144 SCRA 318 [1986]; *Republic v. Court of Appeals, et al*., 135 SCRA 156 [1985]; and *Director of Lands v. Tesalona*, 236 SCRA 336 [1994][4] terminated the controversy as to ownership of lands covered by Spanish Land Titles, for it is the rule that, once this Court, as the highest Tribunal of the land, has spoken, there the matter must rest:

> "It is withal of the essence of the judicial function that at some point, litigation must end. Hence, after the procedures and processes for lawsuits have been undergone, and the modes of review set by law have been exhausted, or terminated, no further ventilation of the same subject matter is allowed. To be sure, there may be, on the part of the losing parties, continuing disagreement with the verdict, and the conclusions therein embodied. This is of no moment, indeed, is to be expected; but, it is not their will, but the Court's, which must prevail; and, to repeat, public policy demands that at some definite time, the issues must be laid to rest and the court's dispositions thereon accorded absolute finality."[5] [Cited cases omitted]

It is, therefore, to the best interest of the people and the Government that we render judgment herein writing *finis* to these controversies by laying to rest the issue of validity of the basis of the estate's claim of ownership over this vast expanse of real property.

The following facts are pertinent in the resolution of these long drawn-out cases:

G.R. NO. 103727

G.R No. 103727, an appeal by *certiorari*, arose out of a complaint[6] for recovery of possession and/or damages with a prayer for a writ of preliminary injunction. This was dismissed by the Regional Trial Court, National Capital Judicial Region, Branch 104, Quezon City in its decision[7] dated July 7, 1989, the dispositive portion[8] of which reads:

"WHEREFORE, judgment is hereby rendered, dismissing the complaint against the defendants Aurelio Ocampo, Dominador Buhain and Teresa dela Cruz and ordering plaintiff to pay each of the herein defendants, the sum of FIVE THOUSAND PESOS (₱5,000.00) as and for attorney's fees, and to pay the costs of suit."

The said complaint for recovery of possession of real property and/or reconveyance with damages and with a prayer for preliminary injunction was filed on August 15, 1988 by Engracio San Pedro as heir-judicial administrator of the "Intestate Estate of Don Mariano San Pedro y Esteban" against Jose G. De Ocampo, Aurelio Ocampo, MARECO, Inc., Rey Antonio Noguera, Teresa C. dela Cruz, Gaudencio R. Soliven, Diomedes Millan, Carmen Rayasco, Dominador D. Buhain, Mario D. Buhain, Jose D. Buhain, Arestedes S. Cauntay, Manuel Chung and Victoria Chung Tiu (El Mavic Investment & Development Corporation), Capitol Hills Realty Corporation and Jose F. Castro. The complaint was docketed as Civil Case No. Q-88-447 in Branch 104, Regional Trial Court of Quezon City.

In the complaint, it was alleged, among others: (1) that Engracio San Pedro discovered that the aforenamed defendants were able to secure from the Registry of Deeds of Quezon City titles to portions of the subject estate, particularly Transfer Certificates of Title Nos. 1386, 8982, 951975-951977, 313624, 279067, 1412, 353054, 372592, 149120, 86404, 17874-17875, all emanating from Original Certificate of Title No. 614[9] and Transfer Certificates of Title Nos. 255544 and 264124, both derivatives of Original Certificate of Title No. 333; (2) that the aforesaid defendants were able to acquire exclusive ownership and possession of certain portions of the subject estate in their names through deceit, fraud, bad faith and misrepresentation; (3) that Original Certificates of Title Nos. 614 and 333 had been cancelled by and through a final and executory decision dated March 21, 1988 in relation to letter recommendations by the Bureau of Lands, Bureau of Forest Development and the Office of the Solicitor General and also in relation to Central Bank Circulars dated April 7, 1971, April 23, 1971, September 12, 1972 and June 10, 1980;

and (4) that the issue of the existence, validity and genuineness of Titulo Propriedad No. 4136 dated April 25, 1894 which covers the subject estate had been resolved in favor of the petitioner estate in a decision dated April 25, 1978 by the defunct Court of First Instance, Branch 1 of Baliwag, Bulacan pertaining to a case docketed as Special Proceeding No. 312-B.[10]

Summons were served on only five of the aforementioned defendants, namely, Aurelio Ocampo, MARECO, Inc., Teresita G. dela Cruz, Dominador Buhain and Manuel Chung and Victoria Chung Tiu.[11]

On February 7, 1989, the lower court ordered the dismissal of the complaint against Mareco, Inc. for improper service of summons and against Manuel Chung and Victoria Chung Tiu for lack of cause of action considering that the registered owner of the parcel of land covered by TCT No. 86404 is El Mavic Investment and Development Co., Inc., not Manuel Chung and Victoria Chung Tiu.[12]

Trial on the merits proceeded against the private respondents Ocampo, Buhain and Dela Cruz.

On July 7, 1989, the lower court rendered judgment dismissing the complaint based on the following grounds: (a) Ocampo, Buhain and Dela Cruz are already the registered owners of the parcels of land covered by Torrens titles which cannot be defeated by the alleged Spanish title, Titulo Propriedad No. 4136, covering the subject estate; and (b) the decision of the Court of First Instance of Bulacan entitled “In the Matter of the Intestate Estate of the late Don Mariano San Pedro y Esteban” specifically stated in its dispositive portion that all lands which have already been legally and validly titled under the Torrens system by private persons shall be excluded from the coverage of Titulo Propriedad No. 4136.[13]

The motion for reconsideration thereof was denied,[14] and so, the petitioner estate interposed an appeal with the Court of Appeals. On January 20, 1992, the appeal was dismissed[15] for being unmeritorious and the lower court’s decision was affirmed with costs against the petitioner estate. The appellate court ratiocinated:

(1) neither the Titulo Propriedad No. 4136 nor a genuine copy thereof was presented in the proceeding below;

(2) the illegible copy of the Titulo presented in court was not registered under the Torrens System hence, it cannot be used as evidence of land ownership;

(3) the CFI decision invoked by petitioner estate in its favor expressly excluded from the Titulo titled lands of private individuals;

(4) the Titulo is inferior to that of the registered titles of Ocampo, Buhain and Dela Cruz as correctly ruled by the lower court;

(5) there is no evidence showing that OCT No. 614 from which titles of Ocampo, Buhain and Dela Cruz originated was already cancelled, hence, the lower court did not err in not declaring the same as null and void.[16]

Not having obtained a favorable judgment on appeal, the petitioner estate, on March 16, 1992, filed the present petition[17] docketed as G. R. No. 103727.

G.R. NO. 106496

G.R No. 106496, a petition for review on *certiorari*, began as a petition[18] for letters of administration over the intestate estate of the

late Mariano San Pedro y Esteban which eventually resulted to an Order [19] dated November 17, 1978 declaring *inter alia*, Titulo de Propriedad No. 4136 as null and void and of no legal force and effect.

The dispositive portion [20] of the said Order reads:

"WHEREFORE, this Court so orders that:

1) The Decision dated April 25, 1978 is reconsidered and set aside.

2) Titulo de Propriedad No. 4136 is declared null and void and of no legal force and effect and that therefore no rights could be derived therefrom.

3) All orders approving the sales, conveyances, donations or any other transactions involving the lands covered by Titulo de Propriedad No. 4136 are declared invalidated, void and of no force and effect.

4) All lands covered by Titulo de Propriedad No. 4136 are excluded from the inventory of the estate of the late Mariano San Pedro y Esteban.

