



Republic of the Philippines
 Supreme Court
 Manila

SECOND DIVISION

GLYNNA FORONDA-CRYSTAL, G.R. No. 221815

Petitioner,

Present:

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

- versus -

Promulgated:

ANIANA LAWAS SON,

Respondent.

29 NOV 2017

Handwritten signature: H. Cabalag

X-----X

DECISION

REYES, JR., J.:

In law, nothing is as elementary as the concept of jurisdiction, for the same is the foundation upon which the courts exercise their power of adjudication, and without which, no rights or obligation could emanate from any decision or resolution.

The Case

Challenged before this Court *via* this Petition for Review on *Certiorari* under Rule 45 of the Rules of Court is the Decision¹ of the Court

¹ Penned by Associate Justice Josep Y. Lopez, and concurred in by Associate Justice Gabriel T. Ingles and Associate Justice Marilyn B. Lagura-Yap; *rollo*, pp. 52-79.

Handwritten signature: Reyes

of Appeals (CA) in CA-G.R. CV No. 02226 promulgated on March 12, 2015, which affirmed *in toto* the Decision² dated November 24, 2006 of the Regional Trial Court (RTC), Branch 55 of Mandaue City. Likewise challenged is the subsequent Resolution³ promulgated on October 19, 2015 which upheld the earlier decision.

The Antecedent Facts

Petitioner is the daughter of Eddie Foronda, the registered owner of a parcel of land located in Barrio Magay, Municipality of Compostela, Province of Cebu. The latter derived his title over the property from a successful grant of a Free Patent (Free Patent No. VII-519533), which is covered by Original Certificate of Title (OCT) No. OP-37324, more particularly described as follows:

A PARCEL OF LAND (lot 1280, Case 3, Pls .962) situated in the Barrio of Magay, Municipality of Compostela, Province of Cebu, Island of Cebu. Bounded on the SE., along line 1-2 by Lot 707 (As 07-01-000033-amended); along line 2-3 by Lot 1275; on the SW., along line 3-4 by Lot 1281; on the NW., along line 4-5 by Lot 1315; along line 5-6 by Lot 1314; on the NE., along line 6-7 by Lot 1392, along line 7-1 by Lot 1279, all of Compostela, Cadastre x x x.⁴

On March 15, 1999, Aniana Lawas Son (respondent) instituted an action for reconveyance and damages against Glynna Foronda-Crystal (petitioner) alleging that, for twelve and a half years, she has been the lawful owner and possessor of the subject lot. She alleged that she purchased the same from a certain Eleno T. Arias (Arias) on August 4, 1986 for a sum of ₱200,000.00. According to her, since her acquisition, she has been religiously paying real property taxes thereon as evidenced by Tax Declaration No. 16408A, which was issued under her name.⁵

According to the respondent, the issuance of the Free Patent in favor of the petitioner's father was "due to gross error or any other cause."⁶ In support thereof, the respondent alleged that "there is no tax declaration in the name of patentee Eddie Foronda" and that this "goes to show that Eddie Foronda is not the owner of lot 1280 and neither has payment of real estate taxes been made by him when he was still alive or by his heirs."⁷

² Id. at 125-128.

³ Id. at 88-92.

⁴ Id. at 53.

⁵ Id. at 103-104.

⁶ Id.

⁷ Id. at 104-105.

Reyes

On April 13, 1999, herein petitioner filed a motion to dismiss on the grounds of (1) lack of jurisdiction, (2) venue is improperly laid, (3) action has prescribed, and, (4) lack of cause of action. A week thereafter, the RTC issued an Order dated April 20, 1999,⁸ which dismissed the case for lack of jurisdiction. The RTC asserted that the “market value of the subject property per Tax Declaration No. 16408 (Annex B, Complaint) is ₱2,830.00” and thus, jurisdiction over the case lies with the Municipal Circuit Trial Court of Liloan-Compostela, Cebu.

