

# Republic of the Philippines Supreme Court

Manila

## SECOND DIVISION

HEIRS OF JOSE FERNANDO,
Petitioners,

G.R. No. 186366

Present:

- versus -

CARPIO, J.,
Chairperson,
BRION,
DEL CASTILLO,
PEREZ, and
PERLAS-BERNABE, JJ.

REYNALDO DE BELEN,
Respondent.

Promulgated:

JUL 0 3 2013 dell'abalogien factio

## DECISION

PEREZ, J.:

This Petition for Review on *Certiorari* under Rule 45 of the Rules of Court seeks the reversal of the 11 February 2009 Decision<sup>1</sup> of the Court of Appeals in CA-G.R. CV No. 87588, setting aside the 28 October 2005 Decision<sup>2</sup> of the Regional Trial Court (RTC), Branch 10 of Malolos City, Bulacan, which rendered a favorable finding for the petitioners in a complaint for recovery of possession docketed as Civil Case No. 180-M-98.



Penned by Associate Justice Arcangelita M. Romilla-Lontok and concurred in by Associate Justices Josefina Guevara-Salonga and Romeo F. Barza. CA *rollo*, pp. 112-119.

Penned by Judge Victoria Villalon-Pornillos. Records, pp. 237-248.

### The Facts

This case emanated from a complaint for *Recovery of Possession*<sup>3</sup> filed on 6 March 1998 by the petitioners against Reynaldo De Belen, herein respondent, before the RTC, Branch 10 of Malolos, Bulacan, involving a parcel of land covered by Original Certificate of Title (OCT) No. RO-487 (997) registered in the name of the late Jose, married to Lucila Tinio and Apolonia Fernando, wife of Felipe Galvez, consisting of 124,994 square meters, more or less, which is situated in Baliuag, Bulacan.

In the said complaint, it was alleged that petitioners are the children of the late Jose and they are in the process of partitioning their inheritance. However, they could not properly accomplish the partition due to the presence of the respondent who intruded into a portion of their property and conducted quarrying operations in its immediate vicinity for so many years, without their knowledge and permission.<sup>4</sup>

Petitioners, therefore, wrote a letter<sup>5</sup> dated 8 April 1997 to the respondent which was unheeded; thus, a *barangay* conciliation was resorted to. For failure of the respondent to appear, a Certification<sup>6</sup> was issued by the Barangay Lupon that led to the filing of the complaint before the RTC of Malolos, Bulacan docketed as Civil Case No. 180-M-98 to assert and defend their right over the subject property and for the respondent to vacate the premises and pay rental arrearages in the amount of \$\mathbb{P}24,000.00\$, attorney's fees of \$\mathbb{P}10,000.00\$ and exemplary damages of \$\mathbb{P}20,000.00\$

Instead of filing an Answer, respondent Reynaldo De Belen filed a Motion to Dismiss<sup>7</sup> dated 22 June 1998, setting forth the following grounds: (1) lack of jurisdiction; (2) lack of cause of action; (3) ambiguity as to the portion of the lot De Belen occupies; and, (4) incomplete statement of material facts, the complaint having failed to state the identity, location and area of the lot sought to be recovered.

The petitioners filed their Opposition<sup>8</sup> on 17 July 1998, averring that the complaint states a cause of action and respondent need not be confused because the estate under OCT No. RO-487 (997) is actually known as Psu-39080 with an area of 124,994 square meters divided into Lot 1 (80,760).

Id. at 2-5.

<sup>&</sup>lt;sup>4</sup> Id. at 2.

<sup>&</sup>lt;sup>5</sup> Id. at 8.

Exhibit "C" of the Complaint, id. at 9.

<sup>7</sup> Id. at 20-25.

<sup>8</sup> Id. at 27-28.

square meters), Lot 2 (22,000 square meters), and Lot 3 (21,521 square meters). Likewise, petitioners also stated that their father, Jose and the latter's sister, Antonia A. Fernando, were co-owners *pro-indiviso* of the subject property and that as indicated in their demand letter, they represent the heirs of Jose and Antonia A. Fernando, both deceased many years ago. Although, a matter of proof to be presented in the course of the trial, petitioners nonetheless advanced that Antonia Fernando predeceased her brother Jose and she died without issue; thus, her undivided share was consolidated with that of her brother.

