



Republic of the Philippines  
Supreme Court  
Manila

CERTIFIED TRUE COPY  
*Wilfredo V. Lapitan*  
WILFREDO V. LAPITAN  
Division Clerk of Court  
Third Division

SEP 06 2016

**THIRD DIVISION**

**VICTORIA ECHANES,**  
Petitioner,

**G.R. No. 203880**

**Present:**

VELASCO, JR., J., *Chairperson,*  
PERALTA,  
PEREZ,  
REYES, and  
JARDELEZA, JJ.

- versus -

**SPOUSES PATRICIO HAILAR**  
**and ADORACION HAILAR,**  
Respondents.

**Promulgated:**

August 10, 2016

X-----*Wilfredo V. Lapitan*-----X

**DECISION**

**PERALTA, J.:**

Before us is a Petition for Review on *Certiorari*<sup>1</sup> under Rule 45 of the Rules of Court which seeks the reversal of the Decision<sup>2</sup> dated March 23, 2012, and Resolution<sup>3</sup> dated October 9, 2012 of the Court of Appeals in CA-G.R. SP No. 115688. The CA reversed the Decision<sup>4</sup> of the Regional Trial Court, Branch 23, of Candon City, Ilocos Sur in Civil Case No. 1146-C, and reinstated the Decision of the Municipal Circuit Trial Court (*MCTC*) of Sta. Cruz-Sta. Lucia, Ilocos Sur<sup>5</sup> in Civil Case No. 552 dismissing the Complaint for Ejectment with Damages filed by petitioner.

The factual antecedents are as follows:

<sup>1</sup> *Rollo*, pp. 8-18.

<sup>2</sup> Penned by Associate Justice Ramon A. Cruz, with Associate Justices Rosalinda Asuncion-Vicente and Antonio L. Villamor, concurring; *id.* at 20-32.

<sup>3</sup> *Rollo*, pp. 33-34.

<sup>4</sup> *Id.* at 35-47.

<sup>5</sup> *Id.* at 48-54.

The late Eduardo Cuenta was the owner of an unregistered parcel of land with an area of 1,447 square meters, more or less, located at Poblacion Anquileng (now Burgos), Sta. Lucia, Ilocos Sur designated as Lot No. 2297 of the Cadastral Survey of Sta. Lucia, Ilocos, Sur. As the owner of the said property, he was issued Tax Declaration No. 7622-C.<sup>6</sup>

On July 8, 1996, the heirs of Eduardo Cuenta executed an Extrajudicial Settlement<sup>7</sup> dividing and adjudicating unto themselves the parcel of land left by Eduardo Cuenta.

A portion of Lot No. 2297 denominated as Lot No. 2297-A comprising 495 square meters was adjudicated to petitioner who is one of the heirs (granddaughter) of Eduardo Cuenta. Thereafter, petitioner applied for a free patent over Lot No. 2997-A. Accordingly, an Original Certificate of Title No. P-43056 was issued in her name by the Register of Deeds of Ilocos Sur on October 15, 1996.<sup>8</sup>

A portion of Lot No. 2297-A with an area of more or less 80 square meters is currently occupied by respondents. Since petitioner's children are in need of the area currently occupied by respondents, petitioner sent respondents a Notice to Vacate<sup>9</sup> dated March 12, 2009. The demand letter was received by the respondents on March 13, 2009. Despite receipt of said demand letter, respondents refused to vacate the premises.<sup>10</sup>

On April 14, 2009, petitioner filed a Complaint for Ejectment with Damages before the Municipal Circuit Trial Court (*MCTC*) of Sta. Cruz-Sta. Lucia, Ilocos Sur.<sup>11</sup>

Petitioner averred in her complaint that during the lifetime of her parents, respondents asked her parents that they be allowed to build their *nipa* house on the subject lot. The request by respondents was allegedly made in the presence of the petitioner. The request was granted by petitioner's parents on the condition that respondents would voluntarily vacate the land when the petitioner's family would need the same. Thus, according to petitioner, respondents' continued possession and occupation of the subject lot is out of tolerance and permission granted to them by petitioner and her parents.<sup>12</sup>



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<sup>6</sup> *Id.* at 20, 92.