However, in yet another Order⁹ dated July 23, 1999, issued by the RTC following herein respondent's motion for reconsideration, the RTC reconsidered and set aside its earlier ruling based on the following ratiocination: (1) Paragraph III of the Complaint stated that the property was worth ₱200,000.00; (2) the Court has “judicial knowledge that under the BIR zonal valuation, the property located at Magay, Compostela, Cebu carries the value that may summed (sic) up to more than ₱20,000.00 for the property with an area of 1,570 square meters”;¹⁰ and (3) the “tax declaration, sometimes being undervalued, is not controlling.”¹¹ Hence, trial ensued.

On November 24, 2006, the RTC rendered its Decision in favor of the respondent. The Register of Deeds of Cebu was ordered to cancel OCT No. OP-37324, and to issue, in lieu thereof, a new one under the name of the respondent. The dispositive portion of the decision reads:

WHEREFORE, premises considered, judgment in favor of the plaintiff and against the defendants:

1) Declaring the issuance of Original Certificate of Title No. OP-37324 (Free Patent No. VII-519533) in the name of Eddie Foronda a grave error since he is not the owner of Lot 1280, and therefore null and void;

2) Ordering the Register of Deeds of Cebu to cancel Original Certificate of Title No. OP-37324 (Free Patent No. VII-519533) and to issue, in lieu thereof, a new one in the name of Aniana Lawas Son of Compostela, Cebu. No pronouncement as to damages and costs of the suit.

SO ORDERED.¹²

Aggrieved, petitioner herein elevated the case to the CA. The material allegations that she presented included the following: (1) the RTC rendered

⁸ Id. at 115.

⁹ Id. at 116.

¹⁰ Id.

¹¹ Id.

¹² Id. at 127-128.

Meyer

its decision with undue haste considering that the same was promulgated even before the expiration of the period within which the parties' respective memoranda were to be filed; (2) the respondent was not able to prove that the lot she acquired from Arias was Lot No. 1280; (3) the respondent failed to prove that she was in actual physical possession of the subject property whereas the petitioner was able to do so since 1972; (4) the RTC erred in its order to cancel OCT No. OP-37324 and to issue, in lieu thereof, a new title in herein respondent's name; and (5) the action filed by the respondent was already barred by prescription and laches.

On March 12, 2015, the CA rendered the assailed Decision, which affirmed the RTC decision. The *fallo* of CA decision reads:

WHEREFORE, premises considered, the instant appeal is DENIED. The Decision of the Regional Trial Court, Branch 55, Mandaue City dated November 24, 2006 in Civil Case No. MAN-3498, is hereby AFFIRMED.

SO ORDERED.¹³

On October 19, 2015, the Resolution¹⁴ issued by the CA denied the petitioner's motion for reconsideration. Hence, this petition for review on *certiorari* under Rule 45 of the Rules of Court.

The Issues

The petitioner anchors her plea for the reversal of the assailed decision on the following grounds:¹⁵

- I. THE COURT OF APPEALS ERRED IN NOT DISMISSING THIS CASE ON THE GROUND OF LACK OF JURISDICTION OF THE RTC OF MANDAUE CITY OVER THIS CASE AS THE ASSESSED VALUE OF THE PROPERTY SUBJECT OF THIS CASE IS ₱1,030.00 AND THE PROPERTY IS LOCATED IN COMPOSTELA, CEBU.
- II. THE COURT OF APPEALS ERRED IN NOT DECLARING THE PROCEEDINGS AS WELL AS THE JUDGMENT RENDERED BY THE RTC AS VOID

¹³ Id. at 79.

¹⁴ Id. at 88-92.

¹⁵ Id. at 25-26.

Meyer

- III. THE COURT OF APPEALS ERRED IN NOT APPLYING ARTICLE 434 OF THE CIVIL CODE TO THE CASE AT BAR
- IV. THE COURT OF APPEALS ERRED IN NOT HOLDING THAT LOT NO. 1280 WAS A PUBLIC GRANT TO WHICH EDDIE FORONDA WAS ISSUED A FREE PATENT
- V. THE COURT OF APPEALS ERRED IN NOT HOLDING THAT THE ACTION IS BARRED BY PRESCRIPTION
- VI. THE COURT OF APPEALS ERRED IN NOT HOLDING THAT THE ACTION IS BARRED BY PRESCRIPTION (SIC)
- VII. THE COURT OF APPEALS ERRED IN NOT HOLDING THAT THE VALIDITY AND INTEGRITY OF THE DECISION OF THE RTC IS QUESTIONABLE BECAUSE IT WAS RENDERED WITH UNDUE HASTE.