5) The heirs, agents, privies or anyone acting for and in behalf of the estate of the late Mariano San Pedro y Esteban are enjoined from representing or exercising any acts of possession or ownership or from disposing in any manner portions of all the lands covered by Titulo de Propriedad No. 4136 and to immediately vacate the same.

6) Engracio San Pedro and Justino Benito as co-administrators submit in Court within twenty days their final accounting and inventory of all real and personal properties of the estate which had come into their possession or knowledge under oath.

7) This case is hereby re-opened, to allow movants-intervenors to continue with the presentation of their evidence in order to rest their case.

The consideration and approval of the administrator's final accounting and inventory of the presentation of movants-intervenors' evidence as well as the consideration of all other incidents are hereby set on December 22, 1978 at 8:30 a. m."

The aforementioned petition for letters of administration over the intestate estate of the late Mariano San Pedro y Esteban was filed on December 29, 1971 with the defunct Court of First Instance of Bulacan, Fifth Judicial District, Branch IV, Baliuag, Bulacan. The petition docketed as Sp. Proc. No. 312-B was initiated by Engracio San Pedro and Justino Z. Benito who sought to be appointed as administrator and co-administrator, respectively.

On February 29, 1972, after the jurisdictional facts were established, evidence for the petitioners was received by the lower court without any opposition. [21]

On March 2, 1972, then Presiding Judge Juan F. Echiverri issued an Order appointing Engracio San Pedro as Administrator of the subject estate. [22]

On March 11, 1972, the Court issued letters of administration in favor of Engracio San Pedro upon posting of a bond in the sum of Ten Thousand Pesos (₱10,000.00). [23]

On February 7, 1974, Administrator Engracio San Pedro was ordered to furnish copies of the letters of administration and other pertinent orders approving certain dispositions of the properties of the estate to the following entities:

(a) The Commanding General
Philippine Constabulary
Camp Crame, Quezon City

(b) The Solicitor General
Manila

(c) The Government Corporate Counsel

A. Mabini St., Manila

(d) The City Mayors of Quezon City & Caloocan

(e) The Governors of Rizal, Quezon and Bulacan

(f) The City Treasurers of Quezon City and Caloocan

(g) The Provincial Treasurers of Quezon, Bulacan and Rizal

(h) The PHHC, Diliman, Quezon City

(i) The PAHRRA Quezon Boulevard, Quezon City

(j) The Municipal Treasurers of the various municipalities in which properties of the estate are located; and

(k) Office of Civil Relations, Camp Crame, Quezon City and Camp Aguinaldo, Quezon City.[24]

The above Order was issued so as to protect the general public from any confusion brought about by various persons who had been misrepresenting themselves as having been legally authorized to act for the subject estate and to sell its properties by virtue thereof.

On August 30, 1976, a Motion for Intervention and an Opposition to the Petition was filed by the Republic of the Philippines alleging, *inter alia*:

> "4. That under Presidential Decree No. 892, dated February 16, 1976, Spanish titles like the TITULO is absolutely inadmissible and ineffective as proof of ownership in court proceedings, except where the holder thereof applies for land registration under Act 496, which is not true in the proceedings at bar;
>
> "5. That no less than the Supreme Court had declared TITULO DE PROPIEDAD NO. 4136 as invalid;
>
> "6. That, moreover, the late Don Mariano San Pedro y Esteban and/or his supposed heirs have lost whatever rights of ownership they might have had to the so-called Estate on the ground of inaction, laches and/or prescription;
>
> "7. That, accordingly, there is no estate or property to be administered for purposes of inventory, settlement or distribution in accordance with law, and all the inventories so far submitted, insofar as they embraced lands within the TITULO, are deemed ineffective and cannot be legally considered; and
>
> "8. That the Republic of the Philippines has a legal interest in the land subject matter of the petition considering that, except such portions thereof had been (sic) already the subject of valid adjudication or disposition in accordance with law, the same belong in State ownership."[25]

On February 15, 1977, the Republic filed a Motion to Suspend Proceedings.[26]

On February 16, 1977, the Republic's Opposition to the Petition for Letters of Administration was dismissed by means of the following Order issued by Judge Benigno Puno:

> "WHEREFORE, for lack of jurisdiction to determine the legal issues raised, the Court hereby DISMISSES the 'Opposition' dated August 30, 1976, filed by the Office of the Solicitor General; likewise, for lack of merit, the Motion to Suspend Proceedings dated February 15, 1977, filed by the Office of the Solicitor General is DENIED.
>
> The administrator Engracio San Pedro and the co-administrator Justino Z. Benito are ordered to furnish the office of the Solicitor General all copies of inventories already filed in Court within ten (10) days from notice hereof."[27]

On March 9, 1977, a motion for reconsideration was filed by the Republic.[28]

On April 25, 1978, the lower court then presided over by Judge Agustin C. Bagasao, rendered a 52-page decision, the dispositive portion of which reads:

"WHEREFORE, judgment is hereby rendered:

(a) Declaring the existence, genuineness and authenticity of Titulo de Propriedad No. 4136 of the Registry of Deeds of Bulacan, issued on April 29, 1984, in the name of the deceased Don Mariano San Pedro y Esteban, covering a total area of approximately 214,047 quiniones or 173,000 hectares, situated in the Provinces of Bulacan, Rizal, Quezon, Quezon City and Caloocan City;

(b) Declaring Engracio San Pedro, Candido Gener, Santiago Gener, Rosa Pantaleon, Vicente Pantaleon, Eleuterio Pantaleon, Trinidad San Pedro, Rodrigo San Pedro, Ricardo Nicolas, and Teresa Nicolas, as the true and lawful heirs of the deceased Don Mariano San Pedro y Esteban and entitled to inherit the intestate estate left by the said deceased, consisting of the above-mentioned tract of private land covered and described by said above-mentioned Titulo de Propriedad No. 4136 of the Registry of Deeds of Bulacan, excluding therefrom: (a) all lands which have already been legally and validly titled under the Torrens System, by private persons, or the Republic of the Philippines, or any of its instrumentalities or agencies; (b) all lands declared by the government as reservations for public use and purposes; (c) all lands belonging to the public domain; and, (d) all portions thereof which had been sold, quitclaimed and/or previously excluded by the Administrator and duly approved by a final order of the Court, except those which may hereafter be set aside, after due consideration on a case to case basis, of various motions to set aside the said Court order which approved the said sales, quitclaims, and/or exclusions;

(c) The designation of Atty. Justino Z. Benito as co-administrator, is hereby revoked to take effect immediately, to obviate any confusion in the administration of the Estate, and to fix the responsibilities of administration to the co-heir Administrator, Engracio San Pedro, whose appointment as such is hereby confirmed. The said co-administrator Justino Z. Benito is hereby ordered to render his final accounting of his co-administration of the Estate, within thirty (30) days from receipt of copy hereof;

(d) The Co-Heir-Administrator, Engracio San Pedro is hereby ordered to amass, collate, consolidate and take possession of all the net estate of the deceased Don Marino San Pedro y Esteban, as well as all other sets and credits lawfully belonging to the estate and/or to take appropriate legal action to recover the same in the proper Courts of Justice, government offices or any appropriate forum; and to pay all taxes or charges due from the estate to the Government, and all indebtedness of the estate, and thereafter, to submit a project of partition of the estate among the lawful heirs as herein recognized and declared.

It is, however, strongly recommended to His Excellency, President Ferdinand E. Marcos that, to avoid the concentration of too much land to a few persons and in line with the projected urban land reform program of the government, corollary to the agricultural land reform program of the New Society, the above intestate estate of the late Don Mariano San Pedro y Esteban should be expropriated or purchased by negotiated sale by the government to be used in its human settlements and low cost housing projects.