<sup>7</sup> *Id.* at 21, 90.

<sup>8</sup> *Id.* at 21, 89.

<sup>9</sup> *Id.* at 21.

<sup>10</sup> *Id.*

<sup>11</sup> *Id.* at 85.

<sup>12</sup> *Id.* at 36, 85.

In their Answer, respondents countered that the late Domingo Joven (who died in 1967).<sup>13</sup> the father of respondent Adoracion Joven Hailar, purchased the subject lot from the late Eduardo Cuenta after World War II as evidenced by Tax Declaration No. 12141-C<sup>14</sup> in the name of Domingo Joven issued in 1959. From then on, respondent Adoracion Joven Hailar and her siblings occupied and exercised acts of dominion, and have been in possession of the land exclusively, publicly, continuously for more than 40 years as evidenced by tax declarations and realty tax payments made by them. They built their family house thereon, and later, a house made of concrete materials was built valued at not less than ₱50,000.00.<sup>15</sup>

On April 19, 2010, the MCTC of Sta. Cruz - Sta. Lucia, Ilocos Sur, rendered a Decision, the decretal portion<sup>16</sup> of which states:

WHEREFORE, premises considered, the instant Complaint is hereby DISMISSED without prejudice on the part of the plaintiff in filing an *accion publiciana* or *accion reivindicatoria*, before the proper court. There being no proof of evident bad faith against the plaintiff in filing the instant case, no award of fees or damages may be granted.

SO ORDERED.

Thereafter, petitioner elevated the case before the Regional Trial Court (RTC), Branch 23, of Candon City Ilocos Sur. On August 17, 2010, the RTC reversed and set aside the Decision of the MCTC. The dispositive portion of the decision states:

IN VIEW OF THE FOREGOING, the Decision of the 11<sup>th</sup> Municipal Circuit Trial Court of Sta. Cruz-Sta. Lucia, dated April 19, 2010, is hereby REVERSED AND SET ASIDE. Judgment is hereby rendered in favor of the plaintiff-appellant, Victoria Echanes, and against the defendants-appellees, Spouses Patricio Hailar and Adoracion Hailar. The Court further orders:

1. The Spouses Patricio Hailar and Adoracion Hailar, and any person claiming title under them, to vacate the property-in-dispute, including the area where they built their house and to surrender the land in litigation to Victoria Echanes;
2. The Spouses Patricio Hailar and Adoracion Hailar, and any person claiming title under them to pay to Victoria Echanes the amount of ₱2,000.00 per month as compensation for the use and occupation of the property-in-dispute, from March 28, 2009 and every month

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<sup>13</sup> *Id.* at 68.

<sup>14</sup> *Id.* at 104.

<sup>15</sup> *Id.* at 49

<sup>16</sup> *Id.* at 91.



thereafter until they shall have finally vacated the premises;

3. The Spouses Patricio Hailar and Adoracion Hailar to pay attorney's fees in the amount of P30,000.00 which is just and reasonable under the circumstances;
4. The Spouses Patricio Hailar and Adoracion Hailar to pay the costs of the proceedings.

SO ORDERED.<sup>17</sup>

Aggrieved, respondents filed a petition for review before the Court of Appeals (CA). In a Decision dated March 23, 2012, the CA reversed and set aside the decision of the RTC and reinstated and affirmed the decision of the MCTC. The *fallo*<sup>18</sup> states:

WHEREFORE, the appeal is GRANTED. The Decision dated August 17, 2010 of the Regional Trial Court, Branch 23 of Candon City, Ilocos Sur is REVERSED AND SET ASIDE. The decision dated April 19, 2010 of the Municipal Circuit Trial Court of Sta. Cruz, Ilocos Sur is REINSTATED AND AFFIRMED.

SO ORDERED.

A motion for reconsideration was filed by petitioner but the same was denied by the CA on October 9, 2010.<sup>19</sup>

Hence, this petition, raising the following issues for resolution:

1. The CA erred in holding that petitioner failed to prove tolerance, by preponderance of evidence with respect to the possession of the respondents over the subject lot;
2. The CA erred in holding that petitioner has failed to discharge her burden of proving her ejectment complaint by preponderance of evidence; and
3. The CA erred when it reversed and set aside the decision of the RTC.

