

SECOND DIVISION

[G.R. No. 201286, July 18, 2014]

INOCENCIA TAGALOG, PETITIONER, VS. MARIA LIM VDA. DE GONZALEZ, GAUDENCIA L. BUAGAS, RANULFO Y. LIM, DON L. CALVO, SUSAN C. SANTIAGO, DINA C. ARANAS, AND RUFINA C. RAMIREZ, RESPONDENTS.

DECISION

CARPIO, J.:

The Case

Before us is a petition for review on certiorari^[1] assailing the Resolutions dated 12 May 2011^[2] and 9 March 2012^[3] of the Court of Appeals (CA) in CA-G.R. CV No. 02784.

The Facts

The subject of the litigation involves a parcel of land known as Lot No. 1595-A containing an area of 27,551 square meters situated in Buanoy, Balamban, Cebu and covered by Transfer Certificate of Title (TCT) No. T-57604.

On 5 February 2003, respondents Maria Lim Vda. de Gonzalez, Gaudencia L. Buagas, Ranulfo Y. Lim, Don L. Calvo, Susan C. Santiago, Dina C. Aranas, and Rufina C. Ramirez filed with the Regional Trial Court (RTC) of Toledo City, Cebu, Branch 29, a Complaint^[4] for Recovery of Possession, Preliminary Mandatory Injunction with a Prayer for a Temporary Restraining Order with Damages and Attorney's Fees against petitioner Inocencia Tagalog (Tagalog). At the time of the complaint, the land was declared for taxation purposes under Tax Declaration No. 01-08-05410 with an assessed value of P57,960 and a market value of P264,930.^[5]

In the Complaint, respondents stated that they were the co-owners of the land. They alleged that Tagalog occupied a portion of the land as lessee and paid rent on a month to month basis by virtue of a verbal contract. Tagalog built a house with light materials on the land and when a strong typhoon hit Cebu, Tagalog's house was damaged. Thereafter, respondents alleged that Tagalog discontinued paying the rent and stopped inhabiting the house.

Sometime before December 2002, respondents demanded that Tagalog remove the scattered debris on the land, notified her of their intention to use the land, and subdivide and develop it for their personal use. Respondents informed Tagalog to vacate the premises asserting that the verbal contract of lease was deemed terminated upon the expiration of the monthly contract. However, Tagalog refused to vacate claiming that she was still a lessee.

Sometime in January 2003, respondents alleged that Tagalog constructed a two-storey residential house made of cement, large steel bars, hollow blocks, sand and gravel on the land. Respondents informed the Office of the Municipal Engineer of Balamban, Cebu of Tagalog's act of constructing a house on the land without their consent and without the required building permit. Respondents alleged that despite the warning given by the Office of the Municipal Engineer to stop the construction, Tagalog still continued with the construction. Respondents then referred the matter to the Barangay Captain of Buanoy, Balamban, Cebu but again, as respondents alleged, Tagalog only ignored the advice given by the Barangay Captain.

In her Answer, Tagalog alleged that the lease contract was still valid and subsisting and had never been terminated by the parties. She added that she had not abandoned her possession over the land and has continuously paid the rent on a month to month basis. Tagalog denied having been notified of the respondents' intention to use and subdivide the land and further alleged that she sought and was granted permission to repair her dwelling structure and undertook the repair without enlarging the area of her occupation. Tagalog admitted being summoned by the Office of the Municipal Engineer and Barangay Captain and she alleged that both offices found that she had long ceased the repair work. As a defense, Tagalog prayed for the dismissal of the case on the ground that the action was for ejectment and unlawful detainer which was beyond the jurisdiction of the RTC.

In a Decision^[6] dated 5 May 2008, the RTC decided the case in favor of respondents. The RTC ruled that, in the complaint, respondents prayed for the recovery of possession of the leased property as owners. Thus, the issue of ownership, which was within the original jurisdiction of the court was primordial and the prayer for eviction was merely incidental there being no written contract of lease between the parties. The dispositive portion of the Decision states:

WHEREFORE, finding the evidence for the plaintiffs to have preponderantly and greatly leaned in their favor, judgment is hereby rendered against the defendant, Inocencia Tagalog as follows:

- (1) Ordering her to vacate the premises in question, deliver the peaceful possession thereof to plaintiffs who are its rightful owners but wrongfully deprived of it, and remove whatever structures are built thereon at her own expense;
- (2) Directing her (defendant) to pay plaintiffs the amount of Fifty Thousand (P50,000.00) Pesos, as moral damages and the further sum of Twenty Thousand (P20,000.00) Pesos, as reasonable attorney's fees; plus
- (3) Costs of suit.

SO ORDERED.^[7]

Tagalog filed a Motion for Reconsideration which was denied by the RTC in an Order dated 30 May 2008. Tagalog then filed an appeal^[8] with the Court of Appeals. In a Resolution^[9] dated 12 May 2011, the CA dismissed the case for failure of Tagalog to file the required brief within the extended period requested. The dispositive portion

of the Resolution states:

WHEREFORE, in view of appellant's failure to file the required brief within the extended period requested, and pursuant to Section 1 (e), Rule 50 of the 1997 Rules of Civil Procedure, the above-entitled case is hereby DISMISSED.

SO ORDERED.^[10]

Tagalog filed a Motion for Reconsideration which was denied by the appellate court in a Resolution^[11] dated 9 March 2012.

Hence, the instant petition.

The Issue

The main issue for our resolution is whether the Regional Trial Court had jurisdiction over the subject matter of the action.

The Court's Ruling

The petition is meritorious.

Petitioner contends that the subject of the action is for unlawful detainer, thus cognizable by a first level court or the Municipal Trial Court (MTC). Since the case was filed with the RTC, a second level court, the RTC's decision should be rendered void for lack of jurisdiction over the case.

The jurisdiction of a particular court is determined by the nature of the action pleaded as appearing from the allegations in the complaint. In order to determine whether the lower court had jurisdiction, it is necessary to first ascertain the nature of the complaint filed before it.

In the present case, the complaint was for recovery of possession, preliminary mandatory injunction with a prayer for temporary restraining order with damages and attorney's fees. Respondents' complaint contained the following allegations:

x x x x

3. Plaintiffs (respondents) are among the registered owners and are co-owners of a parcel of land, x x x.

x x x x

6. For quite sometime, defendant (petitioner) has been occupying a portion of the above-described parcel of land, as lessee thereof, where her house was being built with light materials and was paying rentals over the same by virtue of a verbal contract of lease on a month to