SECOND DIVISION

[G.R. No. 142843, August 06, 2003]

OCTAVIO ALVAREZ, MARILYN CORTEZ, AND CHARLIE ROBLES, PETITIONERS, VS. HON. COURT OF APPEALS AND SPOUSES DOMINGO AND CELIA GARCIA, RESPONDENTS.

DECISION

QUISUMBING, J.:

This petition for review seeks the reversal of the decision^[1] of the Court of Appeals dated January 26, 2000 and its resolution^[2] dated April 10, 2000 denying petitioners' motion for reconsideration.^[3]

The facts of the case as found by the Court of Appeals and borne by the records are as follows:

On May 15, 1978, spouses Domingo and Celia Garcia purchased a parcel of land identified as Lot 23, Block 6, at San Beda Subdivision, Visayas Avenue, Quezon City, with an area of 405 square meters, and covered by Transfer Certificate of Title (TCT) No. 221634.^[4] The spouses had the lot registered and subsequently a new TCT^[5] was issued in their name. They had the property fenced, before they went to the United States where Domingo was employed.^[6]

Upon returning to the Philippines sometime in February 1995, Celia saw that the fence surrounding their lot had already been removed and some portions of their property were already occupied by persons who constructed thereon houses of light materials.^[7] Celia sought the assistance of the barangay chairman and during the confrontation before him, some occupants of the property identified themselves as Marilyn^[8] Cortez and Charlie Robles. They alleged that they were leasing the same from a certain Octavio Alvarez, who in turn had bought it from one Amparo Lasam. ^[9] Unable to arrive at an amicable settlement, the spouses Domingo and Celia Garcia filed a complaint for forcible entry against the occupants^[10] of their property with the Metropolitan Trial Court (MeTC) of Quezon City.^[11] The complaint was later amended to implead only Octavio Alvarez, Charlie Robles, and Marilyn Cortez.^[12]

On November 11, 1997, the MeTC rendered a decision ordering Alvarez, Robles, and Cortez to vacate the property. It disposed as follows:

Accordingly, judgment is hereby rendered in favor of the plaintiffs and against the defendants OCTAVIO ALVAREZ, CHARLIE ROBLES, MARLYN CORTEZ, and all persons claming rights under them, or who may be found in possession of subject property:

- a) to immediately vacate subject premises located at No. 21 Congressional Avenue, known as Lot 23, Block 6, of San Beda Village, Bahay Toro, Quezon City, and restore peaceful possession thereof to herein plaintiffs;
- b) to remove any and all improvements, structures, or residential units erected on subject property;
- c) to pay plaintiffs the sum of TWENTY THOUSAND PESOS (P20,000.00) per month to be computed from August 1995 and every month thereafter until subject premises shall have been finally vacated, as reasonable compensation for the use, occupancy, and benefits derived by the defendants from subject property;
- d) to pay plaintiffs the sum of TWENTY THOUSAND PESOS (P20,000.00) for and as attorney's fees; and
- e) to pay the costs of suit.

SO ORDERED.^[13]

On January 14, 1998, petitioners filed a notice of appeal^[14] assailing the decision but without filing any *supersedeas* bond to stay its execution. The appeal was docketed before the Regional Trial Court (RTC) of Quezon City, Branch 227. In the meantime, respondents filed a Motion for the Issuance of a Writ of Execution, which was set for hearing on February 23, 1998, a copy of which was served on petitioners' former counsel.^[15] Petitioners failed to appear at the scheduled hearing. The trial court subsequently issued a writ of demolition. Said issuance is now the subject of a separate petition for certiorari filed by petitioners and now pending before the RTC of Quezon City, Branch 217, as Civil Case No. Q-98-33986.^[16]

On April 28, 1999, the Regional Trial Court of Quezon City, Branch 227, before which the appeal was filed, rendered a decision affirming the decision of the MeTC. The dispositive portion reads:

WHEREFORE, premises considered, this Court hereby AFFIRMS in toto the decision of Branch 37 of the Metropolitan Trial Court of Metro Manila - Quezon City in favor of the plaintiffs-appellees, spouses Domingo Garcia and Celia Garcia, and against defendants-appellants Octavio Alvarez, Charlie Robles and Marlyn Cortez. Costs against the defendants-appellants.

SO ORDERED.^[17]

Aggrieved, petitioners filed before the Court of Appeals a petition for review^[18] alleging that the lower courts failed to properly appreciate the evidence adduced by them. On January 26, 2000, the respondent appellate court promulgated its assailed decision denying the petition, thus:

IN THE LIGHT OF ALL THE FOREGOING, the Petition is DENIED DUE COURSE and is hereby DISMISSED. Costs against the Petitioners.

SO ORDERED.^[19]

A timely motion for reconsideration was filed.^[20] But this was denied in a resolution dated April 10, 2000.^[21] Hence, the instant petition alleging that the Court of Appeals committed the following errors:

Ι

THE COURT OF APPEALS HAD SANCTIONED A DEPARTURE FROM ACCEPTED AND USUAL COURSE OF PROCEEDING WHEN IT RULED ON THE ISSUE OF OWNERSHIP DESPITE ITS OWN FINDING THAT THE ISSUE IN AN EJECTMENT CASE IS POSSESSION DE FACTO AND NOT POSSESSION DE JURE.