To begin with, the only question that the courts must resolve in an unlawful detainer case is who between the parties is entitled to the physical or material possession of the property in dispute.<sup>20</sup> The main issue is possession *de facto*, independently of any claim of ownership or possession *de jure* that

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<sup>17</sup> *Id.* at 112 and 113.

<sup>18</sup> *Id.* at 30.

<sup>19</sup> *Id.* at 33.

<sup>20</sup> *Estanislao, et al. v. Spouses Gudito*, 706 Phil. 330, 335-336 (2013), citing *Pajuyo v. Court of Appeals*, 474 Phil. 557, 579 (2004).



either party may set forth in his pleading.<sup>21</sup> The plaintiff must prove that it was in prior physical possession of the premises until it was deprived thereof by the defendant.<sup>22</sup> The principal issue must be possession *de facto*, or actual possession, and ownership is merely ancillary to such issue.

However, where the parties to an ejectment case raise the issue of ownership, the courts may pass upon that issue to determine who between the parties has a better right to possess the property.<sup>23</sup> In this regard, Section 16, Rule 70 of the Rules of Court allows the courts to provisionally determine the issue of ownership for the sole purpose of resolving the issue of physical possession. Otherwise stated, when the question of possession cannot be resolved without deciding the issue of ownership, the issue of ownership is to be resolved only to determine the issue of possession.<sup>24</sup>

In the case at bar, the petitioner derived her alleged right to possess the subject land from Original Certificate of Title No. P-43056 issued in her name by the Register of Deeds of Ilocos Sur on October 15, 1996. Petitioner contends that the issuance of said title presupposes her having been in possession of the property at one time or another.

On the other hand, the respondents' alleged right to possess the disputed property is based on having acquired the subject lot by Domingo Joven through purchase from Eduardo Cuenta. Tax Declaration No. 7622-C covering Lot No. 2207 was issued in 1952 in the name of Eduardo Cuenta. While Tax Declaration No. 12141-C, which is derived from and partly cancels Tax Declaration No. 7622-C, was issued in 1959 in the name of Domingo Joven. The land covered by Tax Declaration No. 12141-C has an area of 231 square meters.

The RTC opined that Eduardo Cuenta could have not sold the subject property after World War II, or on 1946, because he died in 1941 as alleged in the Extrajudicial Settlement. It noted that the tax declaration of respondents, dated 1959, does not indicate any mode of conveyance such that *"no other conclusion can be arrived at other than that Eduardo Cuenta retained the ownership and possession of the entire residential land under Tax Declaration No. 7622-C, and that upon his death in 1941, his rights over the property were transmitted by operation of law to his surviving heirs, including the plaintiff-*

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<sup>21</sup> *Caparros v. Court of Appeals*, 252 Phil. 783, 787 (1989); *Alvir v. Hon. Vera, etc., et al.*, 215 Phil. 308, 311 (1984).

<sup>22</sup> *Javelosa v. Court of Appeals*, 333 Phil. 331, 341 (1996); *Maddammu v. Judge of Municipal Court of Manila, etc., et al.*, 74 Phil. 230, 231 (1943); *Aguilar v. Cabrera*, 74 Phil. 658, 665-666 (1944).

<sup>23</sup> *Spouses Dela Cruz v. Spouses Capco*, 729 Phil. 624, 637 (2014).

<sup>24</sup> Rules of Court, Rule 70, Section 16; see also *Wilmon Auto Supply Corp. v. Court of Appeals*, 284 Phil. 217, 232 (1992).

*appellant (petitioner)*.<sup>25</sup> Therefore, according to the RTC, the allegation of petitioner that respondents occupied the disputed property by mere tolerance of the parents of petitioner is easier to believe.<sup>26</sup>

In their Comments, respondents submit that the issuance of Tax Declaration No. 7622-C in 1952, covering Lot No. 2207 in the name of Eduardo Cuenta, disproves the finding of the RTC that Eduardo Cuenta died on May 15, 1941 as stated in the Deed of Extrajudicial Settlement. They argued that the purchase of the property took place between the year 1946 (the end of World War II) and 1952 (when the tax declaration was issued in the name of Domingo Joven).