Finding lack of merit, the motion was denied in an Order<sup>9</sup> dated 3 November 1998, with the trial court ordering herein petitioners to amend the complaint by indicating the details desired by the respondent in order for the latter to file a responsive pleading.

On 12 February 1999, the Amended Complaint<sup>10</sup> with its attachment was filed to which the respondent moved for a Bill of Particulars,<sup>11</sup> specifically questioning the legal basis for the complaint since the entire property appears to be co-owned by Jose and Antonia Fernando and it was not particularized in the complaint as to what specific portion belongs to each of the co-owners.

In addition, the respondent, in his *Answer*, <sup>12</sup> claimed that even the Bill of Particulars <sup>13</sup> did not clearly show the exact identity, personal circumstances and relationship of the individual heirs of the decedent, location, area and size of the subject property. Also, prescription, estoppel and laches had set in as against the petitioners.

The respondent further argued that the Amended Complaint was prematurely filed due to the fact that the Certification to File Action was issued in violation of the prescribed procedure. The respondent likewise insisted on his right of possession over the subject property as evidenced by the successive transfer from Felipe Galvez to Carmen Galvez on 11 March 1955; from Carmen Galvez to Florentino San Luis to Reynaldo De Belen on 4 June 1979, and the receipt for the purchase price of ₱60,000.00 dated 19 June 1979. He asserted that from the date of his purchase, he has been in exclusive, continuous, open and public possession of said parcel of land.

<sup>&</sup>lt;sup>9</sup> Id. at 39-41.

<sup>&</sup>lt;sup>10</sup> Id. at 56-60.

<sup>&</sup>lt;sup>11</sup> Id. at 71-74.

<sup>&</sup>lt;sup>12</sup> Id. at 80-89.

<sup>&</sup>lt;sup>13</sup> Id. at 77-78.

Trial on the merits ensued which eventually resulted in the 28 October 2005 Decision of the RTC which is favorable to the petitioners. Thus:

## IN VIEW OF THE FOREGOING, judgment is hereby RENDERED:

- (a) Declaring as null and void and without legal force and effect the "Kasulatan Ng Pagbibilihang Tuluyan Ng Tumana" dated March 11, 1955 executed by Felipe Galvez in favor of Carmen Galvez; "Kasulatan Ng Pagbibiling Tuluyan Ng Tumana dated July 28, 1958, registered as Doc. No. 945; Page 59, Book XXIV; Series of 1958 of Notary Public Fermin Samson executed by Carme[n] Galvez married to Luis Cruz in favor of Florentino San Luis; and "Kasulatan Ng Bilihang Tuluyan Ng Lupang Tumana" dated June 04, 1979 executed by Florentino R. San Luis married to Agripina Reves in favor of defendant Reynaldo Santos de Belen, entered as Doc. No. 199; Page No. 41; Book No. 79; Series of 1979 covering 9,838 square meters of a parcel of land designated as Lot 1303-B per approved subdivision plan in Cad. Case No. 17, Record No. 788 submitted before the defunct CFI of Bulacan and granted in a Decision dated December 29, 1929;
- (b) Ordering the reconveyance of the disputed subject property in question including all improvements thereon as above-described by the defendant to the plaintiffs herein;
- (c) Ordering the defendant to pay plaintiffs the amount of ₱10,000.00 a month from March 06, 1998 with legal interest until the subject property is actually returned to the plaintiffs;
- Ordering the defendant to pay plaintiffs the amount of \$\mathbb{P}\$10,000.00 as attorney's fees;
- (e) Ordering the defendant to pay plaintiff's the costs of suit. 14

Aggrieved, respondent appealed to the Court of Appeals raising the issues on jurisdiction for failure of the petitioners to state the assessed value of the subject property, absence of evidence proving the lawful ownership of the petitioners and the grant of affirmative reliefs which were not alleged or prayed for.

On 11 February 2009, the Court of Appeals issued the assailed decision setting aside the decision of the RTC for want of jurisdiction and declaring further that the Amended Complaint must be dismissed.

<sup>14</sup> 

Hence, the petition at bench seeking the reversal of the aforementioned decision.

#### The Issue

The core issue for resolution is whether or not the Court of Appeals committed reversible error in holding that the RTC did not acquire jurisdiction for failure to allege in the complaint the assessed value of the subject property.

