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SECOND DIVISION

[G.R. No. 248521; August 1, 2022]

ESTATE OF VALERIANO C. BUENO AND GENOVEVA I. BUENO, represented by VALERIANO I. BUENO, JR. and SUSAN I. BUENO, *Petitioners, v.* **JUSTICE EDUARDO B. PERALTA, JR.,** *Respondent.*

D E C I S I O N

LOPEZ, J., *J.*:

The Case

This Court resolves a Petition for Review on *Certiorari*[1] assailing the Decision[2] dated December 18, 2018 and Resolution[3] dated July 26, 2019 of the Court of Appeals (*CA*) in CA-G.R. SP No. 141858, which affirmed the Decision[4] dated November 3, 2014 of the Regional Trial Court (*RTC*). The RTC Decision affirmed the January 14, 2014 Decision[5] of the Metropolitan Trial Court (*MeTC*), which dismissed the complaint for unlawful detainer filed against respondent Associate Justice Eduardo B. Peralta, Jr. (*Associate Justice Peralta*).

Facts

On May 16, 2011, the Estate of Valeriano C. Bueno and Genoveva I. Bueno (collectively, *Estate of Bueno*), represented by Valeriano I. Bueno, Jr. (*Valeriano*) and Susan I. Bueno, as the

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1 *Rollo*, pp. 10-36.

2 Penned by Associate Justice Marie Christine Azcarraga-Jacob, with Associate Justices Remedios A. Salazar-Fernando and Amy C. Lazaro-Javier (now a member of this Court), concurring; *id.* at 41-54.

3 Penned by Associate Justice Marie Christine Azcarraga-Jacob, with Associate Justices Remedios A. Salazar-Fernando and Samuel H. Gaerlan (now a member of this Court), concurring; *id.* at 58-61.

4 *Id.* at 516-523.

5 *Id.* at 439-444.

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legitimate children and compulsory heirs of the deceased Valeriano C. Bueno (*Bueno*) and Genoveva I. Bueno (*Spouses Bueno*) filed a complaint for unlawful detainer before the MeTC of Manila seeking to eject Associate Justice Peralta from the subject property. This property is located at No. 3450 Magistrado Villamor St., Lourdes Subdivision, Sta. Mesa, Manila, and covered by Transfer Certificate of Title No. 47603 (RT-192) (*TCT No. 47603*).[6]

The Estate of Bueno alleged that during the lifetime of the Spouses Bueno, they engaged the services of Atty. Eduardo M. Peralta, Sr. (*Atty. Peralta*), Associate Justice Peralta's father, as one of their lawyers to take care of their personal and business dealings. Out of the kindness, tolerance and generosity of the Spouses Bueno, they allowed Atty. Peralta and his family to occupy the subject property without any contract. They did not demand or collect rental payments from Atty. Peralta or from any of his family members, except that the water and electricity bills as well as the real property taxes, were for the account of the latter. This arrangement went on even after the death of Atty. Peralta on December 23, 1983 and his wife on July 9, 1990 and the children of Atty. Peralta continued to stay on the subject property.[7]

Before Bueno passed away, he personally notified the heirs of Spouses Peralta to vacate the subject property. However, instead of complying with the demand, the Peralta heirs filed numerous criminal and civil suits against Bueno, one of which was a complaint for specific performance filed by the Estate of Atty. Eduardo M. Peralta and Luz B. Peralta (*Estate of Peralta*), represented by Dr. Edgardo B. Peralta (*Edgardo*), to compel Bueno to execute a deed of conveyance over the said property in favor of the Estate of Peralta.[8]

Several years after the first unheeded demand to vacate was made, the Estate of Bueno again demanded the Peralta heirs to vacate the subject property. On May 16, 2001, the Estate of Bueno made a final demand, addressed to Edgardo and Edmundo B.

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[6] *Id.* at 101-110.

[7] *Id.* at 103-104.

[8] *Id.* at 104-105.

