

Republic of the Philippines Supreme Court Manila

THIRD DIVISION

WILLIAM T. GO,

G.R. No. 196529

Petitioner,

Present:

VELASCO, JR., J., Chairperson,

PERALTA.

ABAD,

MENDOZA, and

LEONEN, JJ.

ALBERTO T. LOOYUKO, substituted by his legal heirs TERESITA C. LOOYUKO, ALBERTO LOOYUKO, JR., ABRAHAM LOOYUKO AND STEPHANIE LOOYUKO (minors, represented by their mother TERESITA LOOYUKO), ALVIN, AMOS, AARON, DAVID, SOLOMON and NOAH, all surnamed PADECIO,

- versus -

Promulgated:

Respondents.

JUL 0 1 2013 Alcopean

DECISION

MENDOZA, J.:

This is a petition for review on certiorari under Rule 45 of the Rules of Court assailing the October 29, 2009 Decision¹ and the March 30, 2011 Resolution of the Court of Appeals (CA), in CA-G.R. SP No. 84844, which set aside the March 29, 2004 Decision² of the Regional Trial Court, Branch

¹ *Rollo*, pp. 18-29, penned by Associate Justice Antonio L. Villamor and concurred in by then Associate Justice Bienvenido L. Reyes, (now a member of this Court), and Associate Justice Japar B. Dimaampao of the Seventeenth Division, Manila.

² ld. at 52-56, penned by Judge Abednego O. Adre.

88, Quezon City (QC RTC), and reinstated the May 20, 2000 Decision³ of the Metropolitan Trial Court, Branch 35, Quezon City (MeTC) in an action for unlawful detainer.

The Facts:

Respondent Alberto T. Looyuko (*Looyuko*) and Jimmy Go, brother of petitioner William Go (*William*) were partners in a business called Noah's Ark Group of Companies (*Noah's Ark*). Their partnership was embodied in a written agreement, dated February 9, 1982.

Sometime in 1986, William was appointed Chief of Staff of Noah's Ark Sugar Refinery. He was allowed by Looyuko to occupy the townhouse in Gilmore Townhomes, Granada Street, Quezon City. On October 10, 1986, another agreement was entered into by Looyuko and Jimmy in furtherance of their business partnership.

In a letter, dated October 28, 1998, Looyuko demanded that William vacate the townhouse. Jimmy filed an adverse claim over the property, annotating his interest on the title as co-owner. He claimed that the townhouse was bought using funds from Noah's Ark and, hence, part of the property of the partnership. William refused to vacate the property relying on the strength of his brother's adverse claim.

On December 2, 1998, Looyuko filed a complaint for unlawful detainer against William before the MeTC. He adduced as evidence the Transfer Certificate of Title (*TCT*) No. 108763 issued in his name as well as the aforementioned demand letter. He alleged that William's occupation was merely by tolerance, on the understanding that he should vacate the property upon demand. On the other hand, William presented the partnership agreements, the contract to sell of the subject property to Noah's Ark, and the cash voucher evidencing payment for the acquisition of the property.

On May 20, 2000, the MeTC rendered a decision in favor of Looyuko stating that he had the right to the possession of the said townhouse as its registered owner. William then appealed to the QC RTC. Meanwhile, Looyuko filed a motion for execution pending appeal on the ground that the supersedeas bond was insufficient.

On his part, William filed a motion to suspend proceedings in the unlawful detainer case because a complaint for specific performance against Looyuko had been filed by Jimmy before Branch 167 of the RTC of Pasig City (*Pasig RTC*), docketed as Civil Case No. 67921, to establish his alleged

³ Id at. 48-51.

right as a co-owner. In March 2001, the QC RTC ruled in favor of William and deferred the proceedings in the unlawful detainer case to await the outcome of the civil case before the Pasig RTC. The QC RTC also denied Looyuko's two motions for execution.

