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approach its supreme ideal which is the sway and dominance of justice."[43] The rules thereon apply equally well to the Government.[44] Since respondent had rendered services to the full satisfaction and acceptance by petitioner, then the former should be compensated for them. To allow petitioner to acquire the finished project at no cost would undoubtedly constitute unjust enrichment for the petitioner to the prejudice of respondent. Such unjust enrichment is not allowed by law.

WHEREFORE, the present petition is *DENIED* for lack of merit. The assailed Decision of the Court of Appeals dated April 28, 2003 in CA-G.R. CV No. 56345 is *AFFIRMED*. No pronouncement as to costs.

SO ORDERED.

Ynares-Santiago (Chairperson), Chico-Nazario, and *Nachura, JJ.,* concur.

Callejo, Sr., J., on leave.

THIRD DIVISION

[G.R. No. 166865. March 2, 2007]

ANGELITA F. BUENAVENTURA and PRECIOSA F. BUENAVENTURA, *petitioners, vs.* **REPUBLIC OF THE PHILIPPINES,** *respondent.*

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[43] *Advanced Foundation Construction Systems Corporation v. New World Properties and Ventures, Inc.*, G.R. Nos. 143154 & 143177, June 21, 2006, 491 SCRA 557, 578; *Security Bank & Trust Co. v. Court of Appeals*, 319 Phil. 312, 317 (1995), citing Report of the Code Commission, p. 39, cited in Padilla, Ambrosio, *Civil Code Annotated*, Vol. 1975.

[44] *Palma Development Corp. v. Municipality of Malangas, Zamboanga Del Sur*, 459 Phil. 1042, 1050 (2003); *Republic v. Court of Appeals*, No. L-31303-04, May 31, 1978, 83 SCRA 453, 480.

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SYLLABUS

1. REMEDIAL LAW; CIVIL PROCEDURE; SUPREME COURT'S POWER OF REVIEW; RULE; EXCEPTIONS.— As a rule, in the exercise of the Supreme Court's power of review, the Court is not a trier of facts and does not normally undertake the reexamination of evidence presented by the contending parties during the trial of the case considering that the findings of fact of the Court of Appeals are conclusive and binding on the Court. However, the rule is not without exceptions. There are several recognized exceptions in which factual issues may be resolved by this Court and two of these exceptions find application in this present case, to wit: (1) when the findings of the appellate court are contrary to those of the trial court; and (2) when the findings of fact of the appellate court are premised on the supposed absence of evidence but contradicted by the evidence on record.

2. CIVIL LAW; LAND REGISTRATION; PROPERTY REGISTRATION DECREE; REQUISITES FOR FILING AN APPLICATION FOR REGISTRATION OF TITLE.— Section 14 of the Property Registration Decree speaks of who may apply for registration of land. The said provision of law refers to an original registration through ordinary registration proceedings. From the provisions of the Property Registration Decree, we can deduce that there are three requisites for the filing of an application for registration of title under the first category, to wit: (1) that the property in question is alienable and disposable land of the public domain; (2) that the applicants by themselves or through their predecessors-in-interest have been in open, continuous, exclusive and notorious possession and occupation; and (3) that such possession is under a *bona fide* claim of ownership since 12 June 1945 or earlier. The second classification relates to the acquisition of private lands by prescription.

3. ID.; ID.; ID.; ID.; CERTIFICATION OF THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES THAT THE SUBJECT PROPERTY IS ALIENABLE AND DISPOSABLE LAND OF THE PUBLIC DOMAIN IS SUFFICIENT TO ESTABLISH THE TRUE NATURE OR CHARACTER OF THE PROPERTY; CERTIFICATION ENJOYS PRESUMPTION OF REGULARITY IN THE

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ABSENCE OF CONTRADICTORY EVIDENCE.— In the case at bar, the Republic argues, through the Office of the Solicitor General, that petitioners' own evidence tends to show that the subject property is not alienable and disposable because it was a salt bed and a fish pond and under Section 2, Article XII of the Constitution, *except* for agricultural lands, all other natural resources shall not be alienated. Likewise, under the *Regalian Doctrine*, all lands not otherwise appearing to be clearly within private ownership are presumed to belong to the State. It is true that under the *Regalian Doctrine* all lands of the public domain belong to the State and all lands not otherwise appearing to be clearly within private ownership are presumed to belong to the State. However, such presumption is not conclusive. It can be rebutted by the applicant's presentation of incontrovertible evidence showing that the land subject of the application for registration is alienable and disposable. After a thorough examination of the records of this case, this Court found out that petitioners offered in evidence a certification from the Department of Environment and Natural Resources, National Capital Region dated 29 October 2001, to prove that the subject property was alienable and disposable land of the public domain. The said certification contains the following statements: This is to certify that the parcel of land as shown and described on the reverse side of this plan- Lot 5001-B, Cad-299, Parañaque Cadastre situated at San Dionisio, Parañaque City, Metro Manila containing an area of 3,520.92 square meters as prepared by Geodetic Engineer Mariano V. Flotildes for Amado Buenaventura, *et al*., was verified to be within the **Alienable and Disposable Land** per L.C. Map 2623, Project No. 25 of Parañaque per Forestry Administrative Order No. 4-1141 dated January 3, 1968. To our minds, the said certification is sufficient to establish the true nature or character of the subject property. The certification enjoys a presumption of regularity in the absence of contradictory evidence. As it is, the said certification remains uncontested and even the Republic itself did not present any evidence to refute the contents of the said certification. Therefore, the alienable and disposable character of the questioned parcel of land has been clearly established by the evidence of the petitioners, by 3 January 1968, at the latest.

