

THIRTEENTH DIVISION

[CA-G.R. SP NO. 128999, May 30, 2014]

**YOLANDA CANDARI, SONIA O. DAYLO, RONITA GABUAT AND
JIMMY VIÑAS, PETITIONERS, VS. SPS. ESMERALDO H. NIEBLA,
JR. AND REBECCA NIEBLA, AND THE RTC BRANCH 126, NCJR,
CALOOCAN CITY, RESPONDENTS.**

D E C I S I O N

SALANDANAN-MANAHAN, J.:

This Petition for *Certiorari*^[1] filed under Rule 65 of the Rules of Court assails public respondent's August 22, 2012 Order^[2] granting private respondents' Motion to Dismiss^[3] and its December 12, 2012 Order^[4] denying petitioners' Motion for Reconsideration^[5]. The respective dispositive portions of the Orders are as follows:

"In view of the foregoing, the Motion to Dismiss is granted without prejudice to refiling with the appropriate court.

SO ORDERED."^[6]

"In view of the foregoing, considering that there are no new and substantial matters discussed in the instant Motion for Reconsideration that would compel this Court to reconsider, modify, or reverse the decision rendered by this Court, the same is hereby DENIED for lack of merit.

SO ORDERED."^[7]

The Facts

On May 11, 2012, Yolanda Candari, Sonia O. Daylo, Ronita Gabuat and Jimmy Viñas (petitioners) filed before the Regional Trial Court, Branch 126, Caloocan City (public respondent) a Complaint^[8] for Declaration of Nullity of Transfer Certificate of Title (TCT) No. C-412742 with Damages against Spouses Esmeraldo H. Niebla, Jr. and Rebecca Niebla (private respondents).^[9]

Petitioners' Complaint alleged that they are occupying the property covered by TCT No. C-412742 registered under the names of private respondents.^[10] The property was declared for tax purposes with an assessed value of Php48,960.00 and zonal valuation of Php2,300.00 per sq.m.^[11] Petitioners added that since TCT No. C-412742 was derived from Original Certificate of Title (OCT) No. 994, which the Supreme Court declared to be null and void, then, private respondents did not acquire any right of ownership over the property.^[12] As a result, the property is considered to be a public land that can be acquired by the persons who are in actual, physical, continuous and notorious possession thereof.^[13]

On May 23, 2012, private respondents' filed a Motion to Dismiss^[14] on the grounds that 1.) the complaint states no cause of action; 2.) petitioners are not the real parties-in-interest; 3.) the conclusive presumption on estoppel against tenants prohibits lessees from questioning the ownership of their lessors; and, 4.) plaintiff's reliance on G.R. No. 123346 and G.R. No. 13485 declaring OCT 994 to be null and void *ab initio* were already clarified and superseded by *Fidela R. Angeles vs. The Secretary of Justice et. al.* G.R. No. 142549, March 9, 2010 and *Phil-Ville Development and Housing Corp. vs. Maximo Bonifacio et al.* G. R. No. 167391, June 8, 2011.^[15]

Private respondents contend that petitioners' Complaint did not state ultimate facts constituting petitioners' rights or private respondents' violation of such rights. Petitioners did not possess sufficient material interest because they are only lessees of the property. Private respondents added that TCT No. C-412742 is valid and existing.^[16]

On July 3, 2012, petitioners filed a Motion to Quash the Motion to Dismiss with Prayer to Declare Defendants in Default^[17].

On August 22, 2012, public respondent issued the first assailed Order^[18] granting private respondents' Motion to Dismiss^[19]. It opined:

“Under Batas Pambansa Bilang 129 and with the modifications introduced by Republic Act No. 7691 in 1994, the jurisdiction of the regional trial courts was limited to real actions where the assessed value exceeds P20,000.00, and P50,000.00 where the action is filed in Metro Manila xxx

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Under the law as modified, jurisdiction is determined by the assessed value of the property.

This Court rules that it has no jurisdiction over this case.

Records show that plaintiff alleged that the assessed value of the subject property is [Php]48,960.00 xxx

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The motion to Quash has been moot and academic.”^[20]

Petitioners' Motion for Reconsideration^[21] was denied per public respondent's second assailed Order^[22] of December 12, 2012.

Hence this Petition raising the sole ground, to wit:

“The Regional Trial Court, Branch 126, Caloocan City committed grave abuse of discretion amounting to lack or excess of jurisdiction when it dismissed Civil Case No. C-23099 and subsequently denied petitioners' Motion for Reconsideration”^[23]

Our Ruling.

Petitioners averred that public respondent's dismissal of their Complaint and the denial of their Motion for Reconsideration were improper. Petitioners principally argued that public respondent has exclusive and original jurisdiction to hear and determine petitioners' action for declaration of nullity of title, which is an action incapable of pecuniary estimation.^[24]

The Petition is bereft of merit.

To begin with, jurisdiction is defined as the power and authority of a court to hear, try and decide a case.^[25] The rule is settled that jurisdiction over the subject matter of the action is conferred only by the Constitution or by statute. The nature of an action and the subject matter thereof, as well as which court or agency of the government has jurisdiction over the same, are determined by the material allegations of the complaint in relation to the law involved and the character of the reliefs prayed for, whether or not the plaintiff is entitled to any or all of such reliefs. And, jurisdiction being a matter of substantive law, the established rule is that the statute in force at the time of the commencement of the action determines the jurisdiction of the court.^[26]

In their Complaint^[27] for Declaration of Nullity of TCT No. C-412742 with Damages, petitioners made the following allegations and prayer:

"4. The plaintiffs are in occupancy of the premises to wit: YOLANDA CANDARI, since 1991; SONIA DAYLO, JIMMY VIÑAS, since 2006 and RONITA GABUAT, since 1972 of a parcel of land allegedly own (sic) by defendants Sps. Esmeraldo Niebla and Rebecca Niebla covered by T.C.T. No. C-412742 xxx;

5. As clearly shown in Transfer Certificate of Title No. 412742 that the date of registration was made on May 3, 1917 and the original survey was made on December 1, 1924, hence, the registration was ahead by 7 years of the original survey;

6. The alleged title of defendants Sps. Niebla, Transfer Certificate of Title No. 412742 was derived from O.C.T. No. 994 as may be seen in the entry hereof with a technical description xxx

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7. As per decision of the Honorable Supreme Court in Manotok Realty Inc., and Manotok Estate Corporation vs. CLT Realty Development Corp., G.R. No. 123346 and Araneta Institute of Agriculture Inc., vs. Heirs of Jose Dimson, et. al., G.R. No. 13485 declaring O.C.T. No. 994 to be null and void ab initio;

8. Since Transfer Certificate of Title No. C-412742 being derived from O.C.T. No. 994 which was declared to be non-existing title (sic), therefore said transfer certificate of title No. C-412742 is likewise a nullity and of no effect being declared to be null and void, hence, will not give rise to any transmissible right with respect to the land with an invalid title and resultantly the herein defendants being the holder of the latest derivatives title (sic), [cannot] assert, therefore, any right of ownership over the land.