# Our Ruling

The general rule is that the jurisdiction of a court may be questioned at any stage of the proceedings. Lack of jurisdiction is one of those excepted grounds where the court may dismiss a claim or a case at any time when it appears from the pleadings or the evidence on record that any of those grounds exists, even if they were not raised in the answer or in a motion to dismiss. So that, whenever it appears that the court has no jurisdiction over the subject matter, the action shall be dismissed. This defense may be interposed at any time, during appeal or even after final judgment. Such is understandable, as this kind of jurisdiction is conferred by law and not within the courts, let alone the parties, to themselves determine or conveniently set aside. The proceedings of the parties of the

A reading of both the complaint and the amended complaint shows that petitioners failed to state the assessed value of the disputed lot. This fact was highlighted by the Court of Appeals when it ruled:

Instant complaint for Recovery of Possession failed to specify the assessed value of the property subject matter of the action. "What determines the nature of the action as well as which court has jurisdiction over it are the allegations of the complaint and the character of the relief sought." (*Bejar, et. al. v. Caluag, G.R. No. 171277*, February 12, 2007). The allegations in the complaint and the relief sought by the party determine the nature of the action if the title or designation is not clear. The complaint, in the case at bar, is bereft of any allegation which discloses the assessed value of the property subject matter thereof. The

<sup>&</sup>lt;sup>15</sup> Vargas v. Caminas, G.R. No. 137869 and G.R. No. 137940, 12 June 2008, 554 SCRA 305, 321.

Geonzon Vda. De Barrera v. Heirs of Vicente Legaspi, G.R. No. 174346, 12 September 2008, 565
 SCRA 192, 198 citing Francel Realty Corporation v. Sycip, 506 Phil. 407, 415 (2005).

De Rossi v. NLRC, 373 Phil. 17, 26-27 (1999) citing La Naval Drug Corporation v. Court of Appeals, G.R. No. 103200, 31 August 1994, 236 SCRA 78, 90.

court a quo therefore, did not acquire jurisdiction over instant action. The Amended Complaint does not state a valid cause of action. <sup>18</sup>

Facially, the above disposition finds support from the provisions of Republic Act 7691 (RA 7691),<sup>19</sup> the law in effect when the case was filed. Section 1 of RA 7691, amending Section 19 of *Batas Pambansa Bilang* 129, pertinently states:

"Section 1. Section 19 of Batas Pambansa Blg. 129, otherwise known as the "Judiciary Reorganization Act of 1980", is hereby amended to read as follows:

"Section 19. Jurisdiction in civil cases. – Regional Trial Courts shall exercise exclusive original jurisdiction.

- "(1) In all civil actions in which the subject of the litigation is incapable of pecuniary estimation;
- "(2) In all civil actions which involve the title to, or possession of, real property, or any interest therein, where the assessed value of the property involved exceeds Twenty thousand pesos (\$\mathbb{P}20,000,00\$) or, for civil actions in Metro Manila, where such value exceeds Fifty thousand pesos (\$\mathbb{P}50,000.00\$) except actions for forcible entry into and unlawful detainer of lands or buildings, original jurisdiction over which is conferred upon the Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts;

x x x x.

Thereby guided, the Court of Appeals no longer dwelt on the other issues and matters raised before it.

Jurisprudence has it that in a petition for review on *certiorari* under Rule 45 of the Rules of Court, only questions of law may be raised. <sup>20</sup> As held in the case of *Solmayor v. Arroyo*, <sup>21</sup> it is not the function of this Court to analyze and weigh evidence all over again. This is premised on the presumed thorough appreciation of the facts by the lower courts. Such that, when the trial court and the appellate court, as in this case, reached opposite

<sup>&</sup>lt;sup>18</sup> CA's 11 February 2009 Decision in CA-G.R. CV No. 87588. CA *rollo*, p. 117

Entitled "AN ACT EXPANDING THE JURISDICTION OF THE METROPOLITAN TRIAL COURTS, MUNICIPAL TRIAL COURT, AND MUNICIPAL CIRCUIT TRIAL COURTS, AMENDING FOR THE PURPOSE BATAS PAMBANSA BLG. 129, OTHERWISE KNOWN AS THE JUDICIARY REORGANIZATION ACT OF 1980."