It bears to reiterate that settled is the rule that the only question that the courts resolve in ejectment proceedings is: who is entitled to the physical possession of the premises, that is, to the possession *de facto* and not to the possession *de jure*.<sup>27</sup> It does not even matter if a party's title to the property is questionable.<sup>28</sup> In an unlawful detainer case, the sole issue for resolution is the physical or material possession of the property involved, independent of any claim of ownership by any of the party litigants.<sup>29</sup> Where the issue of ownership is raised by any of the parties, the courts may pass upon the same in order to determine who has the right to possess the property. The adjudication is, however, merely provisional and would not bar or prejudice an action between the same parties involving title to the property.<sup>30</sup>

Therefore, since the issue of ownership is raised in this unlawful detainer case, its resolution boils down to which of the parties' respective evidence deserves more weight.<sup>31</sup>

At the outset, respondents stated in their Comment<sup>32</sup> that the issue on tolerance is a question of fact and is an improper subject of a petition for review under Rule 45, and that the finding of the CA on the absence of tolerance on the part of petitioner is supported by substantial evidence and is conclusive and binding on the parties and on this Court.

The Court notes that the arguments raised here necessarily require a re-evaluation of the parties' submissions and the CA's factual findings. Ordinarily, this course of action is proscribed in a petition for review on *certiorari*; that is, a Rule 45 petition resolves only questions of law, not questions of fact. Moreover, factual findings of the CA are generally conclusive on the parties, and therefore, not reviewable by this Court provided

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<sup>25</sup> *Rollo*, p. 107.

<sup>26</sup> *Id.*

<sup>27</sup> *Barrientos v. Rapal*, 669 Phil. 438, 444 (2011).

<sup>28</sup> *Id.*

<sup>29</sup> *Id.*

<sup>30</sup> *Id.*

<sup>31</sup> *Spouses Chingkoe v. Spouses Chingkoe*, 709 Phil. 696, 707 (2013).

<sup>32</sup> *Rollo*, p. 119.



they are supported by evidence on record or substantial evidence.<sup>33</sup> By way of exception, however, the Court resolves factual issues when the findings of the MTCC and the RTC differ from those of the CA, as in this case.<sup>34</sup>

To prove the allegation of tolerance on the part of petitioner, she presented, among others, a portion of Transcript of Stenographic Notes (TSN)<sup>35</sup> dated September 11, 2003 taken during the hearing in the case for Quieting of Title<sup>36</sup> and Annulment of Title<sup>37</sup> filed against petitioner before the same MTC,<sup>38</sup> and argued why the same was not considered by the MTC in the resolution of the issue.<sup>39</sup> A perusal of the said TSN would show that Filomena Carbonell (sister of petitioner)<sup>40</sup> testified that after World War II, Domingo Joven approached her aunt and begged that he be allowed to build a house on the disputed property. This lone statement of said witness in another case revealed somehow that it was not the parents of petitioner who allegedly tolerated the occupation of respondents contrary to the allegation of petitioner in her complaint.<sup>41</sup>

In the case of *Quijano v. Amante*,<sup>42</sup> it was held that the acts of tolerance must be proved showing the overt acts as to when and how the respondents entered the properties and who specifically allowed them to occupy the same. There should be any supporting evidence on record that would show when the respondents entered the properties or who had granted them to enter the same and how the entry was effected.<sup>43</sup> Without these allegations and evidence, the bare claim regarding “tolerance” cannot be upheld.

As to the claim of respondents, it appears that the Deed of Extrajudicial Settlement was executed by the grandchildren (including petitioner) of Eduardo Cuenta. Since it cannot be ascertained from the deed as to when the children of Eduardo Cuenta died, or whether all the children of Eduardo Cuenta predeceased him, it is, therefore, not certain to say that the grandchildren inherited the subject property in 1941 when Eduardo Cuenta allegedly died. Assuming the children of Eduardo Cuenta (including the parent of petitioner) did not predecease Eduardo Cuenta, petitioner would then inherit the property only after the death of her parent, which date is not revealed in the deed. It is, therefore, an error on the part of the RTC to state

<sup>33</sup> *Dela Cruz v. Court of Appeals*, 539 Phil. 158, 169 (2006); *Development Bank of the Phil. v. Traders Royal Bank*, 642 Phil. 547, 556 (2010).

