



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

**TERESITA BUGAYONG-SANTIAGO,
EARL EUGENE SANTIAGO,
EDWARD SANTIAGO, and
EDGARDO SANTIAGO, JR.,**
Petitioners,

G.R. No. 220389

Present:

CARPIO, J., Chairperson,
PERALTA,
PERLAS-BERNABE,
CAGUIOA, and
REYES, JR., JJ.

- versus -

TEOFILO BUGAYONG,
Respondent.

Promulgated:

06 DEC 2017

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DECISION

CARPIO, J.:

This is a petition for review on certiorari¹ assailing the Decision² dated 29 September 2014 and the Resolution³ dated 6 August 2015 of the Court of Appeals (CA) in CA-G.R. SP No. 116322. The CA affirmed the Decision⁴ dated 11 December 2009 of the Regional Trial Court of Urdaneta City, Pangasinan, Branch 45 (RTC), which set aside the decision of the 7th Municipal Circuit Trial Court of Asingan-San Manuel, Asingan, Pangasinan (MCTC) and dismissed petitioners' complaint for unlawful detainer.

¹ Under Rule 45 of the 1997 Revised Rules of Civil Procedure.
² *Rollo*, pp. 136-142. Penned by Associate Justice Edwin D. Sorongon, with Associate Justices Rosmari D. Carandang and Marlene Gonzales-Sison concurring.
³ *Id.* at 153-154.
⁴ *Id.* at 107-112. Penned by Judge Emma P. Bauzon.

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The Facts

On 24 November 1993, petitioner Teresita Bugayong-Santiago (Teresita) and her husband Edgardo Santiago (Edgardo), through a Deed of Absolute Sale, bought a 169 square meter commercial land with a building structure located in Poblacion, Asingan, Pangasinan. The land was originally owned by Teresita's parents, the late spouses Francisco Bugayong and Segundina Ventura-Bugayong, and covered by Transfer Certificate of Title (TCT) No. 37637, which was issued to the late spouses on 9 November 1961.

On 23 May 2007, Edgardo died. He was survived by Teresita and their children, petitioners Earl Eugene, Edward, and Edgardo, Jr. The children inherited one-half of the land.

In 2008, petitioners sent a letter dated 15 February 2008 to respondent Teofilo Bugayong (Teofilo), Teresita's brother, demanding him to vacate the subject property within 15 days from receipt of the letter and to pay the amount of ₱3,000 monthly. Respondent received the letter on 20 February 2008 but refused to vacate the property.

Thus, petitioners filed a Complaint⁵ for Unlawful Detainer dated 15 March 2008 with the MCTC. Petitioners alleged that since 2002, they have been tolerating the stay and occupation of Teofilo over the two-third (2/3) eastern portion of the land and a part of the commercial building without paying any lease rental. Petitioners added that Teofilo had been harassing Teresita whenever she went to Asingan, Pangasinan and that on 3 June 2006, Teofilo slapped and pulled her hair which caused some injuries. Thus, she filed a criminal case for physical injuries against him. Also, before they executed the complaint, petitioners exerted serious efforts to settle the case amicably but to no avail.

In his Answer with Counterclaim, Teofilo alleged that his parents, Francisco Bugayong and Segundina Ventura-Bugayong, were the absolute and registered owners of the subject parcel of land covered by TCT No. 37637 where a commercial building had been erected. Prior to their death, the late spouses executed a Deed of Quitclaim dated 21 December 1995 in favor of all their six children, namely: Antonio, Teofilo, Erlinda, Teresita, Francisco, Jr., and Estrellita Bugayong-Cachola (Cachola). Teofilo stated that when he was about to register the quitclaim with the Register of Deeds after paying the necessary taxes, petitioners caused the annotation on the title of the Deed of Absolute Sale by way of Adverse Claim on 4 March 2004. Teofilo also claimed that during the lifetime of his parents, they reported the Owner's Duplicate Copy of TCT No. 37637 as lost and they executed an Affidavit of Loss on 16 November 1995 and had it annotated at

⁵ Docketed as Civil Case No. A-1138. Captioned "Complaint for Illegal Detainer."



the back of the title. Consequently, a Second Owner's Duplicate Copy was granted by the RTC in lieu of the lost title. Teofilo maintained that while the petitioners claimed that they purchased the subject property in 1993, he had been paying the realty taxes of the subject property for the benefit of the estate of his deceased parents and all the heirs, including the northwestern portion of the building occupied by Cachola, the sister of both Teofilo and Teresita. Further, Teofilo contended that he had been in actual possession and enjoyment of the subject property long before the execution of the assailed Deed of Absolute Sale between his parents and Teresita and Edgardo.