4. ID.; ID.; ID.; ID.; EVIDENCE SUBMITTED BY PETITIONERS WAS NOT ENOUGH TO PROVE THAT THEIR

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POSSESSION OF THE SUBJECT PROPERTY STARTED SINCE 12 JUNE 1945 OR EARLIER BECAUSE THE EVIDENCE ESTABLISHED THAT THE QUESTIONED PARCEL OF LAND WAS ACQUIRED BY PETITIONER'S PARENTS ONLY ON 30 JANUARY 1948.— We agree with the findings of the Court of Appeals that the evidence presented by petitioners was not enough to prove that their possession of the subject property started since 12 June 1945 or earlier because the evidence established that the questioned parcel of land was acquired by petitioners' parents only on 30 January 1948, the date of the execution of the Deed of Absolute Sale by its previous owners. They can neither tack their possession to that of the previous owners because they failed to present any evidence of possession by those prior owners. Moreover, petitioners' possession of the subject property could only ripen into ownership on 3 January 1968, when the same became alienable and disposable. "Any period of possession prior to the date when the [s]ubject [property was] classified as alienable and disposable is inconsequential and should be excluded from the computation of the period of possession; such possession can never ripen into ownership and unless the land had been classified as alienable and disposable, the rules on confirmation of imperfect title shall not apply thereto."

5. ID.; ID.; ID.; ID.; EVEN IF POSSESSION OF ALIENABLE LANDS OF THE PUBLIC DOMAIN COMMENCED ONLY AFTER 12 JUNE 1945, APPLICATION FOR REGISTRATION OF SAID PROPERTY IS STILL POSSIBLE BY VIRTUE OF SECTION 14(2) OF THE PROPERTY REGISTRATION DECREE WHICH SPEAKS OF PRESCRIPTION.— Be that as it may, this will not be an insurmountable bar to the petitioners to have the title to the subject property registered in their names. In the case of *Republic v. Court of Appeals*, this Court closely examined the land registration laws governing land registration proceedings in the Philippines. In the aforesaid case, the Court made the following pronouncements: When the Public Land Act was first promulgated in 1936, the period of possession deemed necessary to vest the right to register their title to agricultural lands of the public domain commenced from July 26, 1894. However, this period was amended by R.A. [Republic Act] No. 1942, which provided that the *bona fide* claim of ownership must have been for at least thirty (30) years. Then

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in 1977, Section 48(b) of the Public Land Act was again amended, this time by P.D. No. 1073, which pegged the reckoning date at June 12, 1945. This new starting point is concordant with Section 14(1) of the Property Registration Decree. Indeed, there are no material differences between Section 14(1) of the Property Registration Decree and Section 48(b) of the Public Land Act, as amended. True, the Public Land Act does not refer to "agricultural lands of the public domain," while the Property Registration Decree uses the term "alienable and disposable lands of the public domain." It must be noted though that the Constitution declares that "alienable lands of the public domain shall be limited to agricultural lands." Clearly the subject lands under Section 48(b) of the Public Land Act and Section 14(1) of the Property Registration Decree are of the same type. **Did the enactment of the Property Registration Decree and the amendatory P.D. No. 1073 preclude the application for registration of alienable lands of the public domain, possession over which commenced only after June 12, 1945? It did not, considering Section 14(2) of the Property Registration Decree, which governs and authorizes the application of "those who have acquired ownership of private lands by prescription under the provisions of existing laws."** It becomes crystal clear from the aforesaid ruling of the court that even if the possession of alienable lands of the public domain commenced only after 12 June 1945, application for registration of the said property is still possible by virtue of Section 14(2) of the Property Registration Decree which speaks of prescription.

6. ID.; ID.; ID.; ID.; PETITIONER'S OPEN, CONTINUOUS, EXCLUSIVE AND NOTORIOUS POSSESSION AND OCCUPATION IN THE CONCEPT OF AN OWNER OF THE SUBJECT PROPERTY FOR 32 YEARS SATISFIES THE LEGAL REQUIREMENTS OF PRESCRIPTION.— Petitioners presented as evidence their tax declarations covering the years from 1948 until the third quarter of 2001. They also offered in evidence a certification from the Office of the Treasurer of the City of Parañaque to prove that realty taxes over the subject property had been duly paid by petitioners. As a rule, tax declarations or realty tax payments of property are not conclusive evidence of ownership; nevertheless, they are good *indicia* of possession in the concept of owner, for

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no one in his right mind would be paying taxes for a property that is not in his actual or constructive possession. They constitute at least proof that the holder has a claim of title over the property. The voluntary declaration of a piece of property for taxation purposes manifests not only one's sincere and honest desire to obtain title to the property and announces his adverse claim against the State and all other interested parties, but also the intention to contribute needed revenues to the Government. Such an act strengthens one's *bona fide* claim of acquisition of ownership.