<sup>34</sup> *Dela Cruz v. Hermano*, G.R. No. 160914, March 25, 2015, 754 SCRA 231, 238, citing *Nenita Quality Foods Corp. v. Galabo, et al.*, 702 Phil. 506, 515 (2013).

<sup>35</sup> Exhibit “L,” *rollo*, p. 82.

<sup>36</sup> Civil Case No. 275.

<sup>37</sup> Civil Case No. 285

<sup>38</sup> Both cases were dismissed for lack of jurisdiction, laches and prescription. (*Rollo*, p. 12)

<sup>39</sup> *Rollo*, p. 13.

<sup>40</sup> *Id.* at 107.

<sup>41</sup> *Id.* at 85.

<sup>42</sup> G.R. No. 164277, October 8, 2014, 737 SCRA 552, 564-565.

<sup>43</sup> *Padre v. Malabanan*, 532 Phil. 714 (2006); *Sarona, et al. v. Villegas, et al.*, 131 Phil. 365 (1968).



that petitioner inherited the subject property in 1941, ahead of the alleged sale to respondents which took place after the World War, or sometime in 1946, or thereafter.

In an action for forcible entry and detainer, if plaintiff can prove prior physical possession in himself, he may recover such possession even from the owner, but, on the other hand, if he cannot prove such prior physical possession, he has no right of action for forcible entry and detainer even if he should be the owner of the property.<sup>44</sup>

There is no dispute that the respondents had continuously and openly occupied and possessed, in the concept of an owner, the subject property from the time they purchased it from Eduardo Cuenta. They segregated and declared for taxation purposes as early as 1959 the portion of Lot No. 2297-A consisting of 231 square meters. The property was consistently declared for taxation purposes until 2007. While tax declarations and realty tax payments are not conclusive proofs of possession, they are good *indicia* of possession in the concept of an owner based on the presumption that no one in his right mind would be paying taxes for a property that is not his actual or constructive possession.<sup>45</sup> At the very least, they constitute proof that the holder has a claim of title over the property.

As correctly stated by the CA, the fact that respondents' documents traverse several decades, from 1959 to 2007, is an indication that respondents never abandoned their right to the property and have continuously exercised rights of ownership over the same. Their *bona fide* claim of acquisition of ownership was especially strengthened by their actual possession of property; in fact, respondents built a concrete house thereon. This adverse possession by the respondents belies the allegation of occupation by tolerance espoused by petitioner.

We agree with the ruling of the MTC that, compared to the bare assertion of petitioner that her parents merely tolerated respondents' possession, the version of the respondents that they are occupying the property by virtue of the conveyance in their favor through purchase many years ago is more credible.<sup>46</sup>

This ruling was affirmed by the CA, thus:

In emphasis, the petitioners very much placed in issue the alleged tolerance of the respondent's parents. In the law of evidence, allegations are not proofs, no more so when, as here the other party very much denied

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<sup>44</sup> *Ocampo v. Heirs of Bernardino Dionisio*, G.R. No. 191101, October 1, 2014, 737 SCRA 381, 391-392, citing *Salud Lizo v. Camilo Carandang, et al.*, 73 Phil. 649 (1942).

<sup>45</sup> *Dela Cruz v. Hermano*, *supra* note 34, at 243.

<sup>46</sup> *Rollo*, p. 90.





those allegations. The fatal error committed by the RTC is that it mistook allegations as proofs, ignoring the fact that those allegations were denied by petitioners.

In the akin case of *Florentino Go, Jr., et al v. Court of Appeals*, it was ruled that :

x x x

It is settled that the one whose stay is merely tolerated becomes a deforciant illegally occupying the land the moment he is required to leave. It is essential in unlawful detainer cases of this kind, that the plaintiff's supposed acts of tolerance, must have been present right from the start of the possession which is later sought to be recovered. This is where the petitioners' cause of action fails. The appellate court in full agreement with the MTC, made the conclusion that the alleged tolerance by their mother and after her death, by them, was unsubstantiated."