Π

THE COURT OF APPEALS HAD SANCTIONED A DEPARTURE FROM ACCEPTED AND USUAL COURSE OF PROCEEDING IN NOT HOLDING THAT PETITIONERS' RIGHT OVER THE DISPUTED PROPERTY PREVAILS OVER THAT OF THE PRIVATE RESPONDENTS CONSIDERING THAT THE APPELLATE COURT HAD FOUND THAT PETITIONERS WERE IN PRIOR PHYSICAL POSSESSION OF THE PROPERTY IN DISPUTE.

III

THE COURT OF APPEALS HAD SANCTIONED A DEPARTURE FROM ACCEPTED AND USUAL COURSE OF PROCEEDING IN REFUSING TO GIVE WEIGHT AND PROBATIVE VALUE TO THE DOCUMENTS SUBMITTED BY PETITIONERS BEFORE THE REGIONAL TRIAL COURT CONSISTING OF THE DEED OF SALE EXECUTED BY PRIVATE RESPONDENTS ATTORNEY-IN-FACT RENATO GARCIA IN FAVOR OF AMPARO LASAM TO WHOM PETITIONERS BOUGHT THE PROPERTY (sic), AND THE SPECIAL POWER OF ATTORNEY EXECUTED BY THE PRIVATE RESPONDENTS IN FAVOR OF THEIR ATTORNEY-IN-FACT RENATO GARCIA, AUTHENTICATED BY THE US CONSUL, SAID DOCUMENTS EVIDENCING PETITIONERS' OWNERSHIP OVER THE PROPERTY IN DISPUTE.

IV

THE COURT OF APPEALS HAD SANCTIONED A DEPARTURE FROM ACCEPTED AND USUAL COURSE OF PROCEEDING IN NOT HOLDING THAT THE ISSUANCE OF THE WRIT OF DEMOLITION BY THE TRIAL COURT WAS IRREGULAR AS THE MOTION FOR DEMOLITION, WHICH IS A LITIGATED MOTION, DID NOT COMPLY WITH THE RULES.^[22]

In essence, the issues now before this Court are the following: (1) whether the Court of Appeals and the lower courts erred in ruling on the issue of ownership in deciding a case for forcible entry; (2) whether the Court of Appeals erred in disregarding any finding that petitioners had prior physical possession when it ruled in favor of the respondents; and (3) whether the Court of Appeals erred in not according credence and probative value to the evidence presented by petitioners.

Petitioners argue that in ejectment cases, the only issue for resolution is physical or material possession of the property involved. The issue of ownership cannot be raised unless it is intertwined with said issue of possession. According to petitioners, the appellate court violated this rule when it resolved the issue of ownership in this case.^[23]

They also aver that petitioner Alvarez had no obligation to inquire into the circumstances surrounding the execution of the sale to his predecessors-in-interest. He is an innocent purchaser for value, hence his rights over the property should be protected.^[24]

Ironically, while petitioners argue^[25] that the issue of ownership is not relevant and material to this case, they insist that they have shown sufficient evidence to show that the true owner of the property is Alvarez and that the Court of Appeals erred in not appreciating said evidence in support of their claims.^[26]

Private respondents, for their part, allege that the Court of Appeals did not err when it resolved the issue of possession based on ownership. The issue of possession in this case cannot be isolated from the issue of ownership, as in fact, the petitioners themselves raised ownership as an affirmative defense in the complaint for forcible entry.^[27] Respondents likewise contend that the Court of Appeals did not err in disregarding the evidence presented by the petitioners and in giving more weight to respondents' own evidence proving that they are the owners of the property in dispute.^[28] Respondents further refute petitioners' assertion that Alvarez is an innocent purchaser for value. According to respondents, the fact that the title to the property was still in respondents' name when Alvarez bought it from Lasam should have placed Alvarez, who was an educated and informed man, on guard for possible defects in the alleged title and right of Lasam.^[29] Finally, regarding the issuance of the writ of demolition, respondents argue that the propriety of said issuance is now the subject of Civil Case No. Q-98-33986 pending before the RTC, Branch 217 of Quezon City. To raise said issue here would be tantamount to forum shopping.^[30]

After a thorough consideration of the submission of the parties and the records of the case, we find that the petition is bereft of merit. Petitioners' insistence that the inferior and appellate courts erred in resolving the issue of ownership in this case in order to resolve the question of who has a better right to possess the subject property finds no support in law nor in jurisprudence. It is settled that in ejectment cases, the lower court (whether Metropolitan, Municipal, or Municipal Circuit Trial Court) may decide the issue of ownership if it is intertwined with the question of possession.^[31] As held in *Paz v. Reyes*:^[32]

It is true that, as the Court of Appeals pointed out, the only issue in ejectment cases is the physical possession of the premises, independent of any claim of ownership by the parties. This must be so because the issue of ownership cannot be definitively decided in an ejectment case where the Metropolitan, Municipal and Circuit Trial Courts have no jurisdictions (citing I F. REGALADO, REMEDIAL LAW COMPENDIUM 787, 6th ed., 1997). For this reason, allegations of ownership are not required in ejectment suits as the only issue is physical possession. If this were