The CA, however, reversed the QC RTC orders and directed the immediate execution of the MTC Decision.

On March 29, 2004, the QC RTC issued a decision in the action for unlawful detainer, reversing the findings of the MTC and ruling in favor of William. It held that the property was purchased in the name of Noah's Ark and that Looyuko held the title for purpose of expediency only. The QC RTC also gave credence to the affidavit and authorization executed by Jimmy, finding them to be unrebutted. The said documents stated that William's authority to occupy the disputed property was part of his privilege as Chief of Staff of Noah's Ark.

Looyuko filed a Petition for Review under Rule 42 of the Rules of Court before the CA. In its assailed October 29, 2009 Decision, the CA ruled in favor of Looyuko and held that the issue of possession could be resolved without ruling on the claim of ownership. The CA stated that the TCT presented by Looyuko unequivocally showed that he owned the property and, as a consequence of ownership, he was entitled to its possession. It ruled that the validity of Looyuko's title could be assailed through a direct proceeding but not in an action for ejectment. William filed a motion for reconsideration, which was subsequently denied by the CA in its assailed March 30, 2011 Resolution.

Hence, this petition with the following

ASSIGNMENT OF ERRORS:

T.

THE HONORABLE COURT ERRED IN GRANTING THE INSTANT PETITION.

II.

THE HONORABLE COURT ERRED IN HOLDING THAT THE EJECTMENT CASE CAN PROCEED WITHOUT RESOLVING THE ISSUE OF OWNERSHIP RAISED BY PETITIONER.⁴

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⁴ Id. at 11-12.

Petitioner William, in his pleadings, argues that the QC RTC correctly appreciated the evidence he presented to prove Jimmy's co-ownership, reiterating that his evidence shows that the actual owner is not respondent Looyuko but Noah's Ark, and that he was allowed to use the property as part of his benefits and privileges as its Chief of Staff. He further argues that the CA erred in holding that the ejectment case could proceed without resolving the issue of ownership, and posits that the issue of ownership was properly raised and the MeTC, in fact, addressed such issue. He contends that he is not attacking the validity of the certificate of title and that a certificate of title does not foreclose the fact that the same may be under co-ownership not mentioned in the certificate. He also argues that respondent Looyuko failed to prove that he had prior physical possession of the property before he was unlawfully deprived of it, which is fundamental in an ejectment case.

The Court's Ruling

The petition is bereft of merit.

It is apparent from the arguments of William that he is calling for the Court to reevaluate the evidence presented by the parties. A petition for review under Rule 45 of the Rules of Court should cover only questions of law. Questions of fact are not reviewable by this Court. The issue to be resolved must be limited to determining what the law is on a certain set of facts. Once the issue invites a review of the evidence, the question posed is one of fact. William is, therefore, raising questions of facts beyond the ambit of the Court's review.

Even if the Court were to reevaluate the evidence presented, considering the divergent positions of the courts below, the petition would still fail.

This petition involves an action for unlawful detainer, which is an action to recover possession of real property from one who unlawfully withholds possession after the expiration or termination of his right to hold possession under any contract, express or implied. The possession of the defendant in an unlawful detainer case is originally legal but becomes illegal due to the expiration or termination of the right to possess.⁶ The sole issue for resolution in an unlawful detainer case is physical or material possession

⁵ Heirs of Vda. Dela Cruz v. Heirs of Fajardo, G.R. No. 184966, May 30, 2011, 649 SCRA 463.

⁶ Union Bank v. Maunlad Homes, G.R. No. 190071, August 15, 2012, 678 SCRA 539.

of the property involved, independent of any claim of ownership by any of the parties. When the defendant, however, raises the defense of ownership in his pleadings and the question of possession cannot be resolved without deciding the issue of ownership, the issue of ownership shall be resolved only to determine the issue of possession. 8

The Court agrees with William that the issue of ownership should be ruled upon considering that such has been raised and it appears that it is inextricably linked to the question of possession. Its resolution will then boil down to which of the parties' respective evidence deserves more weight. Even granting, however, that all the pieces of documentary evidence presented by William are valid, they will fail to bolster his case.

