

FIRST DIVISION

[G.R. No. 122317, July 14, 2005]

FERNANDO JARAMILLO, LYDIA SORIANO AND LOURDES CALDERON, PETITIONERS, VS. HONORABLE COURT OF APPEALS, HON. AMADO S. CAGUIOA, PRESIDING JUDGE, BRANCH 3, MUNICIPAL TRIAL COURT OF BAGUIO CITY, SHERIFF BIENVENIDO C. ARAGONES, AND THE HEIRS OF THE LATE EDUARDO AND ESPERANZA BELLO, RESPONDENTS.

DECISION

AZCUNA, J.:

This is a petition for *certiorari* as a special civil action under Rule 65 of the Rules of Court against the Decision of the Court of Appeals in CA-G.R. SP No. 30870, dated January 20, 1995,^[1] as well as the writ of execution issued by the Municipal Trial Court in Cities of Baguio City in Civil Case No. 8919, dated October 23, 1995,^[2] ordering the execution of the aforesaid Decision.

The case involves a complaint for unlawful detainer over a parcel of land, specifically, Lot No. 8, SWD-1-010399, a portion of Lot No. 100-A, Baguio Townsite, Baguio City, situated at Engineer's Hill, with an area of 208 square meters, more or less, covered by and embraced in Proclamation No. 63, Series of 1925, and the improvements therein, in the possession of petitioners Fernando Jaramillo, Lydia Soriano and Lourdes Calderon.^[3]

Private respondents filed the complaint for unlawful detainer against petitioners, alleging that they are the owners of the parcel of land in dispute on the basis of a deed of sale in their favor (Exh. A). Said document, executed on March 2, 1987, is a sale pursuant to Republic Act No. 1361, as amended by Republic Act No. 5941, by the Government, through the Building Services and Real Property Management Office, of the disputed land in favor of the Heirs of Eduardo Bello, represented by the surviving spouse Esperanza Bello. The sale was for the sum of P32,240, payable in ten equal monthly installments, which has been fully paid. Esperanza Bello had died and was survived by the present private respondents, Heirs of Eduardo and Esperanza Bello, namely, Ricarte, Eduardo, Jr., Manuela and Divina, all surnamed Bello.

Petitioners, as defendants, answered the complaint, alleging that they were allowed to possess the bunkhouses on the disputed land which was built by the Government for the exclusive use of the Department of Public Works and Highways employees and their dependents. They further alleged that defendant Lourdes Calderon was born and raised there, her father being an employee of said Department who was allocated a portion of said bunkhouse; that defendant Lydia Soriano's father was also an employee of said Department and was authorized to reside therein with his family since 1968; that defendant Fernando Jaramillo was an employee of the

Department and was authorized to reside therein since 1969; that complainants never had actual and continuous possession of the parcel of land in dispute nor were they employees of the Department; that complainants' predecessors-in-interests resided in the same area but possessed only a portion of the bunkhouse of one Rodolfo Aspillaga upon his tolerance, on a parcel of land different and far from the one in dispute; and that the awarded deed of sale in complainants' favor is of dubious validity because the first preference over the said parcel of land belongs to its actual and long-time occupants.

After hearing, the Municipal Trial Court of Baguio rendered judgment dismissing the complaint on the ground that complainants' deed of sale was conditional in nature and their title was not yet perfected, and also because they failed to prove their claim that their father occupied the premises in question.

Subsequently, the Regional Trial Court of Baguio City, Branch 7, affirmed *in toto* the aforesaid judgment, noting various deficiencies in the deed of sale, *e.g.*, the deed of sale was required to be approved by the Administrator of the General Services Administration, which was not shown to have been complied with; and it was not shown to have been ratified by the President or the appropriate Cabinet Secretary, thereby making it unenforceable, and rendering complainants with no "real interest" on the property.

On appeal to the Court of Appeals, said court, on January 20, 1995, reversed the decision of the Regional Trial Court, stating that:

. . .

The parcel of land in dispute used to be owned by the Government. As provided in Republic Act No. 1361, as amended by Republic Act No. 5941, it may be sold to qualified individuals. On March 2, 1987, under the said law, the Government, thru the Building Services and Real Property Management, sold it unto the heirs of Eduardo Bello for and in consideration of the sum of P32,240 (Exh. A).

For the sole purpose of determining the question of possession *de facto*, the only issue in a case for detainer, the deed of sale (Exh. A) in favor petitioners is evidence of their title over the land and improvements and of their nature and extent of possession (Sec. 4, Rule 70). Being the owners, petitioners have the right to enjoy the disputed land and the right of action against the holder and possessor of the said land in order to recover it (Art. 428, New Civil Code). As owners of the parcel of land in dispute, to whom it was sold by the Republic, petitioners are entitled to its CA [sic] - material and physical possession and have a right of action for detainer against the holder and possessor thereof. Until and unless the sale of the parcel of land in dispute is nullified in the proper proceeding before a competent court, petitioners cannot be deprived of their right to possess the parcel of land in dispute. Any question regarding the regularity of the sale unto petitioners as well as ownership of the disputed land must be resolved in the proper action if brought before the proper court and not in this summary action for detainer.

Petitioners' claim for actual damages in the sum of P14,500.00 for the