7. ID.; ID.; ID.; ID.; TAX DECLARATIONS AND RECEIPTS COUPLED WITH ACTUAL POSSESSION CONSTITUTE EVIDENCE OF GREAT WEIGHT AND CAN BE THE BASIS OF A CLAIM OF OWNERSHIP THROUGH PRESCRIPTION.— In the same breath, it cannot be gainsaid that petitioners have been in actual possession of the subject property since 1968, at the latest. According to the testimony of their witnesses, parts of the subject property are planted with bananas and some vegetables, and a bamboo grove. The other parts of the subject property were used as a fishpond, as well as devoted to salt making until 1990. However, when the property was no longer suitable for agricultural purposes, for fishpond, and for salt making because of its conversion to non-agricultural purposes consistent with the zonal development of the area, the petitioners backfilled the subject property with gravel and sand, for which they paid their farm helpers just compensation. Thereafter, they enclosed the property with perimeter fence, installed guards and a caretaker to prevent potential squatters from penetrating the area. When tax declarations and receipts are coupled with actual possession, they constitute evidence of great weight and can be the basis of a claim of ownership through prescription.

8. ID.; ID.; ID.; ID.; PIECES OF EVIDENCE SUBMITTED ARE INCONTROVERTIBLE AND NOT EVEN THE REPUBLIC PRESENTED ANY EVIDENCE TO CONTRADICT THE CLAIMS OF THE PETITIONERS THAT THEY ARE IN POSSESSION OF THE SUBJECT PROPERTY AND THEIR POSSESSION OF THE SAME IS OPEN, CONTINUOUS AND EXCLUSIVE IN THE CONCEPT OF AN OWNER FOR OVER 30 YEARS.— Conspicuously, the petitioners'

witnesses are one in pointing out that petitioners and their predecessors-in-interest are the sole claimants of the subject property. It bears stressing that the pieces of evidence submitted by petitioners are incontrovertible. No one, not even the Republic, presented any evidence to contradict the claims of the petitioners that they are in possession of the subject property and their possession of the same is open, continuous and exclusive in the concept of an owner for over 30 years. Verily, even the appellate court mentioned in its Decision that petitioners were able to show possession of the subject property as early as 1948, the only basis for its Decision reversing the Order of the trial court being the insufficiency of the evidence presented by petitioners to establish their possession of the subject property **prior** to 12 June 1945. IN ALL, petitioners were able to prove sufficiently that they have been in possession of the subject property for more than 30 years, which possession is characterized as open, continuous, exclusive, and notorious, in the concept of an owner. By this, the subject alienable and disposable public land had been effectively converted into private property over which petitioners have acquired ownership through prescription to which they are entitled to have title through registration proceedings. Petitioner's right to have their title to the subject property registered cannot be defeated simply because the possession of petitioners commenced on a date later than 12 June 1945, for the law and supplementing jurisprudence amply, justly and rightfully provides the necessary remedy to what would otherwise result in an unjust and unwarranted situation. It would be the height of injustice if petitioners' registration of title over the said property will be denied solely on that ground.

APPEARANCES OF COUNSEL

Libarios Jalandoni Dimayuga & Magtanong for petitioners.
The Solicitor General for respondent.

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D E C I S I O N

CHICO-NAZARIO, *J.*:

The case before this Court is a Petition for Review on *Certiorari* under Rule 45 of the 1997 Revised Rules of Civil Procedure seeking to annul and set aside the Decision[1] and Resolution[2] of the Court of Appeals in CA-G.R. CV No. 72925 entitled, *Angelita F. Buenaventura and Preciosa F. Buenaventura vs. Republic of the Philippines*, dated 23 August 2004 and 25 January 2005, respectively, which granted the appeal filed by the Republic of the Philippines (Republic) and declared the parcel of land subject matter of this Petition as public land, thus, reversing the Order[3] of the Regional Trial Court (RTC) of Parañaque City dated 29 October 2001, which recognized and confirmed the rights of herein petitioners Angelita F. Buenaventura (Angelita) and Preciosa F. Buenaventura (Preciosa), over the subject property, and issued a decree of registration of the same in their favor.

The antecedent facts of the case are as follows:

Petitioners Angelita and Preciosa are the applicants for registration of title over the subject property. They are the heirs of spouses Amado Buenaventura and Irene Flores (spouses Buenaventura) from whom they acquired the subject property.

The facts reveal that the subject property was acquired by the spouses Buenaventura from the Heirs of Lazaro de Leon, namely: Aurelio de Leon and his sister Rodencia Sta. Agueda even before World War II. However, it was only on 30 January 1948 that the corresponding Deed of Sale[4] was executed in favor of the spouses Buenaventura. After the execution of the said Deed of Sale, the spouses Buenaventura transferred the

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[1]Penned by Associate Justice Mariano C. Del Castillo with Associate Justices Edgardo P. Cruz and Magdangal M. De Leon, concurring, *rollo*, pp. 59-71.

[2]*Id*. at 85.

[3]Penned by Pairing Judge Helen Bautista-Ricafort, *id*. at 72-83.

[4]*Id*. at 175-176.

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tax declaration in their name. Consequently, Tax Declaration (T.D.) No. 5492 covering the subject property in the names of Aurelio and Rodencia was cancelled and T.D. No. 6103[5] was issued in the name of spouses Buenaventura.