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Peralta (*Edmundo*), for them to vacate the said property and pay the amount of ₱5,000.00 as monthly rental payment reckoned from July 10, 1990 until they have turned over the property to the former. When the demand was disregarded, the Estate of Bueno filed a complaint for unlawful detainer against Edgardo and Edmundo, docketed as Civil Case No. 170694. This case was dismissed by the MeTC on June 29, 2001, which was upon motion of Edgardo and Edmundo, after finding that the actual occupant and possessor of the subject property was Associate Justice Peralta. The Estate of Bueno moved for reconsideration, but the same was denied. The MeTC also denied the motion filed by the Estate of Bueno to implead Associate Justice Peralta as party defendant and to admit the amended complaint.[9]

On October 28, 2003, after several pleadings were filed, the MeTC issued an Order dismissing Civil Case No. 170694 without prejudice. Edgardo and Edmundo moved for reconsideration praying that the case be dismissed with prejudice but the same was denied. Edgardo and Edmundo elevated the matter to the RTC which dismissed it. Such dismissal was affirmed by the CA on appeal. When the case reached this Court, a Resolution dated March 3, 2010 was issued, denying the petition.[10]

On February 28, 2011, the Estate of Bueno sent another demand letter,[11] this time addressed to Associate Justice Peralta, demanding him to vacate the subject property and pay rentals in the amount of ₱5,000.00 per month beginning July 10, 1990 until he has finally vacated the property. When the letter was not heeded, the Estate of Bueno instituted a complaint for unlawful detainer.[12]

Associate Justice Peralta, for his part, prayed for the dismissal of the complaint. His averments were summarized by the MeTC, which both the RTC and CA substantially reproduced, as follows:

x x x x

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[9] *Id.* at 43, 105-106, 440.

[10] *Id.* at 107-108, 203-205.

[11] *Id*. at 137-138.

[12] *Id.* at 108-109.

On the other hand, [Associate Justice Peralta] in his Answer denies the "tolerance" claim of the [estate of Bueno] and insists that the subject premises was payment or partial consideration for the legal services rendered by his father as one of the legal counsels of the Bueno family and their corporations. [Associate Justice Peralta] contends that there is evidence to show that ownership and possession of the subject property were explicitly conveyed by the Bueno family to their family since the early 1960s. This, he proffers, can be gleaned from the Holy Bible his family owns where family entries would establish his claim.

[Associate Justice Peralta] would also cite his father's assertion in a suit filed by Philippine Bank of Communication against his father, where [Atty. Peralta] averred in his Answer that he started occupying the property in question after [Bueno] had "magnanimously and generously given the subject premises as a Christmas gift" to him and in consideration of the services rendered and still to be rendered as legal counsel and helpmate in [Bueno's] businesses and enterprises.

Likewise utilized by [Associate Justice Peralta] to buttress his contentions are the testimonies of [Valeriano] and Gaudencio Juan, a witness for the Bueno family, in Civil Case No. 96-76696, supporting the arrangement between the Peralta family and the Bueno family over the subject property.

For [Associate Justice Peralta], his family's introduction of substantial improvements to the disputed property and their undertaking of paying the utility and other related bills are indicative of exclusive dominion over the subject premises.[13]

On January 14, 2014, the MeTC rendered a Decision[14] dismissing the complaint. It held that the Estate of Bueno failed to justify the action for unlawful detainer based on tolerance since there had been no categorical characterization of how and when entry was effected and dispossession started. Their claim that Atty. Peralta served as one of the lawyers of Spouses Bueno, without more, is not enough to prove that the latter were motivated by benevolence to allow the former and his family to occupy the disputed property and institute improvements thereon. Assuming that the Spouses Bueno indeed tolerated or permitted Associate Justice Peralta

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[13] *Id.* at 441. See *id.* at 44-45, 518-519.

[14] *Id.* at 439-444.

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and his family to occupy the disputed property, such permission or tolerance was interrupted when Bueno demanded the heirs of Atty. Peralta, which indubitably include Associate Justice Peralta, to vacate the property. Also, the filing of suits between the parties actually contradicted the claim that possession by Associate Justice Peralta and his predecessors was permitted. The fact that the Estate of Bueno prayed for a monthly compensation for the use of the disputed property from July 10, 1990 shows that possession by tolerance from such time had ceased to exist. Thus, since the dispossession occurred not within one year from the filing of the case, the MeTC had no jurisdiction to entertain the complaint. The last demand to vacate made on February 28, 2011, which essentially reinforced the original demand does not operate to renew the one-year period within which to commence an ejectment suit. Hence, the counting of the one-year period will still be reckoned from the date of the original demand, that is, May 16, 2001.[15] Thus, the MeTC disposed as follows:

> **WHEREFORE**, premises considered, the complaint is hereby **DISMISSED**.
>
> **SO ORDERED**.[16] (Emphasis in the original)

Dissatisfied with the ruling, the Estate of Bueno questioned the MeTC Decision before the RTC.