Pasong Bayabas Farmers Association, Inc. v. Court of Appeals, 473 Phil. 64, 90 (2004) citing Calvo v. Vergara, 423 Phil. 939, 947 (2001).

<sup>&</sup>lt;sup>21</sup> 520 Phil. 854, 871 (2006).

conclusions, a review of the facts may be done. There is a permissible scope of judicial review on the factual findings of the lower courts as crystallized in *Treñas v. People of the Philippines*, where the Court cited contradictory findings of the Court of Appeals and the trial court as one of the instances where the resolution of the petition requires a review of the factual findings of the lower courts and the evidence upon which they are based.

So too are we reminded that procedural rules are intended to ensure the proper administration of law and justice and the rules of procedure ought not to be applied in a very rigid sense, for they are adopted to secure, not override, substantial justice.<sup>23</sup>

We, accordingly, review the records of this case and note the facts and evidence ignored by the appellate court. We observe that at the initial stage of this case when the respondent questioned the jurisdiction of the RTC in a Motion to Dismiss, he solely assailed the vagueness of the complaint for failure to allege the specific identity of the subject property and for being prematurely filed. The trial court in its 3 November 1998 Order, settled the issue by declaring that the allegations in the complaint make out for a case of recovery of ownership and that the petitioners need not wait for the lapse of one year from the 8 April 1997 demand letter to maintain the *accion reinvidicatoria*. The trial court went on to explain that the complaint clearly gives the defendant, herein respondent, notice of their exclusive and absolute claim of ownership over the entire property covered by the OCT No. RO-487 (997).

From the said Order, the respondent never raised any objection and did not even opt to elevate the matter to a higher court *via* a *certiorari* case which is a remedy for the correction of errors of jurisdiction. If indeed respondent was not convinced of the trial court's ruling, he could have availed of such remedy which is an original and independent action that does not proceed from the trial that would lead to the judgment on the merits. As aptly cited in the case of *New Frontier Sugar Corporation v. RTC*, *Branch 39*, *Iloilo City*,<sup>24</sup> when the issue is jurisdiction, an original action for *certiorari* may be directed against an interlocutory order of the lower court prior to an appeal from the judgment.

On the contrary, the respondent acquiesced to the 3 November 1998 Order of the trial court for him to file his Answer,<sup>25</sup> whereby, he asserted

<sup>&</sup>lt;sup>22</sup> G.R. No. 195002, 25 January 2012, 664 SCRA 355, 363-364.

Morales v. The Board of Regents of the University of the Philippines, 487 Phil. 449, 465 (2004).

<sup>&</sup>lt;sup>24</sup> 542 Phil. 587, 597 (2007).

<sup>&</sup>lt;sup>25</sup> Records, pp. 80-84.

ownership over the portion of the subject property which he occupied. He attached the following proof of his ownership, to wit: a) Deed of Absolute Sale by Felipe Galvez in favor of Carmen Galvez dated 11 March 1955;<sup>26</sup> b) Deed of Absolute Sale by Carmen Galvez in favor of Florentino San Luis dated 28 July 1958;<sup>27</sup> c) Deed of Absolute Sale by Florentino San Luis in favor of Reynaldo Santos De Belen dated 4 June 1979<sup>28</sup> and the corresponding receipt of the purchase price of ₽60,000.00 dated 19 June  $1979.^{29}$ 

When the pre-trial conference was concluded, the trial court issued several Pre-Trial Orders,<sup>30</sup> specifying the identity and coverage of the subject property being claimed by the petitioners as well as that portion occupied by the respondent, simplification of facts involved, and the issues which primarily centered on the validity of the transfer or disposition made by Felipe Galvez of the paraphernal property of his wife Antonia Fernando from which transfer the respondent succeeded his right over the portion he occupied.

During the trial, the petitioners were able to prove that indeed they are the rightful heirs of Jose and Antonia Fernando and that they have right of ownership over the property covered by OCT No. RO-487 (997) as described in Plan Psu-39080 of Lots 1302-B and 1303 prepared by Geodetic Engineer Alfredo C. Borja on 15 September 1997.31 It was also proved through the admission of the respondent that he has been occupying a portion of Lot 1303 which is the Sapang Bayan, the old river, titled in the name of Jose and Antonia Fernando. Thus, it was ruled that the Deed of Sale in respondent's favor which was traced from the transfer made by Felix Galvez on 11 March 1955, without any participation of Antonia Fernando was likewise without any settlement of property between the said husband and wife and the property remained to be the paraphernal property of Antonia. Consequently, the trial court declared that the sale between Felipe Galvez and Carmen Galvez and its subsequent transfers are *void ab initio*, as Felipe Galvez was neither the owner nor administrator of the subject property.