We agree with the MCTC that respondent failed to present evidence to support her claim that the occupation of the petitioners (respondents herein) was by mere tolerance. No weight should be given to the bare allegation of the respondent that petitioners' possession of the subject property was merely by virtue of her parents' tolerance because "bare allegations unsubstantiated by evidence, are not equivalent to proof under our Rules."<sup>47</sup>

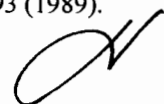
The summary character of the proceedings in an action for forcible entry or unlawful detainer is designed to quicken the determination of possession *de facto* in the interest of preserving the peace of the community, but the summary proceedings may not be proper to resolve ownership of the property. Consequently, any issue on ownership arising in forcible entry or unlawful detainer is resolved only provisionally for the purpose of determining the principal issue of possession.<sup>48</sup> On the other hand, regardless of the actual condition of the title to the property and whatever may be the character of the plaintiff's prior possession, if it has in its favor priority in time, it has the security that entitles it to remain on the property until it is lawfully ejected through an *accion publiciana* or *accion reivindicatoria* by another having a better right.<sup>49</sup>

Thus, the unlawful detainer and forcible entry suits, under Rule 70 of the Rules of Court, are designed to summarily restore physical possession of a piece of land or building to one who has been illegally or forcibly deprived thereof, without prejudice to the settlement of the parties' opposing claims of juridical possession in appropriate proceedings. These actions are intended to avoid disruption of public order by those who would take the law in their

<sup>47</sup> *Rollo*, pp. 28-29. (Citations omitted)

<sup>48</sup> *Spouses Refugia v. Court of Appeals*, 327 Phil. 982, 1006 (1996).

<sup>49</sup> *German Management & Services, Inc. v. Court of Appeals*, 258 Phil. 289, 293 (1989).




hands purportedly to enforce their claimed right of possession. In these cases, the issue is pure physical or *de facto* possession, and pronouncements made on questions of ownership are provisional in nature. The provisional determination of ownership in the ejectment case cannot be clothed with finality.<sup>50</sup>

In fact, Section 18, Rule 70 of the Rules of Court expressly provides that "a judgment rendered in an action for forcible entry or unlawful detainer shall be conclusive with respect to the possession only and shall in no wise bind the title or affect the ownership of the land."


Hence, We need to stress that the ruling in this case is limited only to the determination as to who between the parties has a better right to possession. It will not bar any of the parties from filing an action with the proper court to resolve conclusively the issue of ownership.

**WHEREFORE**, the petition is **DENIED**. The Decision of the Court of Appeals dated March 23, 2012, and its Resolution dated October 9, 2012, in CA-G.R. SP No. 115688 are **AFFIRMED**.

**SO ORDERED.**

  
**DIOSDADO M. PERALTA**  
Associate Justice

**WE CONCUR:**

  
**PRESBITERO J. VELASCO, JR.**  
Associate Justice  
Chairperson

  
**JOSE PORTUGAL PEREZ**  
Associate Justice

  
**BIENVENIDO L. REYES**  
Associate Justice

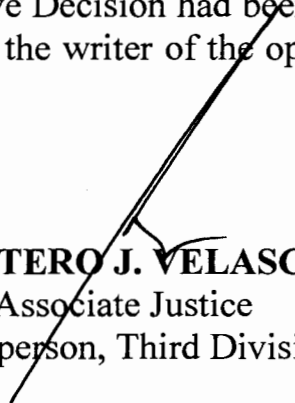
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<sup>50</sup> *Barrientos v. Rapal*, *supra* note 27, at 447, citing *Spouses Samonte v. Century Savings Bank*, 620 Phil. 494, 503 (2003).

  
**FRANCIS H. JARDELEZA**  
Associate Justice

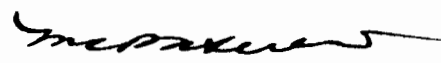
**ATTESTATION**

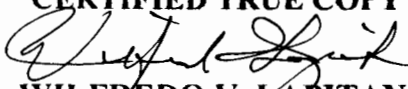
I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

  
**PRESBITERO 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

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**WILFREDO V. LAPITAN**  
Division Clerk of Court  
Third Division

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