In 1978, the spouses Buenaventura transferred, by way of Deed of Sale,[6] the subject property, together with the adjacent property, which they previously acquired from Mariano Pascual, to their children, among whom are herein petitioners. As a result thereof, a new tax declaration (T.D. No. A-004-05698)[7] was issued in the name of the spouses Buenaventura's children.

Petitioners then filed an Application for Registration of Title on 5 June 2000 before the RTC of Parañaque City of the subject property, more particularly described as Cadastral Lot No. 5001-B, Csd-007604-000176-D, Parañaque Cadastre, located in San Dionisio, Parañaque City, with an area of 3,520.92 square meters, more or less. Petitioners alleged that "they and their predecessors-in-interest acquired title to the said parcel of land thru inheritance, transfer, and possession as owners of the same since time immemorial and/or within the period provided for by law."[8]

As the trial court found the application to be sufficient in form and substance, it thereby set the case for hearing, and directed the service and publication of the notice thereof pursuant to Section 23[9] of the Property Registration Decree (Presidential Decree No. 1529).

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[5] *Id.* at 177.

[6] *Id.* at 183.

[7] *Id.* at 184.

[8] RTC Records, p. 3.

[9] SEC. 23. *Notice of initial hearing, publication, etc.* – The court shall, within five days from filing of the application, issue an order setting the date and hour of the initial hearing which shall not be earlier than forty-five days nor later than ninety days from the date of the order.

The public shall be given notice of the initial hearing of the application for land registration by means of (1) publication; (2) mailing; and (3) posting.

1. By publication. –

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On 27 September 2001, when the case was called for hearing, no interested party appeared before the trial court other than the petitioners. Consequently, petitioners proceeded to present several documents in order to establish compliance with the jurisdictional requirements. The same were marked and offered in evidence before the court *a quo*.

No formal opposition had been filed and no oppositor appeared in any of the previously set hearings of the case; hence, petitioners' counsel moved for the declaration of general default except for the Republic. The same was granted by the court *a quo*. The case was then referred to a commissioner, who directly received petitioners' evidence in chief.

Upon receipt of the order of the court setting the time for initial hearing, the Commissioner of Land Registration shall cause a notice of initial hearing to be published once in the Official Gazette and once in a newspaper of general circulation in the Philippines: *Provided, however*, that the publication in the Official Gazette shall be sufficient to confer jurisdiction upon the court. Said notice shall be addressed to all persons appearing to have an interest in the land involved including the adjoining owners so far as known, and "to all whom it may concern." Said notice shall also require all persons concerned to appear in court at a certain date and time to show cause why the prayer of said application shall not be granted.

2. By mailing. –

(a) Mailing of notice to persons named in the application. – The Commissioner of Land Registration shall also within seven days after publication of said notice in the Official Gazette, as hereinbefore provided, cause a copy of the notice of initial hearing to be mailed to every person named in the notice whose address is known.

xxx xxx xxx

3. By posting. –

The Commissioner of Land Registration shall also cause a duly attested copy of the notice of initial hearing to be posted by the sheriff of the province or city, as the case may be, or by his deputy, in a conspicuous place on each parcel of land included in the application and also in a conspicuous place on the bulletin board of the municipal building of the municipality or city in which the land or portion thereof is situated, fourteen days at least before the date of initial hearing.

The court may also cause notice to be served to such other persons and in such manner as it may deem proper.

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Petitioners presented five witnesses, namely: Aniceta C. Capiral, Engr. Teofilo R. La Guardia, Atty. Reginald L. Hernandez, Ricardo H. Lopez, and herein petitioner Angelita, in order to establish the fact that petitioners and their predecessors have acquired vested right over the subject property by their open, continuous, and exclusive possession under a *bona fide* claim of ownership for over 50 years completely unmolested by any adverse claim, meaning, their possession of the subject property was in the manner and for the period required by law; likewise, to prove the alienable and disposable character of the subject property.

Other than the respective testimonies of the above-named witnesses, they also presented and identified several documents[10] offered in evidence, which tend to establish further the following:

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[10] The following are the documentary evidence submitted by the petitioners before the trial court: (1) Cadastral Map of Cad 299, Parañaque Cadastre, covering Lot 5001; (2) Entry in the Cadastral Map that Lot 5001 is subject of Plan AP-13-000-223; (3) DENR (Land Management Bureau) Certification that the claimant of Lot 5001 and subject of Plan AP-13-000-223 is Amado Buenaventura; (4) Acknowledgement of the Deed of Sale; (5) Tax Declaration No. 6103 (1948) in the name of spouses Amado Buenaventura and Irene Flores for the year 1948; (6) Entry of Amado Buenaventura and Irene Flores as owner of the property; (7) Annotation of the Cancellation of Tax Declaration No. 5492 in the name of previous owners; (8) Plan CSD 07629-00176-D; (9) Annotation on the cancellation of previous approved plan Lot 5001 under Plan AP-13-000-223; (10) Technical Description of lot 5001-B; (11) Tax Declaration Nos. A-004-05698 (1979), B-016-06134 (1985), E-010-03073, and E-010-08193; (12) Certified True Copy of TD Nos. D-010-07955, E-010-03073, and E-010-08193; (13) Certification issued by the Office of the City Treasurer of Parañaque dated 10 October 2001 that all taxes of the property classified as raw land and now as commercial lot and described under Tax Declaration No. E-010-08193 has been duly paid from 1948; (14) Attachment of Certification issued by the Office of the City Treasurer of Parañaque dated 9 October 2001 containing official receipt numbers; (15) Certification of the status of Lot 5001-B as alienable and disposable public land; (16) Official receipts for the payment of real property tax for the year 1948 and 1949, 1950 and 1951, 1952 and 1953, 1954; (17) Real Property Tax Record of the Municipality of Parañaque in the name of Preciosa Buenaventura, *et al*., for Tax Declaration No. B-016-06134, D-010-17955, E-010-08193, and E-010-03073; and (18) Real Property ownership index card in the name of Preciosa Buenaventura of Tax Declaration 01634.