The foregoing assignment of errors could be summarized in three main issues: (1) whether or not the RTC validly acquired jurisdiction over the case, and whether or not the RTC decision was void *ab initio*; (2) whether or not the Original Certificate of Title issued under the name of petitioner's father should be canceled and set aside on the strength of the respondent's allegations of ownership over the same; and (3) whether or not the action is already barred by prescription.

The Court's Ruling

The petition is impressed with merit.

On the Issue of Jurisdiction

Jurisdiction is defined as the power and authority of a court to hear, try, and decide a case.¹⁶ In order for the court or an adjudicative body to have authority to dispose of the case on the merits, it must acquire, among others, jurisdiction over the subject matter.¹⁷ It is axiomatic that jurisdiction over the subject matter is the power to hear and determine the general class to which the proceedings in question belong; it is conferred by law and not

¹⁶ *Mitsubishi Motors Philippines Corporation v. Bureau of Customs*, G.R. No. 209830, June 17, 2015, 759 SCRA 306, 310, citing *Spouses Genato v. Viola*, 625 Phil. 514, 527 (2010).

¹⁷ *Id.*

Meza

by the consent or acquiescence of any or all of the parties or by erroneous belief of the court that it exists.¹⁸

What is relevant in this case, therefore, is the delineation provided for by law which separates the jurisdictions of the second level courts—the Regional Trial Courts—and the first level courts—the Metropolitan Trial Courts (MeTC), Municipal Trial Courts (MTC), Municipal Circuit Trial Courts (MCTC), and Municipal Trial Courts in the Cities (MTCC).

This can be easily ascertained through a reading of the Judiciary Reorganization Act of 1980, as amended by Republic Act No. 7691.¹⁹

According to this law, in all civil actions which involve title to, or possession of, real property, or any interest therein, the RTC shall exercise exclusive original jurisdiction where the assessed value of the property exceeds ₱20,000.00 or, for civil actions in Metro Manila, where such value exceeds ₱50,000.00.²⁰ For those below the foregoing threshold amounts, exclusive jurisdiction lies with the MeTC, MTC, MCTC, or MTCC.²¹

For a full discourse on the resolution of the present petition, emphasis must be given on the assessed values²²—not the fair market values—of the real properties concerned.

According to the case of *Heirs of Concha, Sr. v. Spouses Lumocso*,²³ the law is emphatic that in determining which court has jurisdiction, it is only the assessed value of the realty involved that should be computed. *Heirs of Concha, Sr.* averred this definitive ruling by tracing the history of the The Judiciary Reorganization Act of 1980, as amended. It said:

The original text of Section 19(2) of B.P. 129 as well as its forerunner, Section 44(b) of R.A. 296, as amended, gave the RTCs x x x exclusive original jurisdiction. x x x Thus, under the old law, there was no substantial effect on jurisdiction whether a case is one, the subject matter of which was incapable of pecuniary estimation, under Section 19(1) of B.P. 129 or one involving title to property under Section 19(2).

¹⁸ Id., *See Philippine Coconut Producers Federation, Inc. v. Republic*, 679 Phil. 508 (2012), citing *Allied Domecq Philippines, Inc. v. Villon*, 482 Phil. 894, 900 (2004).

¹⁹ Batas Pambansa Blg. 129 (1980), as amended by Rep. Act No. 7691 (1994).

²⁰ Id. Sec. 19(2).

²¹ Id. Sec. 33(3).

²² According to the case of *Geonzon v. Heirs of Legaspi* (586 Phil. 750, 751 [2008]), assessed value is understood to be the worth or value of property established by taxing authorities on the basis of which the tax rate is applied. It is synonymous to taxable value and could be computed by multiplying the fair market value with the assessment level (*Hilario v. Salvador*, 497 Phil. 327, 336 [2005]).