No Costs.

SO ORDERED."[29]

On May 17, 1978, the Republic moved for a reconsideration of the above decision:[30]

On June 5, 1978, administrator Engracio San Pedro filed a Manifestation and Petition for the Inhibition of the then newly appointed Presiding Judge Oscar Fernandez. On July 12,1978, after the Republic filed its Reply to the Petition for Inhibition, Judge Fernandez denied the said petition.[31]

After hearings were conducted on the Republic's Motion for Reconsideration, Judge Fernandez issued the aforestated Order[32] dated November 17, 1978 which, in essence, set aside Judge Bagasao's decision dated April 25, 1978 by declaring Titulo de Propriedad No. 4136 as null and void and of no legal force and effect, thus, excluding all lands covered by Titulo de Propriedad No. 4136 from the inventory of the estate of the late Mariano San Pedro y Esteban.

The petitioners-heirs of the late Mariano San Pedro y Esteban appealed to the Court of Appeals and alleged that the lower court did not act with impartiality when it granted the Republic's motion for reconsideration which was merely *pro forma*, thereby overturning a prior declaration by the same court of the existence, genuineness and authenticity of Titulo de Propriedad No. 4136 in the name of the deceased Mariano San Pedro.[33]

On March 11, 1992, the Court of Appeals dismissed the appeal of the petitioners-heirs.[34] In affirming the assailed Order dated November 17, 1978, the appellate court focused its discussion solely on the issue of whether or not the lower court erred in declaring Titulo de Propriedad No. 4136 null and void. The appellate court ruled that the petitioners-heirs failed to controvert the Republic's claim that Titulo de Propriedad No. 4136 is invalid on the following bases; (a) non-production of the original of the subject title; (b) inadmissibility of the photostat copies of the said title; and (c) non-registration of the subject Spanish title under Act No. 496 (Land Registration Act) as required by Presidential Decree No. 892 (Discontinuance of the Spanish Mortgage System of Registration and of the Use of Spanish Titles as Evidence in Land Registration Proceedings).

The petitioners-heirs moved for a reconsideration of the Court of Appeals' decision by invoking certain cases wherein the validity of Titulo de Propriedad No. 4136 had been allegedly recognized. The Court of Appeals refused to be swayed and denied the motion for reconsideration for lack of merit.[35]

Hence, the herein petition,[36] docketed as G. R. No. 106496, was filed on September 18, 1992.

After the parties filed their respective pleadings in G.R. Nos. 103727 and 106496, this Court resolved to consolidate both cases on September 15, 1994.[37]

While these cases were pending before us, several parties filed separate motions for intervention which we denied on different occasions for lack of merit.

In G.R. No. 103727, the grounds relied upon for the grant of the petition are as follows:

"I. That petitioner-appellant as plaintiff in Civil Case No. Q-88-447, RTC, Branch 104 was denied due process of law due to gross negligence of lawyer, which respondent court grossly failed to take cognizance of.

II. That the respondent court committed grave abuse of discretion tantamount to lack of jurisdiction in not remanding the case for trial and in affirming the lower court's null and void judgment."[38]

In G.R. No. 106496, the petitioners-heirs present the following assignment of errors, *to wit*:

"First. Respondent Court of Appeals affirmed the appealed order which resolved a question of title or ownership over which the lower court as an intestate court has no jurisdiction and over the vigorous and repeated objections of the petitioners.[39]

Second. Respondent Court of Appeals erred in upholding the order of Judge Fernandez setting aside the order and decision of Judge Puno and Bagasao; Judge Fernandez thereby acted as an appellate court reviewing, revising, amending or setting aside the order and decision of Judges of equal rank.[40]

Third. Respondent Court of Appeals has no jurisdiction to uphold the order of Judge Fernandez who without jurisdiction, set aside the order of Judge Puno and the decision of Judge Bagasao, both of which were already final.[41]

Fourth. Respondent Court of Appeals was unmindful of the fact that Judge Fernandez was appointed by President Marcos to reverse Judge Bagasao, regardless of the evidence, thereby unmindful that petitioners were denied the cold neutrality of an impartial tribunal.[42]

Fifth. Respondent Court of Appeals erred in not considering the evidence presented before Judges Echiverri, Puno and Bagasao and merely adopted the order of Judge Fernandez who never received a single piece of evidence, notwithstanding the 1906 Guido title over Hacienda Angono in Binangonan, Rizal, the boundary owner stated therein being Don Mariano San Pedro y Esteban, and the November 1991 *en banc* decision of the Supreme Court upholding the Guido title."[43]

Of paramount importance over and above the central issue of the probative value of the

petitioners' Spanish title in these cases is the propriety of the lower court's resolution of the question of ownership of the subject San Pedro estate in the special proceedings case. Thus, before we address ourselves to the issue of whether or not petitioners' Titulo de Propriedad No. 4136 is null and void and of no legal force and effect, it is best that we first determine whether or not the lower court, acting as a probate court, in the petition for letters of administration, committed grave abuse of discretion amounting to lack of jurisdiction in settling the issue of ownership of the San Pedro estate covered by Titulo Propriedad No. 4136.

Petitioners-heirs, in G.R. No. 106496, on the one hand, contend that the lower court, then CFI, Bulacan, Branch IV, had no jurisdiction as an "intestate court",[44] to resolve the question of title or ownership raised by the public respondent Republic of the Philippines, through the Office of the Solicitor General in the intestate proceedings of the estate of Mariano San Pedro y Esteban.[45]

The public respondent, on the other hand, invoking its sovereign capacity as *parens patriae*, argues that petitioners' contention is misplaced considering that when the Republic questioned the existence of the estate of Mariano San Pedro y Esteban, the lower court became duty-bound to rule on the genuineness and validity of Titulo de Propriedad 4136 which purportedly covers the said estate, otherwise, the lower court in the intestate proceedings would be mistakenly dealing with properties that are proven to be part of the State's patrimony or improperly included as belonging to the estate of the deceased.[46]

A probate court's jurisdiction is not limited to the determination of who the heirs are and what shares are due them as regards the estate of a deceased person. Neither is it confined to the issue of the validity of wills. We held in the case of *Mañingat v. Castillo*,[47] that "the main function of a probate court is to settle and liquidate the estates of deceased persons either summarily or through the process of administration." Thus, its function necessarily includes the examination of the properties, rights and credits of the deceased so as to rule on whether or not the inventory of the estate properly included them for purposes of distribution of the net assets of the estate of the deceased to the lawful heirs.

In the case of *Trinidad v. Court of Appeals*,[48] we stated, thus:

> "x x x questions of title to any property apparently still belonging to estate of the deceased maybe passed upon in the Probate Court, with the consent of all the parties, without prejudice to third persons x x x"

Parenthetically, questions of title pertaining to the determination *prima facie* of whether certain properties ought to be included or excluded from the inventory and accounting of the estate subject of a petition for letters of administration, as in the intestate proceedings of the estate of the late Mariano San Pedro y Esteban, maybe resolved by the probate court. In this light, we echo our pronouncement in the case of *Garcia v. Garcia*[49] that:

> "x x x The court which acquired jurisdiction over the properties of a deceased person through the filing of the corresponding proceedings, has supervision and control over the said properties, and under the said power, it is its inherent duty to see that the inventory submitted by the administrator appointed by it contains all the properties, rights and credits which the law requires the administrator to set out in his inventory. In compliance with this duty, the court has also inherent power to determine what properties, rights and credits of the deceased should be included in or excluded from the inventory. Should an heir or person interested in the properties of a deceased person duly call the court's attention to the fact that certain properties, rights or credits have been left out in the inventory, it is likewise the court's duty to hear the observations, with power to determine if such observations should be attended to or not and if the properties referred to therein belong *prima facie* to the intestate, *but no such determination is final and ultimate in nature as to the ownership of the said properties*."[50]
> [Underscoring Supplied]

In view of these disquisitions of this Court, we hold that the lower court did not commit any reversible error when it issued the Order dated November 17, 1978 which set aside Judge Bagasao's decision dated April 25, 1978 and declared Titulo de Propriedad No. 4136 as null and void, consequently excluding all lands covered by the said title from the inventory of the estate of the late Mariano San Pedro y Esteban.