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(1) petitioners' fee simple title over the subject property; (2) the nature of the possession and occupation of the property; (3) its classification as part of the alienable and disposable zone of the government; and (4) the improvements introduced thereon and the taxes paid on the subject property. Said documents were duly admitted by the trial court.

On 29 October 2001, based on the pieces of evidence presented by petitioners, the court *a quo* issued an Order granting the application for registration of title of the subject property, the decretal portion of which reads as follows:

> WHEREFORE, finding the application of registration of title to the subject parcel of land, known as Lot 5001-B Cad 299, Parañaque Cadastre, and more particularly described in approved Survey Plan Csd 007604-000176 is hereby confirmed and ordered registered in the names of [petitioners] Preciosa, Angelita, [and in the names of their other siblings] Crisostomo, and Alfredo, all surnamed Buenaventura, free from all liens and encumbrances.
>
> ONCE THIS DECISION has become final, let another one issue directing the Land Registration Authority to issue the corresponding decree.
>
> Let copies of this [D]ecision be furnished to the adjoining owners, Land Registration Authority, Land Management Bureau, Office of the Solicitor General, Sec. of Public Works and Highways, Department of Agrarian Reform, the Director, Forest Management Bureau, Chairman Metropolitan Manila Development Authority, DENR [Department of Environment and Natural Resources], South CENRO, Land Management Sector, City Mayor of Parañaque and Registry of Deeds, Parañaque City.[11]

Feeling aggrieved with the aforementioned Order of the trial court, the Republic appealed to the Court of Appeals. According to the Republic, petitioners failed to prove continuous, open, exclusive and notorious possession by their predecessors-in-interest and by themselves; hence, the trial court erred in granting petitioners' application for registration of the subject property. The Republic prayed for the reversal of the Order of the trial

[11] *Rollo*, p. 83.

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court and for the dismissal of the application for registration filed by petitioners.

On 23 August 2004, the Court of Appeals rendered a Decision in favor of the Republic, thus, overturning the Order of the court *a quo*. The dispositive portion of the Decision reads as:

> WHEREFORE, the appeal is **GRANTED** and the Decision of the Regional Trial Court, Branch 274, Parañaque City dated October 29, 2001 is **REVERSED** and **SET ASIDE** and the parcel of land subject matter of the application is declared public land.[12]

Petitioners filed a Motion for Reconsideration of the aforesaid Decision on 20 September 2004. In a Resolution dated 25 January 2005 rendered by the appellate court, said Motion for Reconsideration was forthwith denied for lack of merit.

Hence, this Petition.

Petitioners raise the following issues for the resolution of this Court:

I. Whether or not the Court of Appeals erred in nullifying the Decision of the trial court confirming petitioners' title over the subject property for not being allegedly supported by substantial evidence as required by law.

II. Whether or not the Court of Appeals gravely erred in declaring the subject property as public land and ignoring petitioners' evidence of over 50 year possession in the concept of an owner and completely unmolested by any adverse claim.

In the Memorandum[13] of the petitioners, they allege that the appellate court committed grave error when it nullified the trial court's Order dated 29 October 2001, which confirmed their title to the subject property. Petitioners claim that contrary to the findings of the Court of Appeals that the above-mentioned Order was not supported by evidence, the records of the case clearly speak of the existence, not absence, of sufficient evidence to sustain the findings of the court *a quo* that petitioners have

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[12] *Id*. at 70.

[13] *Id*. at 431-494.

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established possession of the subject property in the manner and for the period required by law, that is by open, continuous, exclusive, and notorious possession in the concept of an owner since 12 June 1945 or earlier, to warrant the registration of their title to the subject property.

Petitioners likewise argue that the appellate court gravely erred when it declared as public land the subject property despite the fact that they were able to prove by clear and convincing evidence that their possession of the subject property was indeed in the manner and within the period required by law. Having been in possession of the subject property for more than 30 years, they have already acquired vested right or title over the subject property by operation of law based on the period provided for under the prevailing land registration and property laws; hence, the Decision of the Court of Appeals is inconsistent with the facts and the law.

The Petition is meritorious.

In resolving the issues involved in the present case, there is a need for this Court to re-examine the facts of the case for the proper determination of the issues raised herein.

As a rule, in the exercise of the Supreme Court's power of review, the Court is not a trier of facts and does not normally undertake the re-examination of the evidence presented by the contending parties during the trial of the case considering that the findings of fact of the Court of Appeals are conclusive and binding on the Court.[14] However, the rule is not without exceptions. There are several recognized exceptions[15] in which

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[14] *Almendrala v. Ngo*, G.R. No. 142408, 30 September 2005, 471 SCRA 311, 322.