²³ 564 Phil. 580, 599 (2007), citing *Hilario v. Salvador*, 497 Phil. 327 (2005).

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The distinction between the two classes became crucial with the amendment introduced by R.A. No. 7691 in 1994 which expanded the exclusive original jurisdiction of the first level courts. x x x. Thus, under the present law, original jurisdiction over cases the subject matter of which involves “title to, possession of, real property or any interest therein” under Section 19(2) of B.P. 129 is divided between the first and second level courts, with the assessed value of the real property involved as the benchmark. This amendment was introduced to “unclog the overloaded dockets of the RTCs which would result in the speedier administration of justice.”²⁴ (Emphasis, underscoring and formatting supplied, citations omitted)

Time and again, this Court has continuously upheld *Heirs of Concha, Sr.'s* ruling on this provision of law.²⁵ In fact, in *Malana, et al. v. Tappa, et al.*²⁶ the Court said that “the Judiciary Reorganization Act of 1980, as amended, uses the word 'shall' and explicitly requires the MTC to exercise exclusive original jurisdiction over all civil actions which involve title to or possession of real property where the assessed value does not exceed ₱20,000.00.”²⁷

To determine the assessed value, which would in turn determine the court with appropriate jurisdiction, an examination of the allegations in the complaint is necessary. It is a hornbook doctrine that the court should only look into the facts alleged in the complaint to determine whether a suit is within its jurisdiction.²⁸ According to the case of *Spouses Cruz v. Spouses Cruz, et al.*,²⁹ only these facts can be the basis of the court's competence to take cognizance of a case, and that one cannot advert to anything not set forth in the complaint, such as evidence adduced at the trial, to determine the nature of the action thereby initiated.³⁰

It is not a surprise, therefore, that a failure to allege the assessed value of a real property in the complaint would result to a dismissal of the case. This is because absent any allegation in the complaint of the assessed value of the property, it cannot be determined whether the RTC or the MTC has original and exclusive jurisdiction over the petitioner's action. Indeed, the courts cannot take judicial notice of the assessed or market value of the land.³¹ This is the same *ratio* put forth by the Court in the case of *Spouses*

²⁴ *Heirs of Concha, Sr. v. Spouses Lumocso*, supra at 596-597.

²⁵ See *San Pedro v. Asdala*, 611 Phil. 30 (2009).

²⁶ 616 Phil. 177 (2009).

²⁷ Id. at 188.

²⁸ *Tumpag v. Tumpag*, G.R. No. 199133, September 29, 2014, 737 SCRA 62, 69.

²⁹ 616 Phil. 519 (2009).

³⁰ Id. at 523-524.

³¹ *Hilario v. Salvador*, supra note 22, at 336.

Meyer

Cruz v. Spouses Cruz, et al.,³² where the case was dismissed partly on the basis of the following:

The complaint did not contain any such allegation on the assessed value of the property. There is no showing on the face of the complaint that the RTC had jurisdiction over the action of petitioners. Indeed, absent any allegation in the complaint of the assessed value of the property, it cannot be determined whether it is the RTC or the MTC which has original and exclusive jurisdiction over the petitioners' action.³³ (Citations omitted)

In *Quinagoran v. Court of Appeals*,³⁴ the Court had no qualms in dismissing the case for failing to allege the assessed value of the subject property. Similar to *Spouses Cruz*,³⁵ *Quinagoran*³⁶ held that: "Considering that the respondents failed to allege in their complaint the assessed value of the subject property, the RTC seriously erred in denying the motion to dismiss. Consequently, all proceedings in the RTC are null and void, and the CA erred in affirming the RTC."

This is not to say, however, that there is no room for a liberal interpretation of this rule. In *Tumpag v. Tumpag*,³⁷ the Court, through Justice Brion, provided for an instance when an exception to the strict application could be allowed. It said:

Generally, the court should only look into the facts alleged in the complaint to determine whether a suit is within its jurisdiction. There may be instances, however, when a rigid application of this rule may result in defeating substantial justice or in prejudice to a party's substantial right.³⁸

In that case, there was also no allegation of the assessed value of the property. However, the Court pointed out that the facts contained in the Declaration of Real Property, which was attached to the complaint, could have facially resolved the question on jurisdiction and would have rendered the lengthy litigation on that very point unnecessary.³⁹ In essence, the Court said that the failure to allege the real property's assessed value in the complaint would not be fatal if, in the documents annexed to the complaint, an allegation of the assessed value could be found.