On November 3, 2014, the RTC rendered a Decision[17] affirming the decision of the MeTC. It held that a close perusal of the complaint would show that the action was neither one for forcible entry nor unlawful detainer as the issue involved was one of possession or ownership which must be resolved in an *accion publiciana* or *accion reivindicatoria*.[18] It ratiocinated:

> Apparently there would be no tolerance to speak of because the subject property from the very beginning of occupancy of the Peralta family in

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[15] *Id.* at 442-443.

[16] *Id.* at 444.

[17] *Id.* at 516-523.

[18] *Id.* at 521.

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1962 was sourced as gift given by the Spouses Buenos to Peralta family out of kindness and generosity because of the exemplary legal services rendered by Atty. Peralta, Sr. to Bueno[']s family. It further revealed that the retention of title to the Bueno[']s Family was because of the request of the latter for the purpose used by them as collateral in their businesses arrangement with commercial banks and financial institution. Plaintiffs-appellants cause of action would not be categorized nor one constitutive of unlawful detainer. The withdrawal or cancellation of plaintiffs-appellants predecessors gift (house and lot) to [Atty.] Peralta, Sr. characterize as a breach of promise or the change of mind thus constitutive of recovery of possession of real property for a while given to recipient. Considering that accion publiciana or accion reivindicatoria is a civil action which involve possession and recovery of title of real property because the subject property has a considerable high value is within the jurisdiction of the Regional Trial Court.[19] (Citations omitted)

The Estate of Bueno moved for reconsideration but the RTC denied it in an Order dated June 30, 2015.[20] Not accepting defeat, the Estate of Bueno appealed to the CA.

In a Decision[21] dated December 18, 2018, the CA sustained the decision of the RTC. The CA held that the allegation of tolerance on the part of the Spouses Bueno as to the possession of Associate Justice Peralta, or previously by his family, was not proven with convincing evidence. The pertinent portion of the CA decision reads:

x x x Although respondent's father, Atty. Peralta, Sr., had served as one of the lawyers of Bueno spouses and their corporations, to assume that the former's occupation of the property was out of benevolence or kindness of the Bueno spouses is not supported by the evidence on record. On the contrary, and as found by the court *a quo*, acts of ownership were exhibited by Atty. Peralta. Sr. and subsequently by his heirs, including herein respondent, since 1962 by the occupation of the property. These acts of ownership, which included paying utility bills and real property taxes, went to the extent of allowing Atty. Peralta, Sr., and subsequently his heirs, including herein respondent, to make home improvements

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[19] *Id.* at 522.

[20] *Id.* at 15.

[21] *Id.* at 41-54.

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thereon. Atty. Peralta, Sr. and his heirs, including herein respondent, also manifested open, adverse, public and continuous possession of the subject property in the concept of an owner.

While it is true that the certificate of title to the property is still in the name of the Bueno spouses, this circumstance was substantially explained by respondent on account of the personal arrangement between Valeriano, Sr. and Atty. Peralta, Sr. for the former to continue to have the property in his and his wife's name due to his dealings with financial and banking institutions.[22]

As regards the requirement of demand, the CA held that the reglementary period for the filing of unlawful detainer cases should be counted from the date of the first demand, which was on May 16, 2001, and not when the final demand was made, which was on February 28, 2011. Otherwise, the filing thereof will solely be within the control of the plaintiffs who could simply send demand letter after demand letter to gain another fresh one-year period after every demand.[23]

For these reasons, the CA upheld the ruling of both the MeTC and RTC that the proper remedy for the petitioners to recover the subject property is not *via* the summary process of unlawful detainer, but by an *accion publiciana* or *accion reivindicatoria*.[24] The CA disposed of the case in this wise:

WHEREFORE, premises considered, the instant petition for review is **DENIED**.

Accordingly, the *Decision dated 03 November 2014* of the Regional Trial Court, Branch 36, Manila, affirming the *Decision dated 14 January 2014* of the Metropolitan Trial Court, Branch 12, Manila, is hereby **SUSTAINED**.

Cost against the petitioners.

SO ORDERED.[25] (Emphasis in the original)

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[22] *Id.* at 51-52.