A corollary issue sought to be ventilated by the petitioners-heirs as regards the assailed Order of November 17, 1978 is the impropriety of Judge Fernandez' act of granting the motion for reconsideration filed by the public respondent Republic since, Judge Fernandez did not personally hear the intestate case. Petitioners thus dubbed him as a "reviewing judge." By setting aside the Decision dated April 25, 1978 of his predecessors in CFI, Branch IV, Baliuag, Bulacan, namely, Judge Benigno Puno and Judge Agustin C. Bagasao, respectively, Judge Fernandez, acting as a "reviewing judge," proceeded without authority and/or jurisdiction.[51]

There is no question that, barring any serious doubts as to whether the decision arrived at is fair and just, a newly appointed judge who did not try the case can decide the same as long as the record and the evidence are all available to him and that the same were taken into consideration and thoroughly studied. The "reviewing judge" argument of the petitioners-heirs has no leg to stand on considering that "the fact that the judge who penned the decision did not hear a certain case in its entirety is not a compelling reason to jettison his findings and conclusion inasmuch as the full record was available to him for his perusal."[52] In the case at bar, it is evident that the 41-page Order dated November 17, 1978 of Judge Fernandez bespeaks of a knowledgeable and analytical discussion of the rationale for reconsidering and setting aside Judge Bagasao's Decision dated April 25, 1978.

Considering the definiteness of our holding in regard to the correctness of Judge Fernandez' disposition of the case, i.e., the issuance by the lower court of the assailed Order of November 17, 1978, we now focus on the core issue of whether or not the lower court in G.R. No. 106496 committed reversible error in excluding from the inventory of the estate of the deceased Mariano San Pedro y Esteban all lands covered by Titulo de Propriedad No. 4136 primarily on the ground that the said title is null and void and of no legal force and effect. Juxtaposed with this is the issue of whether or not the appellate court, in both cases, G.R. Nos. 103727 and 106496, erred in not recognizing Titulo de Propriedad No. 4136 as evidence to prove ownership by the late Mariano San Pedro of the lands covered thereby.

It is settled that by virtue of Presidential Decree No. 892 which took effect on February 16, 1976, the system of registration under the Spanish Mortgage Law was abolished and all holders of Spanish titles or grants should cause their lands covered thereby to be registered under the Land Registration Act[53] within six (6) months from the date of effectivity of the said Decree or until August 16, 1976.[54] Otherwise, non-compliance therewith will result in a re-classification of their lands.[55] Spanish titles can no longer be countenanced as indubitable evidence of land ownership.[56]

Section 1 of the said Decree provides:

> "SECTION 1. The system of registration under the Spanish Mortgage Law is discontinued, and all lands recorded under said system which are not yet covered by Torrens title shall be considered as unregistered lands.
>
> All holders of Spanish titles or grants should apply for registration of their lands under Act No. 496, otherwise known as the Land Registration Act, within six (6) months from the effectivity of this decree. Thereafter, Spanish titles cannot be used as evidence of land ownership in any registration proceedings under the Torrens system.

> Hereafter, all instruments affecting lands originally registered under the Spanish Mortgage Law may be recorded under Section 194 of the Revised Administrative Code, as amended by Act. 3344."

The Whereas clauses of the aforesaid Decree specify the underlying policies for its passage, *to wit*:

> "WHEREAS, fraudulent sales, transfers, and other forms of conveyances of large tracts of public and private lands to unsuspecting and unwary buyers appear to have been perpetrated by unscrupulous persons claiming ownership under Spanish titles or grants of dubious origin;
>
> WHEREAS, these fraudulent transactions have often resulted in conflicting claims and litigations between legitimate title holders, bona fide occupants or applicants of public lands, on the one hand, and the holders of, or person claiming rights under the said Spanish titles or grants, on the other, thus creating confusion and instability in property ownership and threatening the peace and order conditions in the areas affected;
>
> WHEREAS, statistics in the Land Registration Commission show that recording in the system of registration under the Spanish Mortgage Law is practically nil and that this system has become obsolete;
>
> WHEREAS, Spanish titles to lands which have not yet been brought under the operation of the Torrens system, being subject to prescription, are now ineffective to prove ownership unless accompanied by proof of actual possession;
>
> WHEREAS, there is an imperative need to discontinue the system of registration under the Spanish Mortgage Law and the use of Spanish titles as evidence in registration proceedings under the Torrens system";

In the case of *Director of Lands v. Heirs of Isabel Tesalona, et al.,*[57] we took cognizance of this Decree and thus held that caution and care must be exercised in the acceptance and admission of Spanish titles taking into account the numerous fake titles that have been discovered after their supposed reconstitution subsequent to World War II.

In both cases, petitioners-heirs did not adduce evidence to show that Titulo de Propriedad 4136 was brought under the operation of P.D. 892 despite their allegation that they did so on August 13, 1976.[58] Time and again we have held that a mere allegation is not evidence and the party who alleges a fact has the burden of proving it.[59] Proof of compliance with P.D. 892 should be the Certificate of Title covering the land registered.

In the petition for letters of administration, it was a glaring error on the part of Judge Bagasao who rendered the reconsidered Decision dated April 25, 1978 to have declared the existence, genuineness and authenticity of Titulo de Propriedad No. 4136 in the name of the deceased Mariano San Pedro y Esteban despite the effectivity of P.D. No. 892. Judge Fernandez, in setting aside Judge Bagasao's decision, emphasized that Titulo de Propriedad No. 4136, under P.D. 892, is inadmissible and ineffective as evidence of private ownership in the special proceedings case. He made the following observations as regards the Titulo, *to wit:*

> "The Solicitor General, articulating on the dire consequences of recognizing the nebulous *titulo* as an evidence of ownership underscored the fact that during the pendency of this case, smart speculators and wise alecks had inveigled innocent parties into buying portions of the so-called estate with considerations running into millions of pesos.
>
> Some, under the guise of being benign heroes even feigned donations to charitable and religious organizations, including veterans' organizations as smoke screen to the gargantuan fraud they have committed and to hood wink further other gullible and unsuspecting victims."[60]

In the same light, it does not escape this Court's onomatopoeic observation that the then heir-judicial administrator Engracio San Pedro who filed the complaint for recovery of possession and/or reconveyance with damages in G.R. No. 103727 on August 15, 1988 invoked Judge Bagasao's Decision of April 25, 1978 in support of the Titulo's validity notwithstanding the fact that, by then, the said Decision had already been set aside by Judge Fernandez' Order of November 17, 1978. We are in accord with the appellate courts' holding in G.R. No. 103727 insofar as it concludes that since the Titulo was not registered under Act No. 496, otherwise known as the Land

Registration Act, said Titulo is inferior to the registered titles of the private respondents Ocampo, Buhain and Dela Cruz.

