

# Republic of the Philippines Supreme Court

Baquio City

#### THIRD DIVISION

REYNALDO SAN PEDRO\* [deceased and substituted by his son, RAYMONDE SAN PEDRO] and other persons acting in his behalf,

Petitioners,

- versus -

G.R. No. 272300

Present:

CAGUIOA, Chairperson, INTING,\*\* GAERLAN, DIMAAMPAO, and

SINGH, JJ.

**SPOUSES ANGELITO TRINIDAD**\*\*\* and CONSUELO TRINIDAD,\*\*\*\*

Respondents.

Promulgated:

MICROCRAH

### **DECISION**

#### GAERLAN, J.:

Before the Court is a Petition for Review on *Certiorari*<sup>1</sup> assailing the Resolutions dated January 11, 2023<sup>2</sup> and February 7, 2024<sup>3</sup> of the Court of Appeals (CA) in CA-G.R. SP No. 174613. The CA dismissed the appeal of Reynaldo San Pedro (Reynaldo) for being a wrong mode of appeal.

### **Antecedents**

Spouses Angelito Trinidad (Angelito) and Consuelo Trinidad (collectively, spouses Trinidad) filed a case of forcible entry<sup>4</sup> against Reynaldo

<sup>\*</sup> Also referred as Reynaldo G. San Pedro in some parts of the rollo.

<sup>\*\*</sup> On leave.

<sup>\*\*\*</sup> Also referred as Angelito D. Trinidad in some parts of the rollo.

<sup>\*\*\*\*</sup> Also referred as Consuelo Joson-Trinidad in some parts of the *rollo*.

Rollo, pp. 22–27.

Id. at 32-33. Penned by Associate Justice Zenaida T. Galapate-Laguilles, and concurred in by Associate Justices Alfredo D. Ampuan and Selma Palacio Alaras of the 14<sup>th</sup> Division, Court of Appeals, Manila.

<sup>3</sup> Id. at 6-11. Penned by Associate Justice Zenaida T. Galapate-Laguilles, and concurred in by Associate Justices Alfredo D. Ampuan and Selma Palacio Alaras of the Former 14th Division, Court of Appeals, Manila.

With prayer for the issuance of a temporary restraining order and/or writ of injunction with damages.

and other persons acting on his behalf before the Municipal Trial Court (MTC) of Sta. Rosa, Nueva Ecija. They alleged that they are the owners of a 188.80 square meters parcel of land (property) in Valenzuela, Sta. Rosa, Nueva Ecija as evidenced by a Deed of Absolute Sale with Waiver of Rights (DOAS) signed by Reynaldo. However, sometime in April 2016,<sup>5</sup> Reynaldo, with the assistance of his cohorts, entered the property without any permission from spouses Trinidad and through force, strategy, and stealth was able to gain possession thereof. Spouses Trinidad alleged that they did not attempt to recover possession of the property by extra-legal means to prevent any trouble, much less bloodshed.<sup>6</sup> They sent a Final Demand to Vacate to Reynaldo but the latter refused to receive it.<sup>7</sup>

In his Answer, Reynaldo countered that spouses Trinidad have never been in possession of the property; much less were they dispossessed of the same. He claimed that he had been in continuous, uninterrupted, actual and physical possession of the property since time immemorial.<sup>8</sup> He argued that the allegation of dispossession in the complaint was made in general terms and without any clarification on how he employed force, stealth, and strategy.<sup>9</sup>

In its Decision<sup>10</sup> dated October 18, 2017, the MTC dismissed the case for failure of spouses Trinidad to prove prior physical possession of the property. It held that while Angelito became the owner of the property when Reynaldo executed the DOAS in his favor, the possession in forcible entry means actual physical possession and not legal possession. From the evidence gathered, spouses Trinidad's claim of possession flows from their ownership of the property as opposed to the actual possession thereof, which is the primary consideration in a forcible entry case.<sup>11</sup>

#### The RTC's Ruling

On appeal, the Regional Trial Court (RTC) of Cabanatuan City, Branch 27, determined that the MTC had no jurisdiction to entertain the case for forcible entry. It applied Rule 40, Section 8 of the Rules of Court and treated the case as *accion publiciana*. It held that it is "duty bound to remove the issue of ownership and questions on who has better right to the possession of the property." Per the Tax Declaration of the property, the assessed values of the

<sup>&</sup>lt;sup>5</sup> Rollo, p. 49. Year 2006 in the MTC Decision.

<sup>6</sup> *Id.* at 40, Complaint.

<sup>&</sup>lt;sup>7</sup> *Id.* at 41, Complaint.

<sup>8</sup> *Id.* at 44–45, Answer.

<sup>9</sup> *Id.* at 45, Answer.