[15] Recognized exceptions to this rule are: (1) when the findings are grounded entirely on speculation, surmises or conjectures; (2) when the inference made is manifestly mistaken, absurd or impossible; (3) when there is grave abuse of discretion; (4) when the judgment is based on misapprehension of facts; (5) when the finding of facts are conflicting; (6) 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 appellee and the appellant; (7) when the findings are contrary to the trial court; (8) when the findings are conclusions

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factual issues may be resolved by this Court and two of these exceptions find application in this present case, to wit: (1) when the findings of the appellate court are contrary to those of the trial court; and (2) when the findings of fact of the appellate court are premised on the supposed absence of evidence but contradicted by the evidence on record.

The issues presented by petitioners will be discussed concurrently, since they are interrelated.

In the assailed Decision of the Court of Appeals, it ruled that petitioners failed to show possession and occupation of the subject property under a *bona fide* claim of ownership since 12 June 1945 or earlier as provided for in Section 14(1) of the Property Registration Decree. It further said that the testimonial evidence presented by petitioners was not sufficient to prove petitioners' possession in the manner and within the period required by the aforesaid law because petitioners' witnesses merely testified on their familiarity with the subject property.

Section 14 of the Property Registration Decree speaks of who may apply for registration of land. The said provision of law refers to an original registration through ordinary registration proceedings.[16] It specifically provides:

SEC. 14. *Who may apply*. – The following persons may file in the proper Court of First Instance [now Regional Trial Court] an

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without citation of specific evidence on which they are based; (9) 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; (10) when the findings of fact are premised on the supposed absence of evidence and contradicted by the evidence on record; or (11) when the Court of Appeals manifestly overlooked certain relevant facts not disputed by the parties, which, if properly considered, would justify a different conclusion (*Langkaan Realty Development, Inc. v. United Coconut Planters Bank*, G.R. No. 139437, 8 December 2000, 347 SCRA 542; *Nokom v. National Labor Relations Commissions*, 390 Phil. 1228, 1243 [2000]; *Commissioner of Internal Revenue v. Embroidery and Garments Industries [Phils.], Inc.*, 364 Phil. 541, 546-547 [1999]; *Sta. Maria v. Court of Appeals*, 349 Phil. 275, 282-283 [1998]; *Almendrala v. Ngo*, *id*.)

[16] *Republic v. Court of Appeals*, G.R. No. 144057, 17 January 2005, 448 SCRA 442, 448.

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application for registration of title to land, whether personally or through their duly authorized representatives:

(1) Those who by themselves or through their predecessors-in-interest have been in open, continuous, exclusive and notorious possession and occupation of alienable and disposable lands of the public domain under a *bona fide* claim of ownership since June 12, 1945, or earlier.

(2) Those who have acquired ownership of private lands by prescription under the provisions of existing laws.

From the aforesaid provisions of the Property Registration Decree, we can deduce that there are three requisites for the filing of an application for registration of title under the first category, to wit: (1) that the property in question is alienable and disposable land of the public domain; (2) that the applicants by themselves or through their predecessors-in-interest have been in open, continuous, exclusive and notorious possession and occupation; and (3) that such possession is under a *bona fide* claim of ownership since 12 June 1945 or earlier.[17] The second classification relates to the acquisition of private lands by prescription.

In the case at bar, the Republic argues, through the Office of the Solicitor General, that petitioners' own evidence tends to show that the subject property is not alienable and disposable because it was a salt bed and a fishpond and under Section 2, Article XII of the Constitution, *except* for agricultural lands, all other natural resources shall not be alienated. Likewise, under the *Regalian Doctrine*, all lands not otherwise appearing to be clearly within private ownership are presumed to belong to the State.

It is true that under the *Regalian Doctrine* all lands of the public domain belong to the State and all lands not otherwise appearing to be clearly within private ownership are presumed to belong to the State.[18] However, such presumption is not conclusive. It can be rebutted by the applicant's presentation

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[17] *Id*.

[18] *Pagkatipunan v. Court of Appeals*, G.R. No. 129682, 21 March 2002, 379 SCRA 621, 628.

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of incontrovertible evidence showing that the land subject of the application for registration is alienable and disposable.[19]

After a thorough examination of the records of this case, this Court found out that petitioners offered in evidence a certification[20] from the Department of Environment and Natural Resources, National Capital Region dated 29 October 2001, to prove that the subject property was alienable and disposable land of the public domain. The said certification contains the following statements:

> This is to certify that the parcel of land as shown and described on the reverse side of this plan- Lot 5001-B, Cad-299, Parañaque Cadastre situated at San Dionisio, Parañaque City, Metro Manila containing an area of 3,520.92 square meters as prepared by Geodetic Engineer Mariano V. Flotildes for Amado Buenaventura, *et al.*, was verified to be within the **Alienable and Disposable Land** per L.C. Map 2623, Project No. 25 of Parañaque per Forestry Administrative Order No. 4-1141 dated January 3, 1968.[21] (Emphasis supplied.)

To our minds, the said certification is sufficient to establish the true nature or character of the subject property. The certification enjoys a presumption of regularity in the absence of contradictory evidence.[22] As it is, the said certification remains uncontested and even the Republic itself did not present any evidence to refute the contents of the said certification. Therefore, the alienable and disposable character of the questioned parcel of land has been clearly established by the evidence of the petitioners, by 3 January 1968, at the latest.