This Court can only surmise that the reason for the non-registration of the Titulo under the Torrens system is the lack of the necessary documents to be presented in order to comply with the provisions of P.D. 892. We do not discount the possibility that the Spanish title in question is not genuine, especially since its genuineness and due execution have not been proven. In both cases, the petitioners-heirs were not able to present the original of Titulo de Propriedad No. 4136 nor a genuine copy thereof. In the special proceedings case, the petitioners-heirs failed to produce the Titulo despite a *subpoena duces tecum* (Exh. "Q-RP") to produce it as requested by the Republic from the then administrators of the subject intestate estate, Engracio San Pedro and Justino Benito, and the other interested parties. As an alternative to prove their claim of the subject intestate estate, the petitioners referred to a document known as "hypoteca" (the Spanish term is `*hipoteca*') allegedly appended to the Titulo. However, the said hypoteca was neither properly identified nor presented as evidence. Likewise, in the action for recovery of possession and/or reconveyance with damages, the petitioners-heirs did not submit the Titulo as part of their evidence. Instead, only an alleged illegible copy of the Titulo was presented. (Exhs. "C-9" to "C-19").

The Best Evidence Rule as provided under Rule 130, section 2 of the Rules of Court is stated in unequivocal terms. Subparagraphs (a) and (b) of the said Rule read:

> "SEC. 2. - *Original writing must be produced; exceptions.* - There can be no evidence of a writing the contents of which is the subject of inquiry, other than the original writing itself, except in the following cases:
>
> (a) When the original has been lost, destroyed, or cannot be produced in court;
>
> (b) When the original is in the possession of the party against whom the evidence is offered, and the latter fails to produce it after reasonable notice;"

x x x x x x x x x

Sections 4 and 5 of the same Rule further read:

> "SEC. 4. *Secondary evidence when original is lost or destroyed.* --- When the original writing has been lost or destroyed, or cannot be produced in court, upon proof of its execution and loss or destruction or unavailability, its contents may be proved by a copy, or by a recital of its contents in some authentic document, or by the recollection of witnesses."
>
> SEC. 5. *Secondary evidence when original is in adverse party's custody.* --- If the writing be in the custody of the adverse party, he must have reasonable notice to produce it. If after such notice and after satisfactory proof of its existence, he fails to produce the writing, the contents thereof may be proved as in the case of its loss. But the notice to produce it is not necessary where the writing is itself a notice, or where it has been wrongfully obtained or withheld by the adverse party."

Thus, the court shall not receive any evidence that is merely substitutionary in its nature, such as photocopies, as long as the original evidence can be had. In the absence of a clear showing that the original writing has been lost or destroyed or cannot be produced in court, the photocopy submitted, in lieu thereof, must be disregarded, being unworthy of any probative value and being an inadmissible piece of evidence.[61]

Hence, we conclude that petitioners-heirs failed to establish by competent proof the existence and due execution of the Titulo. Their explanation as to why the original copy of the Titulo could not be produced was not satisfactory. The alleged contents thereof which should have resolved the issue as to the exact extent of the subject intestate estate of the late Mariano San Pedro were not distinctly proved. In the case of *Ong Hing Po v. Court of Appeals*,[62] we pointed out that:

> "Secondary evidence is admissible when the original documents were actually lost or destroyed. But prior to the introduction of such secondary evidence, the proponent must establish the former existence of the document. The correct order of proof is as follows: existence; execution; loss; contents. This order may be changed if necessary in the discretion of the court.[63]

In upholding the genuineness and authenticity of Titulo de Propriedad No. 4136, Judge Bagasao, in his decision, relied on: (1) the testimony of the NBI expert, Mr. Segundo Tabayoyong, pertaining to a report dated January 28, 1963 denominated as "Questioned Documents Report No. 230-163"; (2) a photostat copy of the original of the Titulo duly certified by the then Clerk of Court of the defunct Court of First Instance of Manila; and (3) the *hipoteca* registered in the Register of Deeds of Bulacan on December 4, 1894.

Judge Fernandez, in his November 1978 Order which set aside Judge Bagasao's April 1978 decision correctly clarified that the NBI report aforementioned was limited to the genuineness of the two signatures of Alejandro Garcia and Mariano Lopez Delgado appearing on the last page of the Titulo, not the Titulo itself. When asked by the counsel of the petitioners-heirs to admit the existence and due execution of the Titulo, the handling Solicitor testified:

x x x x x x x x x

ATTY. BRINGAS:

With the testimony of this witness, I would like to call the distinguished counsel for the government whether he admits that there is actually a titulo propriedad 4136.

COURT:

Would you comment on that Solicitor Agcaoili?

ATTY. AGCAOILI:

We are precisely impugning the Titulo and I think the question of counsel is already answered by witness. The parties have not yet established the due existence of the titulo.

ATTY. BRINGAS:

We are constrained to ask this matter in order to be candid about the question. The witness is a witness for the government, so with the testimony of this witness for the government to the effect that there is actually in existence Titulo Propiedad 4136; we are asking the question candidly to the government counsel whether he is prepared to state that there is really in existence such Titulo Propiedad 4136.

ATTY. AGCAOILI:

We are now stating before this Court that there was such a document examined by the NBI insofar as the signatures of Alejandro Garcia and Manuel Lopez Delgado are concerned and they are found to be authentic."[64]

The following significant findings of Judge Fernandez further lend credence to our pronouncement that the Titulo is of dubious validity:

"x x x the NBI in its Questioned Document Report No. 448-977 dated September 2, 1977 (Exhibit `O-RP') concluded that the document contained material alterations as follows:

a) On line 15 of 'p. 1, Title' and on line 5 of 'p. 2, Title,' the word 'Pinagcamaligan' was written after 'Pulo;'

b) On line 16, 'p. 1, Title,' 'un' was converted to 'mil;'

c) On Line 18, 'p. 1, Title,' 'mil' was written at the end of 'tres' in 'tres mil;'

d) On line 19 of 'p. 1, Title,' a semblance of 'mil' was written after 'setentay tres;'

e) On line 6, 'p. 2, Title,' 'un' was formed to a semblance of 'uni;' and

f) On line 8, 'p. 2, Title,' 'un' was formed to 'mil.'

The plain and evident purpose was definitely to enlarge the area of the Titulo. According to Mr. Tabayoyong of the NBI, there are still "pieces of black ashes around the rings of the portions which are indications of burnings." The burnings were

made on the very portions where there were previous erasures, alterations and intercalations. Understandably, the burnings were done to erase traces of the criminal act."[65]

In the case of *National Power Corporation v. Court of Appeals, et al.*[66] Justice Ameurfina Melencio-Herrera, in reinstating the trial court's judgment therein, sustained the finding that:

> "x x x The photostatic copy (in lieu of the lost original) of the Spanish title in the name of Mariano San Pedro shows obvious alterations and intercalations in an attempt to vastly increase the area and change the location of the land described in the original title x x x."