Further, the trial court went on to state that respondent has not proved his status as a purchaser in good faith and for value taking cue from the facts and circumstances as well as the numerous entries found at the dorsal sides

<sup>26</sup> Annex "1," id. at 85.

Annex "2," id. at 86-87. Annex "3," id. at 88. Annex "4," id. at 89. 27

<sup>28</sup> 

<sup>29</sup> 

<sup>30</sup> Id. at 113-115; 120-121; 124 and 145-146.

Exhibit "A," id. at 180.

of OCT No. RO-487 (997) which should have put any of the buyers on guard.

After the entire proceedings fully participated in by the respondent, he cannot be allowed to question the result as having been rendered without jurisdiction. This is the teaching in *Tijam v. Sibonghanoy*, *et al.*<sup>32</sup> as reiterated in *Soliven v. Fastforms Philippines*, *Inc.*, 33 where the Court ruled:

"While it is true that jurisdiction may be raised at any time, "this rule presupposes that estoppel has not supervened." In the instant case, *respondent actively participated in all stages of the proceedings before the trial court* and invoked its authority by asking for an affirmative relief. Clearly, respondent is estopped from challenging the trial court's jurisdiction, especially when an adverse judgment has been rendered." (Italics ours)

Similarly, as this Court held in *Pantranco North Express, Inc. v. Court of Appeals*, <sup>34</sup> participation in all stages of the case before the trial court, that included invoking its authority in asking for affirmative relief, effectively barred the respondent by estoppel from challenging the court's jurisdiction. The Court has consistently upheld the doctrine that while jurisdiction may be assailed at any stage, a litigant who participated in the court proceedings by filing pleadings and presenting his evidence cannot later on question the trial court's jurisdiction when judgement unfavorable to him is rendered.

Moreover, and of equal significance, the facts of this case demonstrate the inapplicability of RA 7691. The argument of respondent that the assessed value of the subject property places the case outside the jurisdiction of the Regional Trial Court is belied by respondent's own Answer which states that:

## X X X X

"16. That the defendant's ownership and possession over the parcel of land ought to be recovered by the plaintiff is valid and legal as evidenced by the following:<sup>35</sup>

<sup>&</sup>lt;sup>32</sup> 131 Phil. 556, (1968).

<sup>&</sup>lt;sup>33</sup> 483 Phil. 416, 422 (2004).

<sup>&</sup>lt;sup>34</sup> G.R. No. 105180, 5 July 1993, 224 SCRA 477, 491.

Records, p. 81.

 $x \times x \times x$ 

(c) Deed of Absolute Sale by Florentino San Luis in favor of Reynaldo Santos de Belen dated June 4, 1979 (Annex "3" hereof)<sup>36</sup> and the corresponding receipt of the purchase price of \$\mathbb{P}60,000.00\$ dated June 19, 1979 (Annex "4" hereof)."<sup>37</sup>

thereby showing that way back in 1979 or nineteen (19) years before this case was instituted, the value of the property was already well covered by the jurisdictional amount for cases within the jurisdiction of the RTC.

WHEREFORE, we GRANT the petition and REVERSE the assailed Decision of the Court of Appeals. The Regional Trial Court Decision is AFFIRMED. Let the records of this case be remanded to the RTC, Branch 10, Malolos, Bulacan for execution.

SO ORDERED.

ssociate Justice

WE CONCUR:

ANTONIO T. CARPIO

Associate Justice

<sup>36</sup> Id. at 88.

Id. at 89.

ARTURO D. BRION
Associate Justice

MARIANO C. DEL CASTILLO
Associate Justice

ESTELA M. PERLAS-BERNABE

Associate Justice

## **ATTESTATION**

I attest that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

ANTONIO T. CARPIO

Associate Justice Chairperson, Second Division

## **CERTIFICATION**

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, it is hereby certified that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARIA LOURDES P. A. SERENO

Chief Justice