

SECOND DIVISION

[G.R. No. 217296, October 11, 2017]

**SPOUSES ERWIN C. SANTIAGO AND MARINELA A. SANTIAGO;
SPOUSES GAUDENCIO A. MANIMTIM, JR. AND EDITHA P.
MANIMTIM; SPOUSES RAMIRO C. ALBARAN AND ELVA C.
ALBARAN; AND CESAR F. ODAN, PETITIONERS, VS. NORTHBAY
KNITTING, INC., RESPONDENT.**

D E C I S I O N

PERALTA, J.:

Before the Court is a Petition for Review seeking to annul and set aside the Decision^[1] of the Court of Appeals (CA), dated September 26, 2014, as well as its Resolution^[2] dated February 25, 2015 in CA-G.R. SP No. 132962, reversing the Decision^[3] of the Malabon Regional Trial Court (RTC) dated May 29, 2013 in Civil Case No. ACV 12-008-MN.

The procedural and factual antecedents of the case are as follows:

Respondent Northbay Knitting, Inc. (NKI) filed a Complaint for Ejectment before the Metropolitan Trial Court (MeTC) of Navotas City against petitioners spouses Ramiro and Elva Albaran (*the Spouses Albaran*) who were doing business under the name REA General Marine Services (REA), spouses Gaudencio and Editha Manimtim (*the Spouses Manimtim*) who were doing business under the name Junedith Brokerage Corporation (JBC), spouses Erwin and Marinela Santiago (*the Spouses Santiago*) who were doing business under the name Quick Care Cargo Handler (QCCH), and Cesar Odan who was doing business under the name Transment Freight Forwarder (TFF).

NKI alleged that it owns the subject property, a parcel of land in Phase I, North Side of the Dagat-Dagatan Project in Navotas covered by Transfer Certificate of Title (TCT) No. M-38092. All petitioners were simply allowed to occupy said property by NKI and they were not paying any rent. On March 5, 2009, NKI sent demand letters to petitioners asking them to vacate the property within five (5) days from receipt and to pay rent in the event that they refuse to vacate within the grace period given. However, despite receipt of said letters, petitioners refused to vacate or pay the necessary rent. Thus, on April 14, 2009, NKI filed an ejectment complaint against petitioners.

For their part, petitioners averred that NKI merely exists on paper as its certificate of registration had already been revoked by the Securities and Exchange Commission (SEC) for failure to operate. NKI only became the registered owner of the subject property on June 16, 2008, while petitioners came into possession of said property through their predecessor-in-interest, Hermeginildo Odan, and have been continuously in possession since 1970. Odan had leased the property from the

family of the late Francisco Felipe Gonzales. Later, he subleased the property to petitioners. The government likewise expropriated the subject property and declared it as an Area for Priority Development or Urban Land Reform Zone under Proclamation No. 3384 dated April 13, 1983. Being tenants and actual occupants of the place, petitioners could not be evicted. Then a Conditional Contract to Sell was entered into between NKI and National Housing Authority (*NHA*). NKI violated the terms of said contract, causing the automatic cancellation of the same. Sometime in 2008, the NHA sold the property to NKI without giving petitioners, as the actual occupants, the right of first refusal granted under the law. Thus, petitioners filed a case questioning said sale which was docketed as Civil Case No. 06-11-MN. Petitioners contended that this case on the issue of their right of first refusal is a prejudicial question that must be resolved first before the MeTC can take cognizance of the ejectment case.

On June 11, 2012, the Navotas MeTC rendered a Decision in favor of NKI, thus:

WHEREFORE, premises considered, judgment is hereby rendered in favor of the plaintiff Northbay Knitting, Inc. and against defendants as follows:

1. **ORDERING** defendants-spouses Ramiro Albaran & Elva Albaran, spouses Gaudencio Manimtim & Edith Manimtim, Junedith Brokerage Corporation, spouses Erwin Santiago & Marinela Santiago, and Cesar Odan, and all persons claiming rights under them to remove the improvements they introduced on the property located in Phase 1, North Side of the Dagat-Dagatan Project in Navotas, Metro Manila covered by Transfer Certificate of Title (TCT) No. M-38092 issued by the Registry of Deeds of Malabon City in the name of the plaintiff Northbay Knitting, Inc.;
2. **ORDERING** defendants-spouses Ramiro Albaran & Elva Albaran, spouses Gaudencio Manimtim & Edith Manimtim, Junedith Brokerage Corporation, spouses Erwin Santiago & Marinela Santiago, and Cesar Odan, and all persons claiming rights under them to PEACEFULLY VACATE AND VOLUNTARILY SURRENDER to plaintiff Northbay Knitting, Inc. the possession of the said lot situated in Phase 1, North Side of the Dagat-Dagatan Project in Navotas, Metro Manila covered by Transfer Certificate of Title (TCT) No. M-38092 issued by the Registry of Deeds of Malabon City in the name of the plaintiff Northbay Knitting, Inc.;
3. **ORDERING** each defendant named-above to each pay plaintiff the amount of TWO THOUSAND PESOS (Php2,000.00) per month for the use and occupation of the above-described property computed from May 4, 2009 until possession of said property is surrendered and turned-over to plaintiff; and
4. **ORDERING** defendants jointly and severally to pay plaintiff the amount of Php20,000.00, as and by way of attorney's fees.

The Counterclaim of defendants-spouses Albaran, Santiago, and Odan is hereby **DISMISSED** for lack of merit.

SO ORDERED.^[4]

On May 29, 2013, however, the Malabon RTC set aside the MeTC Decision for lack of jurisdiction, since NKI failed to show a case of Unlawful Detainer, to wit:

WHEREFORE, pursuant to Sec. 8 par. 2, Rule 40 of the Rules of Court, this Court hereby assumes jurisdiction over this case.

In the meantime, let this case be set for preliminary conference on **July 24, 2013 at 8:30 o'clock in the morning**.

SO ORDERED.^[5]

Upon appeal, the CA ruled:

WHEREFORE, premises considered, the instant Petition for Review is hereby **GRANTED**. The assailed Decision dated May 29, 2013 and Order dated October 29, 2013 of the Regional Trial Court (RTC), Branch 170, Malabon City in Civil Case No. ACV 12-008-MN are hereby **REVERSED and SET ASIDE**. The Decision dated June 11, 2012 of the Metropolitan Trial Court, Branch 54, Navotas City is hereby **AFFIRMED and REINSTATED**.

SO ORDERED.^[6]

Hence, this petition.

The Court's Ruling

The petition is devoid of merit.

Settled is the rule that jurisdiction over the subject matter is conferred by law and is determined by the material allegations of the complaint. It cannot be acquired through, or waived by, any act or omission of the parties, neither can it be cured by their silence, acquiescence, or even express consent.^[7] In ejectment cases, the complaint should embody such statement of facts as to bring the party clearly within the class of cases for which the statutes provide a remedy, as these proceedings are summary in nature. The complaint must show enough on its face to give the court jurisdiction without resort to parol evidence.^[8]

A complaint sufficiently alleges a cause of action for unlawful detainer if it states the following:

- 1) possession of property by the defendant was initially by contract with or by tolerance of the plaintiff;
- 2) eventually, such possession became illegal upon notice by plaintiff to defendant of the termination of the latter's right of possession;
- 3) thereafter, the defendant remained in possession of the property and deprived the plaintiff of the enjoyment of the same; and
- 4) within one (1) year from the last demand on defendant to vacate the property, the plaintiff instituted the complaint for ejectment.^[9]