In a Decision⁶ dated 29 September 2008, the MCTC ordered Teofilo to vacate the property. The MCTC resolved the question of ownership in order to resolve the issue of possession. The MCTC reasoned that the Deed of Absolute Sale dated 24 November 1993 should be given effect and validity since it was executed before the Deed of Quitclaim was executed on 21 December 1995 and had been annotated at the back of TCT No. 37637. Also, the MCTC considered Teofilo's occupation over the subject property as mere tolerance and demanded that Teofilo vacate the property. The dispositive portion of the Decision states:

WHEREFORE, premises considered, judgment is hereby rendered as follows:

1. Ordering defendant or anyone acting in his behalf to vacate the two third (2/3) eastern portion of the subject premises;
2. Ordering defendant to surrender possession of the subject premises to the plaintiff[s];
3. Ordering the dismissal of the counter-claim;
4. Ordering defendant to pay reasonable lease rental of the subject premises the amount of ₱3,000 monthly starting from February 20, 2008 until he vacates and surrender[s] possession to the plaintiffs and to pay ₱15,000.00 as attorney's fees and to pay the costs of this suit.

SO ORDERED.⁷

Teofilo filed an appeal⁸ with the RTC. Teofilo averred that petitioners had failed to establish a cause of action for unlawful detainer against him such that the MCTC had no jurisdiction over the complaint.

In a Decision⁹ dated 11 December 2009, the RTC reversed the decision of the MCTC. The RTC stated that tolerance must be present right from the start of possession to bring the action within the ambit of unlawful detainer. In this case, there was forcible entry at the beginning and tolerance thereafter; thus, there can be no basis for the action for unlawful detainer.

⁶ *Rollo*, pp. 76-80.

⁷ *Id.* at 80.

⁸ Docketed as Civil Case No. U-9254.

⁹ *Rollo*, pp. 107-112.



The RTC declared that the remedy of the petitioners was either *accion publiciana* or *accion reivindicatoria*. The dispositive portion of the Decision states:

WHEREFORE, premises considered, the decision appealed from is set aside. Accordingly, the complaint is dismissed.

SO ORDERED.¹⁰

Petitioners filed a motion for reconsideration. The RTC, in an Order dated 7 September 2010, denied the motion.

On 29 October 2010, petitioners filed a petition for review¹¹ with the CA. In a Decision dated 29 September 2014, the CA denied the petition for lack of merit.

Petitioners then filed a motion for reconsideration dated 24 October 2014 which the CA denied in a Resolution¹² dated 6 August 2015.

Hence, the instant petition.

The Issue

Whether or not the CA erred in affirming the decision of the RTC which dismissed the unlawful detainer case against respondent.

The Court's Ruling

The petition lacks merit.

Petitioners contend that from the start, they have tolerated and have been tolerating the stay and occupation of respondent over two-third (2/3) portion of the commercial lot and the building situated thereon. Petitioners explain that when they bought the land, it has been agreed upon between Teresita and her husband Edgardo, that Teresita's parents would stay on the land until their death. Teresita's mother passed away on 11 February 1997 and her father on 26 November 1999. Afterwards, Teresita allowed her sister, Cachola, to occupy the subject property located in Asingan, Pangasinan since petitioners have been residing in San Fernando, Pampanga since 1974. Petitioners allege that sometime in 2002, Teofilo, in the presence of Cachola, just entered the property without their knowledge and consent

¹⁰ Id. at 112.

¹¹ Docketed as CA-G.R. SP No. 116322.

¹² *Rollo*, pp. 153-154.



and had been occupying two-third (2/3) portion of the property without paying any lease rental. Since petitioners wanted to take possession of the subject property, they sent a demand letter for Teofilo to vacate the premises.

Respondent, on the other hand, maintains that he had been in actual possession and enjoyment of the subject property, being one of the forced heirs of the registered owners, his parents. Respondent contends that the MCTC did not acquire jurisdiction over the complaint since the complaint failed to aver facts constitutive of forcible entry or unlawful detainer – how entry was affected or how and when dispossession started. Thus, the complaint or case filed should not have been for unlawful detainer with the MCTC but one for *accion publiciana* or *accion reivindicatoria* in the proper RTC.

