

TWENTIETH DIVISION

[CA-G.R. SP NO. 08266, December 01, 2014]

**SPS. LOLITO CERELOS AND TERESITA CERELOS, PETITIONERS,
VS. NINFA SALIGUMBA JOINED BY HER HUSBAND, REYNALDO
SALIGUMBA, RESPONDENTS.**

DECISION

QUIJANO-PADILLA, J.:

This is a Petition for Review^[1] under Rule 42 of the Rules of Court assailing the Decision^[2] dated December 19, 2013 and Order^[3] dated February 4, 2014 of the Regional Trial Court (RTC), Branch 16, Roxas City, in Civil Case No. V-16-13. The assailed Decision affirmed the MTCC Decision^[4] dated February 28, 2013 and consequently, ordered the dismissal of the instant appeal for lack of merit. On the other hand, the assailed Order denied the herein petitioners' Motion for Reconsideration^[5] also for lack of merit.

The Antecedents

The instant controversy stemmed from a Complaint^[6] for Unlawful Detainer filed by plaintiffs-respondents Spouses Ninfa Saligumba and Reynaldo Saligumba against defendants-petitioners Lolito Cerelos and Teresita Cerelos before the Municipal Circuit Trial Court Cuartero-Dumarao (MCTC), Cuartero, Capiz, docketed as Civil Case No. 423, seeking to recover possession of a parcel of land, known as Lot No. 5960, situated in Brgy. Putian, Cuartero, Capiz (subject property), which allegedly is unlawfully possessed by the defendants-petitioners.

In their Complaint, plaintiffs-respondents alleged that they are the true and lawful owners of the subject property covered by Transfer Certificate of Title (TCT) No. T-18653^[7] consisting of an area of ninety nine thousand nine hundred ninety one (99,991) square meters, more or less. The subject property, which is covered by Tax Declaration No. 94-091-0108,^[8] is still registered under the names of its previous owners, Andres Anuncio and Nida Falco-Anuncio (Spouses Anuncio), but the same was sold to plaintiffs-respondents on March 5, 2007 as per Deed of Absolute Sale^[9]. They have already paid the property taxes due thereon, the latest tax receipt^[10] of which is dated April 17, 2008.^[11]

Allegedly, defendants-petitioners have been occupying the subject property since the year 1984 at the tolerance of its previous owners. After plaintiffs-respondents acquired the subject property in 2007, they likewise tolerated defendants-petitioners' possession of the subject property. The latter did not even pay any rentals at all. Plaintiffs-respondents had seen the need to fully utilize the subject property, thus, they made several oral demands to the defendants-petitioners to

return the possession of the same but the latter refused and still refuse to vacate the subject property. Plaintiffs-respondents brought the matter to the Lupong Tagapamayapa of Brgy. Puti-an, Cuartero, Capiz for conciliation and mediation but to no avail, thus, prompting the Barangay Lupon to issue a Certificate to File Action.^[12] Plaintiffs-respondents then sent a final demand to vacate on March 12, 2008^[13] to defendants-petitioners but the same still proved futile. Since demand to vacate was made, defendants-petitioners and all other persons claiming rights under them are unlawfully detaining the subject property and defendants-petitioners had been cutting trees and bamboos therein for commercial purposes without proof of their right to do so. Hence, this complaint and the need for a writ of preliminary mandatory injunction.^[14]

In their Answer,^[15] defendants-petitioners vehemently denied the material allegations in the complaint and averred that in 1984, Andres Anuncio, registered owner of the subject property, and his wife Nida Anuncio borrowed money from defendants-petitioners in the amount of six thousand pesos (P6,000.00), with a mutual understanding that defendants-petitioners remain in actual possession over the subject property until Spouses Anuncio completed payment of the loan. Included in their right to possess the subject property is the right to cultivate it and harvest all the fruits and produce that could be derived therefrom. Immediately after the consummation of the loan, defendants-petitioners took actual possession of the subject property and personally cultivated the same peacefully until February 2007 when plaintiffs-respondents claimed they had bought the subject property from Spouses Anuncio.

Defendants-petitioners likewise averred that there exists an agricultural leasehold between them and the Spouses Anuncio, the subject property being an agricultural lot. Defendants-petitioners claimed that as lessees/tenants of the subject property, they are entitled to security of tenure and cannot be ejected therefrom. Defendants-petitioners averred further that plaintiffs-respondents are buyers in bad faith as they allegedly bought the subject property knowing that the former have been cultivating the same as agricultural lessees. As such, plaintiffs-respondents merely stepped into the shoes of Spouses Anuncio with respect to the latter's legal obligation as landlord to respect their rights as agricultural lessees/tenants. Likewise, their legal right of pre-emption as agricultural lessees/tenants had been grossly violated by the plaintiffs-respondents and Spouses Anuncio. The plaintiffs-respondents did not afford them their preferential right to buy the subject property under R.A. 3844, as amended by R.A. 6389.^[16]

Defendants-petitioners prayed that the case be dismissed both for lack of cause of action and lack of jurisdiction.^[17]