³² Supra note 29.

³³ Id. at 527-528.

³⁴ 557 Phil. 650, 661 (2007).

³⁵ *Spouses Cruz v. Spouses Cruz, et al.*, supra note 29, at 528.

³⁶ *Quinagoran v. Court of Appeals*, supra note 34, at 661.

³⁷ Supra note 28.

³⁸ Id. at 70.

³⁹ Id. at 70-71.

Reyes

A reading of the quoted cases would reveal a pattern which would invariably guide both the bench and the bar in similar situations. Based on the foregoing, the rule on determining the assessed value of a real property, insofar as the identification of the jurisdiction of the first and second level courts is concerned, would be two-tiered:

First, the general rule is that jurisdiction is determined by the assessed value of the real property as alleged in the complaint; and

Second, the rule would be liberally applied if the assessed value of the property, while not alleged in the complaint, could still be identified through a facial examination of the documents already attached to the complaint.

Indeed, it is by adopting this two-tiered rule that the Court could dispense with a catena of cases specifically dealing with issues concerning jurisdiction over real properties.

In upholding these afore-quoted rule, however, the Court is not unmindful of the cases of *Barangay Piapi v. Talip*⁴⁰ and *Trayvilla v. Sejas*⁴¹ where the market value of the property, instead of the assessed value thereof, was used by the Court as basis for determining jurisdiction.

In *Barangay Piapi*,⁴² the complaint did not allege the assessed value of the subject property. What it alleged was the market value thereof. The Court held that, in the absence of an allegation of assessed value in the complaint, the Court shall consider the alleged market value to determine jurisdiction.

Notably, this case referred to Section 7(b), Rule 141 of the Rules of Court, which deals with Legal Fees, to justify its reliance on the market value. It said:

The Rule requires that “the assessed value of the property, or if there is none, the estimated value thereof, shall be alleged by the claimant.” It bears reiterating that what determines jurisdiction is the allegations in the complaint and the reliefs prayed for. Petitioners’ complaint is for reconveyance of a parcel of land. Considering that their action involves the title to or interest in real property, they should have alleged therein its assessed value. However, they only specified the market

⁴⁰ 506 Phil. 392, 397 (2005).

⁴¹ G.R. No. 204970, February 1, 2016, 782 SCRA 578, 591.

⁴² *Barangay Piapi v. Talip*, supra note 40.

Meyer

value or estimated value, which is ₱15,000.00. Pursuant to the provision of Section 33 (3) quoted earlier, it is the Municipal Circuit Trial Court of Padada-Kiblawan, Davao del Sur, not the RTC, which has jurisdiction over the case.⁴³ (Italics in the original, and emphasis supplied, citations omitted)

However, the rule alluded to above, while originally containing the sentence: “In a real action, the assessed value of the property, or if there is none, the estimated value thereof shall be alleged by the claimant and shall be the basis in computing the fees,” has already been deleted through an amendment by A.M. No. 04-2-04-SC. As it currently stands, Section 7 of Rule 141 of the Rules of Court reads:

Section 7 Clerks of Regional Trial Courts. —

a) For filing an action or a permissive OR COMPULSORY counter-claim, CROSS-CLAIM, or money claim against an estate not based on judgment, or for filing a third-party, fourth-party, etc. complaint, or a complaint-in-intervention, if the total sum claimed, INCLUSIVE OF INTERESTS, PENALTIES, SURCHARGES, DAMAGES OF WHATEVER KIND, AND ATTORNEY'S FEES, LITIGATION EXPENSES AND COSTS and/or **in cases involving property, the FAIR MARKET value of the REAL property in litigation** STATED IN THE CURRENT TAX DECLARATION OR CURRENT ZONAL VALUATION OF THE BUREAU OF INTERNAL REVENUE, WHICHEVER IS HIGHER, OR IF THERE IS NONE, THE STATED VALUE OF THE PROPERTY IN LITIGATION OR THE VALUE OF THE PERSONAL PROPERTY IN LITIGATION AS ALLEGED BY THE CLAIMANT, is: x x x (Emphasis and underscoring supplied)