Anent the inadmissibility as evidence of the photostat copy of the Titulo, we sustain the lower court's analysis, as affirmed by the appellate court, *viz*:

> "To begin with, the original of Titulo de Propiedad No. 4136 was never presented in Court. Upon request of the Government, a *subpoena duces tecum* (Exhibit "Q-RP"') was issued to the two administrators, Engracio San Pedro and Justino Benito as well as to other interested parties to produce the original of Titulo de Propriedad No. 4136. But no one produced the Titulo. What the parties did was to pass the buck to one another.
>
> Without any plausible explanation at all on as to why the original could not be produced, the Court cannot take cognizance of any secondary evidence.
>
> It was explained that the Titulo after changing hands, finally fell into the hands of a certain Moon Park of Korea but who later disappeared and that his present whereabouts could not be known.
>
> Strangely enough, despite the significance of the titulo, no serious efforts on the part of the claimants-heirs were exerted to retrieve this document of vital importance despite the Court order to produce it in order to determine its authenticity.
>
> It would not be enough to simply say that Moon Park's whereabouts are unknown or that there are not enough funds to locate him. The only logical conclusion would be that the original would be adverse if produced."[67]

As regards the *hipoteca* which allegedly defines the metes and bounds of the subject intestate estate, the petitioners-heirs have not established the conditions required by law for their admissibility as secondary evidence to prove that there exists a document designated as Titulo de Propriedad No. 4136. Hence, the same acquires no probative value.[68]

At this juncture, our decision dated June 28, 1968 in *Director of Forestry, et al. v. Hon. Emmanuel M. Muñoz, as Judge of the Court of First Instance of Bulacan, Branch I, et al.*[69] is enlightening. In said case, private respondent, Pinaycamaligan Indo-Agro Development Corporation, Inc. (PIADECO), claimed to be the owner of some 72,000 hectares of land located in the municipalities of Angat, Norzagaray and San Jose del Monte, province of Bulacan, and in Antipolo and Montalban, province of Rizal. To prove its ownership Piadeco relied on Titulo de Propriedad No. 4136 dated April 28, 1894. Scholarly opining that the Titulo is of doubtful validity,[70] Justice Conrado V. Sanchez, speaking for the Court, stated that:

> "But an important moiety here is the deeply disturbing intertwine of two undisputed facts. *First*. The Title embraces land `located in the Provinces of Bulacan, Rizal, Quezon, and Quezon City.' *Second*. The title was signed only by the provincial officials of Bulacan, and inscribed only in the Land Registry of Bulacan. Why? The situation, indeed, cries desperately for a plausible answer.
>
> To be underscored at this point is the well-embedded principle that private ownership of land must be proved not only through the genuineness of title but also with a clear identity of the land claimed. (Oligan *v.* Mejia, 17 Phil. 494, 496; Villa Abrille *v.* Banuelos, 20 Phil. 1, 8, *citing* Sison *v.* Ramos, 13 Phil. 54 and Belen *v.* Belen, 13 Phil. 202; Licad *v.* Bacani, 51 Phil 51, 54-56; Lasam *v.* Director, 65 Phil. 367, 371. This Court ruled in a case involving a Spanish title acquired by purchase that the land must be concretely measured per hectare or per *quinon*, not in mass (*cuerpos ciertos*), (Valdez *v.* Director, 62 Phil. 362, 373, 375). The fact that the Royal Decree of August 31, 1888 used 30 hectares as a basis for classifying lands strongly suggests that the land applied for must be measured per hectare.
>
> Here, no definite area seems to have been mentioned in the title. In Piadeco's 'Rejoinder to Opposition' dated April 28, 1964 filed in Civil Case 3035-M, it specified that area covered by its *Titulo de Propiedad* as 74,000 hectares (*Rollo* in L-24796, p.

36). In its 'Opposition' of May 13, 1964 in the same case, it described the land as containing 72,000 hectares (*Id.*, p. 48). Which is which? This but accentuates the nebulous identity of Piadeco's land. Piadeco's ownership thereof then equally suffers from vagueness, fatal at least in these proceedings.

Piadeco asserts that Don Mariano San Pedro y Esteban, the original owner appearing on the title, acquired his rights over the property by prescription under Articles 4 and 5 of the Royal Decree of June 25, 1880, (*Rollo* of L-24796, p. 184) the basic decree that authorized adjustment of lands. By this decree, applications for adjustment -- showing the location, boundaries and *area of land applied for* -- were to be filed with the *Direccion General de Administracion Civil*, which then ordered the *classification and survey* of the land with the assistance of the interested party or his legal representative (Ponce, *op. cit*., p. 22).

The Royal Decree of June 5, 1880 also fixed the period for filing applications for adjustment at one year from the date of publication of the decree in the *Gaceta de Manila* on September 10, 1880, extended for another year by the Royal Order of July 15, 1881 (*Ibid.*). If Don Mariano sought adjustment within the time prescribed, as he should have, then, seriously to be considered here are the Royal Orders of November 25, 1880 and of October 26, 1881, which limited adjustment to 1,000 hectares of arid lands, 500 hectares of land with trees and 100 hectares of irrigable lands (*See*: Government *v.* Avila, 46 Phil. 146, 154; Bayot *v.* Director of Lands, 98 Phil. 935, 941. Article 15 of the Royal Decree of January 26, 1889 limited the area that may be acquired by purchase to 2,500 hectares, with allowable error up to 5%. Ponce, *op. cit*., p. 19). And, at the risk of repetition, it should be stated again that Piadeco's *Titulo* is held out to embrace 72,000 or 74,000 hectares of land.

But if more were needed, we have the Maura Law (Royal Decree of February 13, 1894), published in the *Gaceta de Manila* on April 17, 1894 (*Ibid*., p. 26; Ventura, *op. cit*., p. 28). That decree required a second petition for adjustment within six months from publication, for those who had not yet secured their titles at the time of the publication of the law (*Ibid*.). Said law also abolished the provincial boards for the adjustment of lands established by Royal Decree of December 26, 1884, and confirmed by Royal Decree of August 31, 1888, which boards were directed to deliver to their successors, the provincial boards established by Decree on Municipal Organization issued on May 19, 1893, all records and documents which they may hold in their possession (Ramirez *v.* Director of Land, *supra*, at p. 124).

Doubt on Piadeco's title here supervenes when we come to consider that title was either dated April 29 or April 25, 1894, *twelve or eight days after the publication of the Maura Law.*

Let us now take a look, as near as the record allows, at how Piadeco exactly acquired its rights under the *Titulo*. The original owner appearing thereon was Don Mariano San Pedro y Esteban. From Piadeco's *explanation* -- *not its evidence* (*Rollo* of L-24796, pp. 179-188) we cull the following: On December 3, 1894, Don Mariano mortgaged the land under *pacto de retro*, redeemable within 10 years, for ₱8,000.00 to one Don Ignacio Conrado. This transaction was said to have been registered or inscribed on December 4, 1894. Don Mariano Ignacio died, his daughter, Maria Socorro Conrado, his only heir, adjudicated the land to herself. At about the same time, Piadeco was organized. *Its certificate of registration was issued by the Securities and Exchange Commission on June 27, 1932*. Later, Maria Socorro, heir of Don Ignacio, became a shareholder of Piadeco when she conveyed the land to Piadeco's treasurer and an incorporator, Trinidad B. Estrada, in consideration of a certain amount of Piadeco shares. Thereafter, Trinidad B. Estrada assigned the land to Piadeco. Then came to the scene a certain Fabian Castillo, appearing as sole heir of Don Mariano, the original owner of the land. Castillo also executed an affidavit of adjudication to himself over the same land, and then sold the same to Piadeco. Consideration therefor was paid partially by Piadeco, *pending* the registration of the land under Act 496.

The question may well be asked: Why was full payment of the consideration to Fabian Castillo made to depend on the registration of the land under the Torrens system, if Piadeco was sure of the validity of *Titulo de Propiedad* 4136? This, and other factors herein pointed out, cast great clouds of doubt that hang most conspicuously over Piadeco's title."