<sup>&</sup>lt;sup>10</sup> *Id.* at 47–51. Penned by Presiding Judge Ronald P. Sandoval.

<sup>11</sup> Id. at 50, MTC Decision.

buildings erected thereon were PHP 19,190.00 and PHP 121,520.00. Hence, the RTC has jurisdiction over the case. It tried the case anew.<sup>12</sup>

In its Decision<sup>13</sup> dated December 22, 2021, the RTC stated that from the facts substantiated by the parties, Reynaldo transferred his right as lessee of the land owned by MRRCO and sold the building erected thereon to spouses Trinidad. However, Reynaldo did not surrender the physical possession of the land and the building. While Reynaldo admitted signing the DOAS, he insisted that the real transaction between him and spouses Trinidad was a loan. The RTC rejected this claim as Reynaldo failed to establish the elements of a loan, such as the period of repayment and interest.<sup>14</sup> Under Article 1495 of the Civil Code, the vendor is under obligation to physically place the vendee in possession of the property, which is the object of the contract. Reynaldo failed to do this. Hence, the RTC ordered Reynaldo to vacate the property, viz.:

WHEREFORE, judgment is hereby rendered in favor of plaintiffs [herein, spouses Trinidad] and ordering defendant [herein, Reynaldo] to vacate lot P24 owned by MRRCO approved plan with an area of 188.80 square meters located at Barangay Valenzuela, Sta. Rosa, Nueva Ecija together with all improvements thereon and to physically place the plaintiffs in possession thereof upon finality of this [judgment].

All claims for damages by the plaintiffs are denied for lack of evidence to substantiate the same.

**SO ORDERED**. 15 (Emphasis in the original)

Reynaldo sought reconsideration, which the RTC denied for lack of merit in its Resolution<sup>16</sup> dated May 18, 2022. The RTC emphasized that the DOAS is a notarized document that enjoys the presumption of regularity. The DOAS is *prima facie* evidence of the facts stated therein.<sup>17</sup>

Undaunted, Reynaldo filed a Notice of Appeal before the CA.

### The CA's Ruling

In its Resolution<sup>18</sup> dated January 11, 2023, the CA dismissed the appeal for being an improper mode of review. It explained that under Rule 41, Section

<sup>12</sup> Id. at 53-55, RTC Decision

<sup>13</sup> Id. at 52–64. Penned by Presiding Judge Angelo C. Perez.

<sup>14</sup> Id. at 63, RTC Decision.

<sup>15</sup> Id. at 64, RTC Decision.

<sup>16</sup> Id. at 70–71. Penned by Presiding Judge Angelo C. Perez.

<sup>17</sup> Id. at 71, Resolution of the RTC dated May 18, 2022.

<sup>&</sup>lt;sup>18</sup> *Id.* at 32–33.

2(b) of the Rules of Court, the appeal to the CA in cases decided by the RTC in the exercise of its appellate jurisdiction shall be by petition for review under Rule 42. The Decision and Resolution assailed by Reynaldo were rendered by the RTC in the exercise of its appellate jurisdiction. Under Rule 50, Section 2 of the Rules of Court, an appeal by notice of appeal instead of a petition for review from the appellate judgment of the RTC shall be dismissed.<sup>19</sup>

Reynaldo moved for reconsideration, but the CA denied it in its Resolution<sup>20</sup> dated February 7, 2024.

Aggrieved, Reynaldo filed this present petition insisting that the Decision appealed from was rendered by the RTC in the exercise of its original jurisdiction.<sup>21</sup> During the pendency of the case before the Court, Reynaldo passed away and was substituted by his son, Raymonde San Pedro.<sup>22</sup>

#### **Issue**

The sole issue is whether the CA erred in ruling that the appropriate mode of appeal is a petition for review instead of an ordinary appeal.

## The Court's Ruling

The petition is bereft of merit.

The Decision of the RTC appealed from was rendered by the RTC in the exercise of its appellate jurisdiction. Thus, under Rule 41, Section 2(b) of the Rules of Court, the proper mode of appeal to the CA is via petition for review.

To recap, the RTC decided the present case pursuant to the second paragraph of Rule 40, Section 8 of the Rules of Court, which states that if the MTC tried a case on the merits despite having no jurisdiction over the subject matter, the RTC, on appeal, shall not dismiss the case if it has jurisdiction. Instead, the RTC shall try the case on the merits as if the said case was originally filed with it. The whole text of Rule 40, Section 8 reads:

Sec. 8. Appeal from orders dismissing case without trial; lack of jurisdiction. — If an appeal is taken from an order of the lower court dismissing the case without a trial on the merits, the Regional Trial Court



<sup>19</sup> Id

<sup>&</sup>lt;sup>20</sup> *Id.* at 6–11.