Ejectment or *accion interdictal* takes on two forms: forcible entry and unlawful detainer. The remedies for forcible entry and unlawful detainer are laid down in Section 1, Rule 70 of the Rules of Court, which states:

Section 1. *Who may institute proceedings, and when.*—Subject to the provisions 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.

In *Sarmiento v. Court of Appeals*,¹³ the distinction between forcible entry and unlawful detainer had been clearly explained:

Forcible entry and unlawful detainer cases are two distinct actions defined in Section 1, Rule 70 of the Rules of Court. In forcible entry, one is deprived of physical possession of land or building by means of force, intimidation, threat, strategy, or stealth. In unlawful detainer, one unlawfully withholds possession thereof after the expiration or termination of his right to hold possession under any contract, express or implied. In forcible entry, the possession is illegal from the beginning and the basic inquiry centers on who has the prior possession *de facto*. In unlawful detainer, the possession was originally lawful but became unlawful by the expiration or termination of the right to possess, hence the issue of rightful possession is decisive for, in such action, the defendant is in actual possession and the plaintiff's cause of action is the termination of the defendant's right to continue in possession.

¹³ 320 Phil. 146, 153-154 (1995).



What determines the cause of action is the nature of defendant's entry into the land. If the entry is illegal, then the action which may be filed against the intruder within one (1) year therefrom is forcible entry. If, on the other hand, the entry is legal but the possession thereafter became illegal, the case is one of unlawful detainer which must be filed within one (1) year from the date of the last demand. (Emphasis supplied)

In the present case, petitioners filed an unlawful detainer case against respondent before the MCTC. Petitioner Teresita alleges that she and her husband Edgardo bought the subject property from her parents on 24 November 1993. Since her family stays in San Fernando, Pampanga she allowed her sister Cachola to live in the property. However, sometime in 2002, without Teresita's knowledge and consent, respondent Teofilo entered the property and occupied the two-third (2/3) eastern portion of the same. Teresita maintains that she had been merely tolerating Teofilo's stay and occupation in that part of the property. In 2008, when petitioners were ready to make use of the property, they demanded that Teofilo vacate the premises but he refused.

In *Manila Electric Company v. Heirs of Spouses Deloy*,¹⁴ we held that the only issue to be resolved in an unlawful detainer case is physical or material possession of the property, independent of any claim of ownership by any of the parties involved. However, as emphasized in the *Sarmiento*¹⁵ case above, what determines the cause of action in ejectment cases is the nature of defendant's entry into the land.

Petitioners insist that Teofilo entered the property without their knowledge and consent. Meaning, Teofilo's entry into the property had been illegal from the beginning. Later on, when they found out that he occupied the subject property, petitioners merely tolerated his stay there.

The Rules are clear that if the entry into the property is illegal, the action which may be filed against the intruder is forcible entry and this action must be brought within one (1) year from the illegal entry. But if the entry is originally legal then became illegal due to the expiration or termination of the right to possess, an unlawful detainer case may be brought within one (1) year from the date of the last demand. This action will only prosper in a case where the plaintiff allows the defendant to use the property by tolerance without any contract, and the defendant is necessarily bound by an implied promise that he will vacate on demand.

¹⁴ 710 Phil. 427, 436 (2013).

¹⁵ Supra note 13.

However, based on the records, petitioners claimed that respondent entered the property “without their knowledge and consent”¹⁶ on one hand, and by mere “tolerance”¹⁷ on the other. It can be concluded then that respondent occupied the subject property without petitioners’ knowledge and consent and thereafter petitioners tolerated respondent’s stay in the property for many years. Thus, there was illegal entry into the property at the start.

As correctly observed by the RTC, since there was forcible entry at the beginning and tolerance thereafter, an action for unlawful detainer cannot prosper since a requisite for an action for unlawful detainer is that the possession was originally lawful, but turned unlawful only upon the expiration of the right to possess. In *Spouses Valdez v. Court of Appeals*,¹⁸ we held that to justify an action for unlawful detainer, it is essential that the plaintiff’s supposed act of tolerance must have been present right from the start of the possession which is later sought to be recovered. Otherwise, if the possession was unlawful at the start, an action for unlawful detainer would be an improper remedy.