The Court has consistently upheld the registered owners' superior right to possess the property in unlawful detainer cases. ¹⁰ It is an age-old rule that the person who has a Torrens Title over a land is entitled to its possession. ¹¹ It has repeatedly been emphasized that when the property is registered under the Torrens system, the registered owner's title to the property is presumed legal and cannot be collaterally attacked, especially in a mere action for unlawful detainer. ¹² It has even been held that it does not even matter if the party's title to the property is questionable. ¹³

The TCT of respondent Looyuko is, therefore, evidence of indefeasible title over the property and, as its holder, he is entitled to its possession as a matter of right. Thus, the partnership agreements and other documentary evidence presented by petitioner William are not, by themselves, enough to offset Looyuko's right as registered owner. It must be underscored, however, that this adjudication on ownership is merely provisional and would not bar or prejudice the action between Jimmy and Looyuko involving their claimed shares in the title over the property.

Lastly, William is mistaken in his argument that respondent Looyuko's prior physical possession is necessary for his action for unlawful detainer to prosper. Section 1 of Rule 70 of the Rules of Court lays down the requirements for filing a complaint for unlawful detainer, to wit:

⁷ Sps. Esmaquel v. Coprada, G.R. No. 152423, December 15, 2010, 638 SCRA 428.

⁸ Section 16, Rule 70, RULES OF COURT.

⁹ Sps. Esmaquel v. Coprada, supra note 7.

¹⁰ Sps. Pascual v. Sps. Coronel, 554 Phil. 351 (2007).

¹¹ Corpuz v. Sps. Agustin, G.R. No. 183822, January 18, 2012, 663 SCRA 350.

¹² Salandanan v. Sps. Mendez, G.R. No. 160280, March 13, 2009, 581 SCRA 182.

¹³ Id

Sec. 1. Who may institute proceedings, and when. – Subject to the provision of the next succeeding section, a person deprived of the possession of any land or building by force, intimidation, threat, strategy, or stealth, or a lessor, vendor, vendee, or other person against whom the possession of any land or building is unlawfully withheld after the expiration or termination of the right to hold possession, by virtue of any contract, express or implied, or the legal representatives or assigns of any such lessor, vendor, vendee, or other person, may, at any time within one (1) year after such unlawful deprivation or withholding of possession, bring an action in the proper Municipal Trial Court against the person or persons unlawfully withholding or depriving of possession, or any person or persons claiming under them, for the restitution of such possession, together with damages and costs.

Nowhere does it appear in the above-cited rule that, in an action for unlawful detainer, the plaintiff be in prior physical possession of the property. Thus, it has been held that prior physical possession by the plaintiff is not an indispensable requirement in an unlawful detainer case brought by a vendee or other person against whom the possession of any land is unlawfully withheld after the expiration or termination of a right to hold possession.¹⁴

In fine, this Court finds no cogent reason to reverse and set aside the findings and conclusions of the CA.

WHEREFORE, the petition is **DENIED**, without prejudice to the outcome of Civil Case No. 67921 before Branch 167 of the RTC of Pasig City.

SO ORDERED.

JOSE CATRAL MENDOZA
Associate Justice

¹⁴ Sps. Maninang v. CA, 373 Phil. 304 (1999).

WE CONCUR:

PRESBITERØ J. VELASCO, JR.

Associate Justice Chairperson

DIOSDADO M. PERALTA

Associate Justice

ROBERTO A. ABAD

Associate Justice

MARVIC MARIO VICTOR F. LEONEN

Associate Justice

ATTESTATION

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

PRESBITERØ J. VELASCO, JR.

Associate Justice Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARIA LOURDES P. A. SERENO

Chief Justice