<sup>21</sup> *Id.* at 25–26, Petition for Review.

<sup>&</sup>lt;sup>22</sup> See id. at 14–16, Motion for Substitution and Certificate of Death.

may affirm or reverse it, as the case may be. In case of affirmance and the ground of dismissal is lack of jurisdiction over the subject matter, the Regional Trial Court, if it has jurisdiction thereover, shall try the case on the merits as if the case was originally filed with it. In case of reversal, the case shall be remanded for further proceedings.

If the case was tried on the merits by the lower court without jurisdiction over the subject matter, the Regional Trial Court on appeal shall not dismiss the case if it has original jurisdiction thereof, but shall decide the case in accordance with the preceding section, without prejudice to the admission of amended pleadings and additional evidence in the interest of justice. (Emphasis supplied)

Indeed, a textual reading of the foregoing provision gives the impression that cases decided by the RTC pursuant to it are rendered in the exercise of the RTC's original jurisdiction. This is incorrect.

In *De Vera v. Spouses Santiago*,<sup>23</sup> the Court deemed a Decision of the RTC under Rule 40, Section 8 of the Rules of the Court as one promulgated in the exercise of its appellate jurisdiction. There, the MTC decided a complaint for reconveyance of ownership and possession with damages on the merits despite having no jurisdiction over the subject matter. On appeal, the RTC, since it has jurisdiction, proceeded to try the case as if the same was originally filed before it. When the case was elevated to the CA, the CA found that the RTC had no jurisdiction. In reversing the CA, the Court declared that:

In contrast, the CA erroneously reversed and set aside the RTC Decision for lack of jurisdiction. Indeed, the RTC has appellate jurisdiction over the case and its decision should be deemed promulgated in the exercise of that jurisdiction.<sup>24</sup> (Emphasis supplied)

Consequently, the phrase in Rule 40, Section 8 that the RTC shall decide the case "as if the same was originally filed before it" does not convert the type of jurisdiction being exercised by the RTC, which remains to be appellate. The phrase does not change the fact that the case was originally or first filed before the MTC and reached the RTC only via appeal. It is in the exercise of its appellate jurisdiction that the RTC determines that the MTC has no jurisdiction over the subject matter of the case. If the RTC has jurisdiction, it will take cognizance of the case pursuant to Rule 40, Section 8, in the interest of convenience and judicial economy. Without the express mandate of Rule 40, Section 8, the RTC would just dismiss the case and have the same refiled before it. This would lead to unnecessary proceedings which would hamper the expeditious resolution of the case.

<sup>24</sup> *Id.* at 103–104.

<sup>&</sup>lt;sup>23</sup> 761 Phil. 90 (2015) [Per J. Peralta, Third Division].

Under Rule 50, Section 2 of the Rules of Court, "an appeal by notice of appeal instead of by petition for review from the appellate judgment of a Regional Trial Court shall be dismissed." Hence, the CA is correct in dismissing Reynaldo's notice of appeal for being an improper mode of appeal. Reynaldo should have filed a petition for review under Rule 42 of the Rules of Court. Therefore, the challenged RTC Decision had already attained finality.

Appeal is a mere statutory privilege and may be exercised only in accordance with law. A party who seeks to avail of the privilege must comply with the requirements of the rules lest the right to appeal is invariably lost.<sup>25</sup>

In any event, the RTC did not err in ordering Reynaldo and the other persons acting on his behalf to vacate the property. Reynaldo admitted that he signed the notarized DOAS in favor of spouses Trinidad. While he insisted that the real transaction between him and spouses Trinidad is one of loan, he failed to substantiate the same. As owners of the property, spouses Trinidad are entitled to the possession thereof. As between Reynaldo and spouses Trinidad, the latter have a better right to possess the property.

**ACCORDINGLY**, the Petition for Review on *Certiorari* is **DENIED**. The Resolutions dated January 11, 2023 and February 7, 2024 of the Court of Appeals in CA-G.R. SP No. 174613 are **AFFIRMED**.

SO ORDERED.

AMUEL H. GAERLAN
Associate Justice

WE CONCUR:

ALFREDO BENJAMIN S. CAGUIOA

Associate Justice

Sugar Regulatory Administration v. Central Azucarera De Bais, Inc., G.R. No. 253821, March 6, 2023 [Per J. M. Lopez, Second Division].

(On official business)

HENRI JEAN PAUL B. INTING

Associate Justice

JAPAR B. DIMAAMPAO

Associate Justice

MARIA FILOMENA D. SINGH

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.

ALFREDO BENJAMIN S. CAGUIOA

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.

ALEXANDER G. GESMUNDO