Two things must be said of this: first, Rule 141 of the Rules of Court concerns the amount of the prescribed filing and docket fees, the payment of which bestows upon the courts the jurisdiction to entertain the pleadings to be filed;⁴⁴ and second, the latest iteration of the same provision already deleted the phrase “estimated value thereof,” such that the determination of the amount of prescribed filing and docket fees are now based on the following: (a) the fair market value of the real property in litigation stated in the current tax declaration or current zonal valuation of the Bureau of Internal Revenue; or (b) the stated value of the real or personal property in litigation as alleged by the claimant.

A reading of the discourse on this would indicate that the jurisdiction referred to above does not deal with the delineation of the jurisdictions of the

⁴³ Id. at 398.

⁴⁴ *Trayvilla v. Sejas*, supra note 41.

Mejia

first and second level courts, but with the acquisition of jurisdiction by the courts through the payment of the prescribed filing and docket fees.

This is the same tenor of the Court's decision in *Trayvilla*. In that case, where no assessed value was likewise alleged in the complaint, the Court determined jurisdiction by considering the actual amount by which the property was purchased and as written in the Amended Complaint. The Court stated that:

However, the CA failed to consider that in determining jurisdiction, it could rely on the declaration made in the Amended Complaint that the property is valued at ₱6,000.00. **The handwritten document sued upon and the pleadings indicate that the property was purchased by petitioners for the price of ₱6,000.00. For purposes of filing the civil case against respondents, this amount should be the stated value of the property** in the absence of a current tax declaration or zonal valuation of the BIR.⁴⁵ (Emphasis supplied)

But then again, like the discussion on *Barangay Piapi* above, *Trayvilla* was one which dealt with the payment of the required filing and docket fees. The crux of the case was the acquisition of jurisdiction by payment of docket fees, and not the delineation of the jurisdiction of the first and second level courts. In fact, *Trayvilla* interchangeably used the terms “**assessed value**” and “**market value**” in a manner that does not even recognize a difference.

Like *Barangay Piapi*, therefore, *Spouses Trayvilla* must not be read in the context of jurisdiction of first and second level courts as contemplated in the Judiciary Reorganization Act of 1980, as amended,⁴⁶ where the assessed values of the properties are required. These cases must perforce be read in the context of the determination of the actual amount of prescribed filing and docket fees provided for in Rule 141 of the Rules of Court.

Having laid out the essential rules in determining the jurisdiction of the first and second level courts for civil actions which involve title to, or possession of, real property, or any interest therein, the Court now shifts focus to the specific circumstances that surround the current case.

In here, the respondent failed to allege in her complaint the assessed value of the subject property. Rather, what she included therein was an

⁴⁵ Id. at 592-593.

⁴⁶ Batas Pambansa Blg. 129 (1980).

Meyer

allegation of its market value amounting to ₱200,000.00.⁴⁷ In the course of the trial, the petitioner asserted that the assessed value of the property as stated in the tax declaration was merely ₱1,030.00, and therefore the RTC lacked jurisdiction.

The question thus posed before this Court was whether or not the RTC should have dismissed the case for lack of jurisdiction, and in the affirmative, whether or not the RTC decision should be rendered void for being issued without jurisdiction.

As discussed above, settled is the requirement that the Judiciary Reorganization Act of 1980, as amended, required the allegation of the real property's assessed value in the complaint. That the complaint in the present case did not aver the assessed value of the property is a violation of the law, and generally would be dismissed because the court which would exercise jurisdiction over the case could not be identified.