Moreover, in the case of *Widows & Orphans Association, Inc. v. Court of Appeals,* [71] we categorically enunciated that the alleged Spanish title, Titulo de Propriedad No. 4136, had become bereft of any probative value as evidence of land ownership by virtue of P.D. 892 as contained in our Resolution dated February 6, 1985 in a related case entitled *Benito and WIDORA v. Ortigas* docketed as G.R. No. 69343. On March 29, 1985, an entry of final judgment was made respecting G.R. No. 69343.

Under the doctrine of conclusiveness of judgment, the prior declarations by this Court relating to the issue of the validity of Titulo de Propriedad No. 4136 preclude us from adjudicating otherwise. In the *Muñoz* case, we had cast doubt on the Titulo's validity. In the *WIDORA* case, the Titulo's nullification was definitive. In both cases, the Republic and the estate of Mariano San Pedro y Esteban were on opposite ends before this bench. In the case *en banc* of *Calalang v. Register of Deeds of Quezon City*, [72] the Court explained the concept of conclusiveness of judgment, *viz*:

> "x x x conclusiveness of judgment - states that a fact or question which was in issue in a former suit and was there judicially passed upon and determined by a court of competent jurisdiction, is conclusively settled by the judgment therein as far as the parties to that action and persons in privity with them are concerned and cannot be again litigated in any future action between such parties or their privies, in the same court or any other court of concurrent jurisdiction on either the same or different cause of action, while the judgment remains unreversed by proper authority. It has been held that in order that a judgment in one action can be conclusive as to a particular matter in another action between the same parties or their privies, it is essential that the issue be identical. If a particular point or question is in issue in the second action, and the judgment will depend on the determination of that particular point or question, a former judgment between the same parties or their privies will be final and conclusive in the second if that same point or question was in issue and adjudicated in the first suit (*Nabus v. Court of Appeals*, 193 SCRA 732 [1991]). Identity of cause of action is not required by merely identity of issues."

The issue, whether Titulo de Propriedad No. 4136 is valid or not, must now be laid to rest. The Titulo cannot be relied upon by the petitioners-heirs or their privies as evidence of ownership. In the petition for letters of administration the inventory submitted before the probate court consisted solely of lands covered by the Titulo. Hence, there can be no "net estate" to speak of after the Titulo's exclusion from the intestate proceedings of the estate of the late Mariano San Pedro.

In G.R. No. 103727, the Titulo cannot be superior to the Torrens Titles of private respondents Buhain, Ocampo and Dela Cruz, namely TCT No. 372592 (Exh. "2", Buhain), TCT No. 8982 (Exh. "2"- De Ocampo) and TCT No. 269707 (Exh. "2" - Dela Cruz).[73] Under the Torrens system of registration, the titles of private respondents became indefeasible and incontrovertible one year from its final decree.[74] More importantly, TCT Nos. 372592, 8982, 269707, having been issued under the Torrens system, enjoy the conclusive presumption of validity.[75] As a last hurrah to champion their claim to the vast estate covered by the subject Spanish title, the petitioners-heirs imputed fraud and bad faith which they failed to prove on the part of the private respondents as regards their Torrens titles and accused their own counsel of gross negligence for having failed to call the proper witnesses from the Bureau of Forestry to substantiate the petitioners-heirs' claim that OCT No. 614 from which private respondents were derived is null and void. It is an elementary legal principle that the negligence of counsel binds the client.[76] The records show that the petitioners-heirs were not at all prejudiced by the non-presentation of evidence to prove that OCT No. 614 is a nullity considering that their ownership itself of the lands being claimed was not duly proved. In the case of *Villa Rhecar Bus v. Dela Cruz, et al.*,[77] we held:

> "It is unfortunate that the lawyer of the petitioner neglected his responsibilities to his client. This negligence ultimately resulted in a judgment adverse to the client. Be that as it may, such mistake binds the client, the herein petitioner. As a general rule, a client is bound by the mistakes of his counsel. (Que *v.* Court of Appeals, 101 SCRA 13 [1980] Only when the application of the general rule would result in serious injustice should an exception thereto be called for. Under the circumstances obtaining in this case, no undue prejudice against the petitioner has been satisfactorily demonstrated. At most, there is only an unsupported claim that the petitioner had been prejudiced by the negligence of its counsel, without an explanation to that effect."

Sans preponderance of evidence in support of the contention that the petitioners-heirs were denied due process on account of the negligence of their counsel, the writ of *certiorari* is unavailing.

It bears repeating that the heirs or successors-in-interest of Mariano San Pedro y Esteban are not without recourse. Presidential Decree No. 892, quoted hereinabove, grants all holders of Spanish Titles the right to apply for registration of their lands under Act No. 496, otherwise known as the Land Registration Act, within six (6) months from the effectivity of the Decree. Thereafter, however, any Spanish Title, if utilized as evidence of possession, cannot be used as evidence of ownership in any land registration proceedings under the Torrens system.

All instruments affecting lands originally registered under the Spanish Mortgage Law may be recorded under Section 194 of the Revised Administrative Code, as amended by Act 3344.

In view hereof, this is as good a time as any, to remind the Solicitor General to be more vigilant in handling land registration cases and intestate proceedings involving portions of the subject estate. It is not too late in the day for the Office of the Solicitor General to contest the Torrens titles of those who have acquired ownership of such portions of land that rightfully belong to the State.

In fine, the release of the matured Land Bank Capital Bonds issued in favor of Mariano San Pedro y Esteban on August 13, 1968 sought by one Catalino San Pedro, alleged heir, legal holder and owner of Titulo de Propriedad No. 4136 is a matter not ripe for adjudication in these cases. Firstly, Catalino San Pedro is not a party in any of the two cases before us for review, hence, this Court in a Resolution dated May 10, 1993,[78] denied Catalino's motion for leave to reopen and/or new trial. And, secondly, the aforementioned bonds were not included in the inventory of the subject estate submitted by then administrators, Engracio San Pedro and Justino Benito before the probate court.

WHEREFORE, in view of all the foregoing, the petitions in G.R. Nos. 103727 and 106496 are hereby DISMISSED for lack of merit.

Consequently, in G.R. No. 103727, the decision of the Court of Appeals dated January 20, 1992 is hereby AFFIRMED.

In G.R. No. 106496, judgment is hereby rendered as follows :

(1) Titulo de Propriedad No. 4136 is declared null and void and, therefore, no rights could be derived therefrom;

(2) All lands covered by Titulo de Propriedad No. 4136 are excluded from the inventory of the estate of the late Mariano San Pedro y Esteban;

(3) The petition for letters of administration, docketed as Special Proceedings No. 312-B, should be, as it is, hereby closed and terminated.

(4) The heirs, agents, privies and/or anyone acting for and in behalf of the estate of the late Mariano San Pedro y Esteban are hereby disallowed to exercise any act of possession or ownership or to otherwise, dispose of in any manner the whole or any portion of the estate covered by Titulo de Propriedad No. 4136; and they are hereby ordered to immediately vacate the same, if they or any of them are in possession thereof.

This judgment is IMMEDIATELY EXECUTORY.

SO ORDERED.

Narvasa, C.J., Padilla, Regalado, Davide, Jr., Romero, Bellosillo, Puno, Panganiban, and *Torres, Jr., JJ.,* concur.
Melo, Kapunan, Mendoza, and *Francisco, JJ.,* no part.
Vitug, J., on official leave.

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[1] A Spanish mode of land measurement.

[2] Rough Sketch of area claimed attached at the end of this Decision.

[3] See Concurring Opinion of Justice Hugo E. Gutierrez, Jr. in Widows and Orphans Association, Inc. (WIDORA) *v.* Court of Appeals, *et al.*, 201 SCRA 165, 177 [1991].