[23] *Id.* at 52.

[24] *Id.* at 53.

[25] *Id.* at 54.

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The Estate of Bueno moved for reconsideration but the same was denied.[26] Undeterred, it is now before this Court *via* the instant petition.

Issue

The pivotal issue for this Court's consideration is whether the CA erred in affirming the dismissal of the unlawful detainer case lodged against Associate Justice Peralta.

The Estate of Bueno contends that the CA decided the case contrary to law, evidence and existing jurisprudence when it affirmed the dismissal of the unlawful detainer case it filed against Associate Justice Peralta.[27]

As the registered owner of the disputed property who had declared the same for taxation purposes, the Estate of Bueno argues that it is the one entitled to have possession over the subject property. It reiterated its earlier position that Associate Justice Peralta and his predecessors were allowed to occupy the disputed property by mere tolerance borne out of its benevolence and generosity. The failure of Associate Justice Peralta as well as his predecessors to institute an action to compel the Estate of Bueno to execute a proper deed of conveyance in their favor shows that they acquired no right of ownership over the disputed property. Hence, Associate Justice Peralta's possession over the said property has become unlawful from the moment he was demanded to vacate therefrom on February 28, 2011.[28]

Furthermore, the Estate of Bueno avers that the CA's reliance on *Reyes, Sr. v. Heirs of Forlales*[29] (*Reyes, Sr.*) is misplaced. In that case, the different and successive demands to vacate and the unlawful detainer suits were lodged against one and the same person. Whereas in the present case, the May 16, 2001 demand to vacate and the subsequent unlawful detainer case filed in court was brought against Edgardo and Edmundo. This was dismissed

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[26] *Id.* at 61.

[27] *Id.* at 17.

[28] *Id.* at 18-19, 21.

[29] 787 Phil. 541 (2016).

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for the reason that the actual occupant of the subject property was Associate Justice Peralta. Thus, on February 28, 2011, the Estate of Bueno sent a letter to Associate Justice Peralta demanding him to vacate the property and pay reasonable rentals therefor. Since Associate Justice Peralta failed to heed the demand, the Estate of Bueno filed the present unlawful detainer case against him. Given that the party involved in the present case is different from those involved in the first unlawful detainer case filed earlier, the possession of Associate Justice Peralta cannot be said to have become illegal; hence, negating tolerance, from the date the first demand was made, like in the *Reyes, Sr.*, because the first demand to vacate was not addressed to him. Furthermore, the counting of the one-year period to file the suit cannot be reckoned from the date of the first demand to vacate, because Associate Justice Peralta was not involved in the earlier unlawful detainer case that was filed by the Estate of Bueno. Thus, it cannot be said that the February 28, 2011 demand was made only to give the Estate of Bueno a fresh period of one year to file the present case, thereby circumventing the one-year limitation period in bringing the suit.[30]

For his part, Associate Justice Peralta counters that the present petition must be dismissed outright for being procedurally defective as it raises a factual question that is beyond the province of a petition for review on *certiorari* under Rule 45.[31]

Apart from the said procedural constraint, Associate Justice Peralta contends that the petition should also be denied for utter lack of merit on substantive grounds.

First, the complaint was inadequate as it failed to state factual matters concerning when entry or occupation of the subject property by tolerance started; how Associate Justice Peralta's family obtained possession of the said property; and how and when dispossession started.[32]

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[30] *Id.* at 555.

[31] *Rollo*, pp. 759-760.

[32] *Id.* at 763-764, 767.

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Second, the Estate of Bueno utterly failed to prove that he, or previously, the Peralta family, came into possession of the disputed property by mere tolerance. On the contrary, the occupancy of such property by the Peralta family, including him, since 1962, coupled by their overt exercise of dominion through the construction of additional improvements thereon negates the idea of tolerance firmly put forward by the Estate of Bueno.[33]

Third, the Estate of Bueno's reconstituted title over the disputed property as well as the tax declarations adduced by it are not indicative of ownership. Even assuming that they are indeed proofs of ownership, the present case will still not be decided in its favor since it failed to establish by preponderant evidence that the Estate of Bueno is the one entitled to the said property's physical possession.[34]