The instant case was referred for mediation proceedings but the same failed and the case was returned to the lower court for further judicial proceedings. Considering that the defense of tenancy was raised in defendants-petitioners' answer, a preliminary hearing on the matter was conducted by the lower court and it found no *prima facie* merit on the defendants-petitioners' defense of tenancy in its Order dated September 18, 2009. Defendants-petitioners moved for a reconsideration but the same was denied by the lower court in another Order dated December 2, 2009. Thereafter, this case was set for preliminary conference but was reset several times

upon motions by the parties.^[18]

On May 27, 2011, the lower court referred this case to the Department of Agrarian Reform, Provincial Agrarian Reform Office, Roxas City for the determination whether an agrarian dispute exists pursuant to Section 19 of R.A. No. 9700. On June 27, 2011, Regina L. Caspillo, Provincial Agrarian Reform Officer II submitted to the lower court a certification to the effect that this case does not involve an agrarian dispute.^[19]

After several postponements, pre-trial conference was held and terminated on December 7, 2012 and the parties were then required to submit their position papers. Plaintiffs-respondents' position paper was not admitted by the lower court as it was not filed on time. Defendants-petitioners, on the other hand, did not file their position paper at all.^[20]

The Decisions of the MCTC and RTC

After due proceedings, the MCTC rendered its Decision^[21] on February 28, 2013 ruling in favor of plaintiffs-respondents and ordered defendants-petitioners to vacate the subject properties and to pay reasonable rentals thereof. The dispositive portion^[22] of the Decision reads:

WHEREFORE, in light of all the foregoing, judgment is hereby rendered as follows:

1. Declaring the plaintiffs as entitled to the possession of Lot No. 5960 situated in Brgy. Putian, Cuartero, Capiz;
2. Ordering the defendants to immediately vacate the above-mentioned parcel of land and to turn over the peaceful possession thereof to the plaintiffs.
3. Ordering defendants to pay, jointly and severally, the plaintiffs the sum of Php 1,000.00 a month as reasonable rental for the use of the property, from March 27, 2008 and every month thereafter until possession thereof shall have been peacefully surrendered to plaintiffs;
4. Dismissing the counterclaim of the defendants.

The lower court found plaintiffs-respondents to have sufficiently established ownership over the subject property and clearly made out a case for unlawful detainer against defendants-petitioners. The lower court likewise found that defendants-respondents failed to prove their defense of agricultural tenancy as supported by the findings of the Department of Agrarian Reform, Provincial Agrarian Reform Office, Roxas City.

Dissatisfied, defendants-petitioners appealed^[23] the said Decision to the RTC, Branch 16, Roxas City. On December 19, 2013, the RTC rendered its assailed Decision^[24] affirming the decision of the MCTC and consequently, dismissed the instant appeal for lack of merit. The RTC disposed in this wise:

WHEREFORE, the appeal is dismissed for lack of merit. The Decision dated February 28, 2013 is affirmed *in toto*.^[25]

Aggrieved, defendants-petitioners moved for a reconsideration^[26] but the same was denied by the RTC in its Order^[27] dated February 4, 2014.

Undeterred, defendants-petitioners filed the present petition raising the following assigned errors:

I.

WHETHER OR NOT THE APPELLATE REGIONAL TRIAL COURT IS CORRECT IN DECLARING/AFFIRMING THAT THE COURT A QUO MUNICIPAL CIRCUIT TRIAL COURT HAS JURISDICTION OVER THIS CASE.

II.

WHETHER OR NOT RESPONDENT'S (SIC) ALLEGATIONS OF TOLERANCE HAS BEEN DULY PROVEN FOR FAILURE TO SUBMIT POSITION PAPER.^[28]

This Court's Ruling

The petition lacks merit.

At the outset, it should be stressed that We are called to resolve issues which were squarely addressed and extensively threshed out by the court a quo and the MCTC as well.

The arguments advanced by defendants-petitioners in their Petition shows that they involve an inquiry into the factual matters or relate to the trial courts' appreciation of the evidence presented by the parties.

Time and again, it is a hornbook doctrine that the findings of fact of the trial court are entitled to great weight on appeal and should not be disturbed except for strong and valid reasons,^[29] because the trial court is in a better position to examine the real evidence, and observe the demeanor of the witnesses, and can therefore discern if they are telling the truth or not.^[30] Stated otherwise, findings of fact made by a trial court are accorded the highest degree of respect by an appellate tribunal and, absent a clear disregard of the evidence before it that can otherwise affect the results of the case, those findings should not be ignored.^[31]

No Serious Error in the Findings of the Lower Courts

Defendants-petitioners imputes errors in the findings of the court a quo that MCTC has jurisdiction over this case. As repeatedly accentuated by defendants-petitioners, the instant case for unlawful detainer filed by plaintiffs-respondents against defendants-petitioners does not fall within the ambit of the MCTC as this case involves facts and issues which are beyond the sphere of unlawful detainer cases, that is contractual arrangement. The loan agreement allegedly entered into between defendants-petitioners and Spouses Anuncio is a contractual arrangement and is incapable of pecuniary estimation which falls under the exclusive original jurisdiction of the RTC.

We do not agree.