The complaint was not clear on how entry into the subject property was effected and how or when dispossession started. The complaint merely states that “since 2002, plaintiff Teresita B. Santiago and her late husband have been tolerating the stay and occupation of the defendant, brother of plaintiff Teresita B. Santiago, over the two-third (2/3) eastern portion of the lot and portion of the commercial house thereon, without paying [any] lease rental.”¹⁹ However, in succeeding pleadings, petitioners insisted that respondent entered the property without their knowledge and consent. Also, no contract, whether express or implied, existed between the parties and there were no other details submitted or evidence presented by petitioners to show how respondent exactly entered the property and when petitioners were dispossessed of such. As similarly held in the case of *Zacarias v. Anacay*:²⁰

In the instant case, the allegations in the complaint do not contain any averment of fact that would substantiate petitioners’ claim that they permitted or tolerated the occupation of the property by respondents. The complaint contains only bare allegations that “respondents without any color of title whatsoever occupie[d] the land in question by building their house [o]n the said land thereby depriving petitioners the possession

¹⁶ See CA Decision dated 29 September 2014 stating that the records, petitioners’ motion for reconsideration before the RTC and petition for review with the CA all indicated that petitioners made allegations that respondent entered the subject property without their knowledge and consent. *Rollo*, p. 140.

¹⁷ In the Complaint for Unlawful Detainer filed by petitioners, it states that “since 2002, plaintiff Teresita B. Santiago and her late husband have been tolerating the stay and occupation of the defendant, brother of plaintiff Teresita B. Santiago, over the two-third (2/3) eastern portion of the lot and portion of the commercial house thereon, without paying [any] lease rental.” (Id. at 26-27)

¹⁸ 523 Phil. 39, 47 (2006).

¹⁹ *Rollo*, pp. 26-27.

²⁰ 744 Phil. 201 (2014).



thereof.” Nothing has been said on how respondents’ entry was effected or how and when dispossession started. Admittedly, no express contract existed between the parties. This failure of petitioners to allege the key jurisdictional facts constitutive of unlawful detainer is fatal. Since the complaint did not satisfy the jurisdictional requirement of a valid cause for unlawful detainer, the municipal trial court had no jurisdiction over the case. It is in this light that this Court finds that the Court of Appeals correctly found that the municipal trial court had no jurisdiction over the complaint.²¹

We have ruled in *Rosario v. Alba*²² that jurisdiction in ejectment cases is determined by the allegations of the complaint and the character of the relief sought. The complaint should embody such statement of facts as to bring the case clearly within the class of cases under Section 1, Rule 70 of the Rules of Court, as these proceedings are summary in nature. Thus, since the complaint fell short of the jurisdictional facts to vest the court jurisdiction to effect the ejectment of respondent, the MCTC had no jurisdiction to take cognizance of petitioners’ complaint and both the RTC and the CA correctly dismissed the unlawful detainer case against respondent.

However, on a final note, this ruling is limited only to the determination of whether the complaint for unlawful detainer was properly filed and whether the MCTC had jurisdiction over the case. This adjudication is not a final determination of the issue of possession or ownership and thus, will not bar any party from filing a case in the proper RTC for (1) *accion publiciana*, where the owner of the property who was dispossessed failed to bring an action for ejectment within one (1) year from dispossession, or (2) *accion reivindicatoria* alleging ownership of the property and seeking recovery of its full possession.

WHEREFORE, we **DENY** the petition. We **AFFIRM** the Decision dated 29 September 2014 and the Resolution dated 6 August 2015 of the Court of Appeals in CA-G.R. SP No. 116322.

SO ORDERED.



ANTONIO T. CARPIO
Associate Justice

²¹ Id. at 213.

²² G.R. No. 199464, 18 April 2016, 789 SCRA 630, 637.

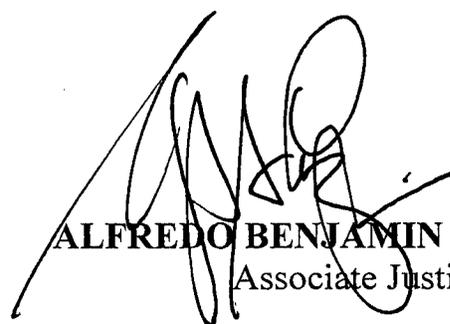
WE CONCUR:



DIOSDADO M. PERALTA
Associate Justice



ESTELA M. PERLAS-BERNABE
Associate Justice



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice



ANDRES B. REYES, JR.
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.



ANTONIO T. CARPIO
Associate Justice
Chairperson

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