[4] See The Director of Forest Administration, *et al. v.* Fernandez, *et al.*, 192 SCRA 121 [1990]; Tiburcio *v.* Castro, 161 SCRA 583 [1988]; and J.M. Tuazon & Co., Inc. *v.* Jurilla, 76 SCRA 346 [1977]; See also SC (Third Division) Resolution dated February 11, 1991 in G.R. No. 94538: "Carmencita D. Cerena *v.* Hon. Esther Nobles Bans, *et al.*"

[5] In Re: T. Borromeo, 241 SCRA 405, 454 [1995].

[6] Records, G.R. No. 103727, pp. 1-8

[7] *Id.*, pp. 283-286; Penned by then Judge Maximiano C. Asuncion.

[8] *Id.*, p. 286; RTC Decision, p. 4.

[9] Piedad Estate or Friar Lands.

[10] See Note 6, pp. 3-6, *Supra.*

[11] *Rollo* of G.R. No. 103727, p. 33; CA Decision, p. 2.

[12] Records, G.R. No. 103727, pp. 208-209; Issued by then Judge Manuel M. Calanog, Jr.

[13] *Id.*, pp. 284-285; RTC Decision, pp. 2-3.

[14] *Id.*, p. 294.

[15] *Rollo* of G.R. No. 103727, pp. 32-36; CA (Second Division) Decision, pp. 1-5; Penned by Associate Justice Regina G. Ordoñez-Benitez and concurred in by then Acting Presiding Justice Jose A. R. Melo and Associate Justice Emeterio C. Cui.

[16] *Id.*, pp. 35-36; CA Decision, pp. 4-5.

[17] *Id.*, pp. 12-30.

[18] *Rollo* of G.R. No. 106496, pp. 37-44.

[19] Records, G.R. No. 106496, p. 355, *et. seq*.; Annex 'A.'

[20] See Note 18, pp. 38-39; CA Decision, pp. 5-6, *Supra.*

[21] *Rollo* of G.R. No. 103727, p. 52; RTC Decision dated April 25, 1978, in Sp. Proc. No. 312-B, p. 1.

[22] *Rollo* of G.R. No. 106496, p. 35; CA Decision, p. 2.

[23] *Ibid.*

[24] See Note 21, pp. 52-53, *supra.*

[25] *Rollo* of G.R. No. 106496, pp. 35-36; CA Decision pp. 2-3.

[26] *Id.*, p. 36.

[27] *Ibid.*

[28] *Ibid.*

[29] *Rollo* of G.R. No. 103727, pp. 101-103.

[30] *Rollo* of G.R. No. 106496, p. 38.

[31] *Ibid.*

[32] See Note 19, *supra.*

[33] See Note 30, pp. 54-94; CA Brief for the Petitioner-Appellant and Petitioner Co-Appellants.

[34] *Id.*, pp. 34-49; CA (Sixteenth Division) Decision, pp. 1-16, Penned by Associate Justice Luis L. Victor and concurred in by Associate Justices Ricardo J. Francisco and Pacita Cañizares-Nye.

[35] *Id.*, pp. 51-53.

[36] *Id.*, pp. 7-30.

[37] *Id.*, p. 552.

[38] *Rollo* of G.R. No. 103727, pp. 23-24.

[39] *Rollo* of G.R. No. 106496, p. 16.

[40] *Id.*, p. 18.

[41] *Id.*, p. 19.

[42] *Id.*, p. 23.

[43] *Id.*, p. 25.

[44] The proper term should be "probate court."

[45] *Rollo* of G.R. No. 106496 pp. 16-18.

[46] *Id.*, pp. 211-213.

[47] 75 Phil. 532, 535 [1945].

[48] 202 SCRA 106, 116 [1991].

[49] 67 Phil. 353, 356-357 [1939].

[50] 23 CJS, p. 1163, par. 381.

[51] *Rollo* of G.R. No. 106496, pp. 18-19.

[52] People *v.* Dela Cruz, 207 SCRA 632, 643 [1992] citing People *v.* Umbrera, 196 SCRA 82 [1991] and People *v.* Abaya, 185 SCRA 419 [1990].

[53] Act No. 496.

[54] See Director of Lands *v.* Heirs of Isabel Tesalona, *et al.*, 236 SCRA 336, 343 [1994]; Republic *v.* Court of Appeals, *et al.*, 135 SCRA 156, 166 [1985].

[55] Carabot *v.* Court of Appeals, 145 SCRA 368, 383 [1986].

[56] Republic *v.* Intermediate Appellate Court, *et al.*, 186 SCRA 88, 93 [1990].

[57] See Note 54.

[58] *Rollo* of G.R. No. 103727, p. 39; Complaint (Civil Case No. Q-88-447), p. 3.

[59] Trans-Pacific Industrial Supplies, Inc. *v.* Court of Appeals, 235 SCRA 494, 502 [1994] citing Imperial Victory Shipping Agency *v.* NLRC, 200 SCRA 178 [1991]; P.T. Cerna Corporation *v.* Court of Appeals, *et al.,* 221 SCRA 19, 25 [1993] citing Rodriguez *v*. Valencia, 81 Phil. 787 [1948] and Legasca *v*. de Vera, 79 Phil. 376 [1947]; The New Testament Church of God *v.* Court of Appeals, *et al.*, 246 SCRA 266, 269 [1995] citing Republic *v*. Court of Appeals, 204 SCRA 160 [1991].

[60] See Note 19, *supra*; Order dated November 17, 1978 in Sp. Proc. No. 312-B, p. 39.

[61] Gobonseng, Jr. *v.* Court of Appeals, 246 SCRA 472, 495 [1995]; Arroyo *v.* House of Representatives Electoral Tribunal, 246 SCRA 384, 404 [1995] citing Government of the P.I. *v.* Martinez, 44 Phil. 817, 827.

[62] 239 SCRA 341, 348 [1994].

[63] De Vera *v.* Aguilar, 218 SCRA 602 [1993].

[64] Decision, Sp. Proc. No. 312-B, p. 20.

[65] See Note 60, pp. 36-37.

[66] 144 SCRA 318, 321 [1986].

[67] Order, Sp. Proc. No. 312-B, p. 35.

[68] See Republic *v.* CA, G.R. No. 113549, prom. on July 5, 1996.

[69] 23 SCRA 1183, 1206-1209.

[70] N.B.: The Muñoz case was decided in 1968, long before the issuance of PD No. 892

[71] 212 SCRA 360, 380 [1992].

[72] 231 SCRA 88, 99-100.

[73] See Tiburcio *v.* Castro, *et al.*, 161 SCRA 583, 588 citing Tiburcio *v.* PHHC, 106 Phil. 477 [1959]; Galvez *v.* Tuason, 10 SCRA 344 [1964]; and PHHC *v.* Mencias, 20 SCRA 1031 [1967].

[74] See Calalang *v.* Register of Deeds, 208 SCRA 215, 228 [1992], citing Tirado *v.* Sevilla, 188 SCRA 321 [1990].

[75] See Ramos *v.* Rodriguez, 244 SCRA 418, 424 [1995].

[76] (B. R. Sebastian Enterprises, Inc. *v.* Court of Appeals, 206 SCRA 28, 39 [1992] citing Manila Electric Company *v.* Court of Appeals, 187 SCRA 200 [1990]; Arambulo *v.* Court of Appeals, 226 SCRA 589,601 [1993] citing B.R. Sebastian Enterprises, Inc. *v.* Court of Appeals, *Supra*).

[77] 157 SCRA 13, 16 [1988].

[78] *Rollo* of G.R. No. 106496, p. 269.