Now, going to the requisites of open, continuous, exclusive and notorious possession and occupation under a *bona fide* claim of ownership since 12 June 1945 or earlier, Republic alleges that no sufficient evidence was adduced by petitioners

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[19] *Id*.

[20] Records, p. 307.

[21] *Id*.

[22] *Republic v. Court of Appeals*, G.R. No. 127060, 19 November 2002, 392 SCRA 190, 201.

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to show that they and their predecessors-in-interest have been in exclusive possession of the subject property since 12 June 1945 or earlier in the concept of an owner, to which the Court of Appeals agreed. The Court of Appeals in its decision said that:

> Although they were able to show possession by their parents, their predecessors-in-interest, since 1948, they failed to prove the fact of possession since [12 June 1945] before the filing of the application.[23]

Emphasis should be given to the fact that the Court of Appeals, in its Decision, did not question petitioners' possession of the subject property since 1948. Verily, it even stated in the said Decision that petitioners' possession may be reckoned from 1948, the year of the execution of the Deed of Sale. The only reason posited by the appellate court in denying the Order of the trial court which granted the application for registration of title of the petitioners was the fact that petitioners' evidence was not sufficient to prove that their possession of the subject property was since 12 June 1945 or earlier.

We agree with the findings of the Court of Appeals that the evidence presented by petitioners was not enough to prove that their possession of the subject property started since 12 June 1945 or earlier because the evidence established that the questioned parcel of land was acquired by petitioners' parents only on 30 January 1948, the date of the execution of the Deed of Absolute Sale by its previous owners. They can neither tack their possession to that of the previous owners because they failed to present any evidence of possession by those prior owners. Moreover, petitioners' possession of the subject property could only ripen into ownership on 3 January 1968, when the same became alienable and disposable. "Any period of possession prior to the date when the [s]ubject [property was] classified as alienable and disposable is inconsequential and should be excluded from the computation of the period of possession; such possession can never ripen into ownership and unless the land had been

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[23] *Rollo*, p. 68.

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classified as alienable and disposable, the rules on confirmation of imperfect title shall not apply thereto."[24]

Be that as it may, this will not be an insurmountable bar to the petitioners to have the title to the subject property registered in their names.

In the case of *Republic v. Court of Appeals*,[25] this Court closely examined the land registration laws governing land registration proceedings in the Philippines. In the aforesaid case, the Court made the following pronouncements:

> When the Public Land Act was first promulgated in 1936, the period of possession deemed necessary to vest the right to register their title to agricultural lands of the public domain commenced from July 26, 1894. However, this period was amended by R.A. [Republic Act] No. 1942, which provided that the *bona fide* claim of ownership must have been for at least thirty (30) years. Then in 1977, Section 48(b) of the Public Land Act was again amended, this time by P.D. No. 1073, which pegged the reckoning date at June 12, 1945. This new starting point is concordant with Section 14(1) of the Property Registration Decree.
>
> Indeed, there are no material differences between Section 14(1) of the Property Registration Decree and Section 48(b) of the Public Land Act, as amended. True, the Public Land Act does refer to "agricultural lands of the public domain," while the Property Registration Decree uses the term "alienable and disposable lands of the public domain." It must be noted though that the Constitution declares that "alienable lands of the public domain shall be limited to agricultural lands." Clearly the subject lands under Section 48(b) of the Public Land Act and Section 14(1) of the Property Registration Decree are of the same type.
>
> **Did the enactment of the Property Registration Decree and the amendatory P.D. No. 1073 preclude the application for registration of alienable lands of the public domain, possession over which commenced only after June 12, 1945? It did not, considering Section 14(2) of the Property Registration Decree,**

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[24] *Republic v. Herbieto*, G.R. No. 156117, 26 May 2005, 459 SCRA 183, 201-202.

[25] *Supra* note 16 at 451-452.

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which governs and authorizes the application of "those who have acquired ownership of private lands by prescription under the provisions of existing laws."[26] (Emphasis supplied.)

It becomes crystal clear from the aforesaid ruling of the Court that even if the possession of alienable lands of the public domain commenced only after 12 June 1945, application for registration of the said property is still possible by virtue of Section 14(2) of the Property Registration Decree which speaks of prescription.

Under the Civil Code, prescription is one of the modes of acquiring ownership.[27] Article 1106 of the Civil Code provides:

By prescription, one acquires ownership and other real rights through the lapse of time in the manner and under the conditions laid down by law.

Also in Article 1113 of the Civil Code, it is provided that:

All things which are within the commerce of men are susceptible of prescription, unless otherwise provided. Property of the State or any of its subdivision not patrimonial in character shall not be the object of prescription.

Likewise, Article 1137 of the Civil Code states that:

Ownership and other real rights over immovables also prescribe through uninterrupted adverse possession thereof for **thirty years, without need of title** or of good faith. (Emphasis supplied.)

It is well-settled that properties classified as alienable and disposable land may be converted into private property by reason of open, continuous and exclusive possession of at least 30 years.[28] Such property now falls within the contemplation of "private lands" under Section 14(2), over which title by prescription can be acquired. Hence, because of Section 14(2) of Presidential

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[26] *Id*.

[27] *Id*. at 452.