However, a liberal interpretation of this law, as opined by the Court in *Tumpag*,⁴⁸ would necessitate an examination of the documents annexed to the complaint. In this instance, the complaint referred to Tax Declaration No. 16408A, attached therein as Annex "B," which naturally would contain the assessed value of the property. A perusal thereof would reveal that the property was valued at ₱2,826.00.

On this basis, it is clear that it is the MTC, and not the RTC, that has jurisdiction over the case. The RTC should have upheld its Order dated November 8, 2006 which dismissed the same. Consequently, the decision that it rendered is null and void.

In the case of *Maslag v. Monzon*,⁴⁹ the Court had occasion to rule that an order issued by a court declaring that it has original and exclusive jurisdiction over the subject matter of the case when under the law it has none cannot likewise be given effect. It amounts to usurpation of jurisdiction which cannot be countenanced. Since the Judiciary Reorganization Act of 1980, as amended, already apportioned the jurisdiction of the MTC and the RTC in cases involving title to property, neither the courts nor the petitioner could alter or disregard the same.

⁴⁷ *Rollo*, p. 104.

⁴⁸ *Tumpag v. Tumpag*, supra note 28.

⁴⁹ 711 Phil. 274, 285-286 (2013).



In yet another case, *Diona v. Balangue*,⁵⁰ the Court ruled that void judgment for want of jurisdiction is no judgment at all. It cannot be the source of any right nor the creator of any obligation. No legal rights can emanate from a resolution that is null and void. As said by the Court in *Cañero v. University of the Philippines*:⁵¹

A void judgment is not entitled to the respect accorded to a valid judgment, but may be entirely disregarded or declared inoperative by any tribunal in which effect is sought to be given to it. It has no legal or binding effect or efficacy for any purpose or at any place. It cannot affect, impair or create rights. It is not entitled to enforcement and is, ordinarily, no protection to those who seek to enforce. In other words, a void judgment is regarded as a nullity, and the situation is the same as it would be if there was no judgment.⁵²

Thus, considering the foregoing, it would be proper for the Court to immediately dismiss this case without prejudice to the parties' filing of a new one before the MTC that has jurisdiction over the subject property. Consequently, the other issues raised by the petitioner need not be discussed further.

WHEREFORE, premises considered, the assailed Decision in CA-G.R. CV No. 02226 dated March 12, 2015, and the Resolution dated October 19, 2015 of the Court of Appeals, as well as the Decision dated November 24, 2006 of the Regional Trial Court, Branch 55 of Mandaue City, are hereby **ANNULLED and SET ASIDE** for being issued without jurisdiction. This is without prejudice to the filing of the parties of the proper action before the proper court.

SO ORDERED.


ANDRES B. REYES, JR.
Associate Justice

⁵⁰ 701 Phil. 19, 25-26 (2013).

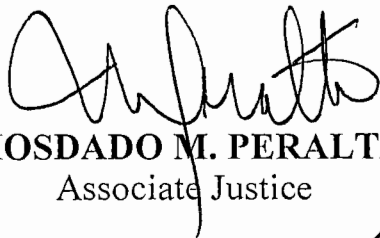
⁵¹ 481 Phil. 249 (2004), as cited in *Imperial v. Armes*, G.R. No. 178842, January 30, 2017.

⁵² *Cañero v. University of the Philippines*, id. at 267.

WE CONCUR:



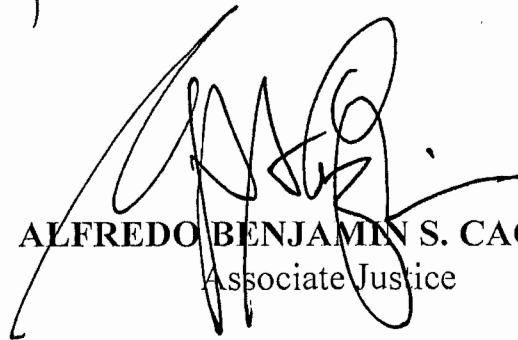
ANTONIO T. CARPIO
Senior Associate Justice
Chairperson



DIOSDADO M. PERALTA
Associate Justice



ESTELA M. PERLAS-BERNABE
Associate Justice



ALFREDO BENJAMIN S. CAGUIOA
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
Senior 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