[28] *Cabuay, Jr. v. Malvar*, G.R. No. 123780, 24 September 2002, 389 SCRA 493, 509; *Republic v. Court of Appeals*, G.R. No. 144057, 17 January 2005, 448 SCRA 442, 452.

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Decree No. 1529, those who are in possession of alienable and disposable land, and whose possession has been characterized as open, continuous and exclusive for 30 years or more, may have the right to register their title to such land despite the fact that their possession of the land commenced only after 12 June 1945.[29]

The aforesaid jurisprudential rule truly demonstrates that, in the present case, while petitioners' possession over the subject property can be reckoned only on 3 January 1968, the date when according to evidence, the subject property became alienable and disposable, they can still have the subject property registered in their names by virtue of Section 14(2) of the Property Registration Decree.

The records, indeed, reveal that petitioners were in possession of the subject property for more than 30 years, 32 years to be exact, reckoned from the year 1968, when the subject property was finally declared alienable and disposable by the DENR to the time they filed an application for registration of title over the subject property on 5 June 2000. Petitioners' possession of the subject property since 1968 has been characterized as open, continuous, exclusive and notorious possession and occupation in the concept of an owner.

Petitioners presented as evidence their tax declarations covering the years from 1948 until the third quarter of 2001. They also offered in evidence a certification[30] from the Office of the Treasurer of the City of Parañaque to prove that realty taxes over the subject property had been duly paid by petitioners. As a rule, tax declarations or realty tax payments of property are not conclusive evidence of ownership, nevertheless, they are good *indicia* of possession in the concept of owner, for no one in his right mind would be paying taxes for a property that is not in his actual or constructive possession. They constitute at least proof that the holder has a claim of title over the property. The voluntary declaration of a piece of property for taxation

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[29] *Republic v. Court of Appeals*, *id*. at 453.

[30] *Rollo*, p. 191.

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purposes manifests not only one's sincere and honest desire to obtain title to the property and announces his adverse claim against the State and all other interested parties, but also the intention to contribute needed revenues to the Government. Such an act strengthens one's *bona fide* claim of acquisition of ownership.[31]

In the same breath, it cannot be gainsaid that petitioners have been in actual possession of the subject property since 1968, at the latest. According to the testimony of their witnesses, parts of the subject property are planted with bananas and some vegetables, and a bamboo grove. The other parts of the subject property were used as a fishpond, as well as devoted to salt making until 1990.[32] However, when the property was no longer suitable for agricultural purposes, for fishpond, and for salt making because of its conversion to non-agricultural purposes consistent with the zonal development of the area, the petitioners backfilled the subject property with gravel and sand, for which they paid their farm helpers just compensation. Thereafter, they enclosed the property with perimeter fence, installed guards and a caretaker to prevent potential squatters from penetrating the area.[33] When tax declarations and receipts are coupled with actual possession, they constitute evidence of great weight and can be the basis of a claim of ownership through prescription.[34]

Conspicuously, the petitioners' witnesses are one in pointing out that petitioners and their predecessors-in-interest are the sole claimants of the subject property.

It bears stressing that the pieces of evidence submitted by petitioners are incontrovertible. No one, not even the Republic, presented any evidence to contradict the claims of the petitioners that they are in possession of the subject property and their possession of the same is open, continuous and exclusive in the

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[31] *Heirs of Simplicio Santiago v. Heirs of Mariano E. Santiago,* G.R. No. 151440, 17 June 2003, 404 SCRA 193, 199-200.

[32] TSN, 31 October 2001, pp. 33-34.

[33] *Id.* at 17-18, 27.

[34] *Heirs of Flores Restar v. Heirs of Dolores R. Cichon*, G.R. No. 161720, 22 November 2005, 475 SCRA 731, 741.

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concept of an owner for over 30 years. Verily, even the appellate court mentioned in its Decision that petitioners were able to show possession of the subject property as early as 1948, the only basis for its Decision reversing the Order of the trial court being the insufficiency of the evidence presented by petitioners to establish their possession of the subject property **prior** to 12 June 1945.

IN ALL, petitioners were able to prove sufficiently that they have been in possession of the subject property for more than 30 years, which possession is characterized as open, continuous, exclusive, and notorious, in the concept of an owner. By this, the subject alienable and disposable public land had been effectively converted into private property over which petitioners have acquired ownership through prescription to which they are entitled to have title through registration proceedings. Petitioners' right to have their title to the subject property registered cannot be defeated simply because the possession of petitioners commenced on a date later than 12 June 1945, for the law and supplementing jurisprudence amply, justly and rightfully provides the necessary remedy to what would otherwise result in an unjust and unwarranted situation. It would be the height of injustice if petitioners' registration of title over the said property will be denied solely on that ground.

WHEREFORE, premises considered, the instant Petition is hereby *GRANTED*. The Decision and Resolution of the Court of Appeals dated 23 August 2004 and 25 January 2005, respectively, are hereby *REVERSED* and *SET ASIDE*. The Order of the trial court dated 29 October 2001 which granted petitioners' application for registration of the subject property and directing the issuance of a decree of registration in petitioners' favor once the judgment has become final and executory is hereby *REINSTATED*. No costs.

SO ORDERED.

Ynares-Santiago (Chairperson) and *Austria Martinez, JJ.*, concur.

Nachura, J., no part. Filed pleading as Solicitor General.

Callejo, Sr., J., on leave.