Last, this Court in *Estate of Valeriano C. Bueno and Genoveva I. Bueno, represented by Valeriano I. Bueno, Jr. and Susan I. Bueno v. Estate of Atty. Eduardo M. Peralta, Sr. and Luz B. Peralta, represented by Dr. Edgardo B. Peralta*[35] (*Estate of Bueno v. Estate of Peralta, Sr.*) finally resolved that the rightful owner of the disputed property is the Peralta family. Since the Estate of Bueno is not the owner of the said property, it clearly has no power to tolerate Associate Justice Peralta as well as the Peralta family's possession over the same, as they so staunchly claim.[36]

Our Ruling

In our jurisdiction, there are three kinds of actions to recover possession of real property.[37] This Court, in *Heirs of Yusingco v. Busilak*,[38] explains the concepts of these actions in the following manner:

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[33] *Id.* at 767, 769-770.

[34] *Id.* at 770-773.

[35] G.R. No. 205810, September 9, 2020.

[36] *Rollo*, pp. 774-775.

[37] *Regalado v. Vda. De La Pena, et al.*, 822 Phil. 705, 712 (2017).

[38] 824 Phil. 454 (2019).

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In a number of cases, this Court had occasion to discuss the three (3) kinds of actions available to recover possession of real property, to wit:

> x x x (a) *accion interdictal*; (b) *accion publiciana*; and (a) *accion reivindicatoria*
>
> *Accion interdictal* comprises two distinct causes of action, namely, forcible entry (*detentacion*) and unlawful detainer (*desahuico*) [*sic*]. In forcible entry, one is deprived of physical possession of real property by means of force, intimidation, strategy, threats, or stealth whereas in unlawful detainer, one illegally withholds possession after the expiration or termination of his right to hold possession under any contract, express or implied. The two are distinguished from each other in that in forcible entry, the possession of the defendant is illegal from the beginning, and that the issue is which party has prior *de facto* possession while in unlawful detainer, possession of the defendant is originally legal but became illegal due to the expiration or termination of the right to possess.
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> The jurisdiction of these two actions, which are summary in nature, lies in the proper municipal trial court or metropolitan trial court. Both actions must be brought within one year from the date of actual entry on the land, in case of forcible entry, and from the date of last demand, in case of unlawful detainer. The issue in said cases is the right to physical possession.
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> *Accion publiciana* is the plenary action to recover the right of possession which should be brought in the proper regional trial court when dispossession has lasted for more than one year. It is an ordinary civil proceeding to determine the better right of possession of realty independently of title. In other words, if at the time of the filing of the complaint more than one year had elapsed since defendant had turned plaintiff out of possession or defendant's possession had become illegal, the action will be, not one of the forcible entry or illegal detainer, but an *accion publiciana*. On the other hand, *accion reivindicatoria* is an action to recover ownership also brought in the proper regional trial court in an ordinary civil proceeding.
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> *Accion reivindicatoria* or *accion de reivindicacion* is, thus, an action whereby the plaintiff alleges ownership over a parcel of land and seeks recovery of its full possession. It is a suit to recover possession of a parcel of land as an element of ownership. The

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> judgment in such a case determines the ownership of the property and awards the possession of the property to the lawful owner. It is different from *accion interdictal* or *accion publiciana* where plaintiff merely alleges proof of a better right to possess without claim of title.[39] (Citations omitted)

Here, petitioner, claiming to be the owner of the subject property, chose to file a case for unlawful detainer. In *Hidalgo v. Velasco*,[40] this Court held that a complaint sufficiently alleges a cause of action for unlawful detainer if it recites the following:

> 1. That initially, the possession of the property by the defendant was by contract with or by tolerance of the plaintiff;
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> 2. That eventually, such possession became illegal upon notice by plaintiff to defendant of the termination of the latter's right of possession;
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> 3. That thereafter, the defendant remained in possession of the property and deprived the plaintiff of the enjoyment thereof; and
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> 4. That within one year from the last demand on defendant to vacate the property, the plaintiff instituted the complaint for ejectment.[41] (Citations omitted)

These averments are jurisdictional and must appear on the face of the complaint.[42] A perusal of petitioner's complaint shows that the abovementioned jurisdictional facts had been sufficiently alleged. The pertinent portion of the complaint is reproduced below:

> 3. Valeriano I. Bueno, Jr. and Susan I. Bueno are the legitimate and compulsory heirs of the deceased spouses Valeriano C. Bueno, Sr. and Genoveva I. Bueno[.]
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> x x x x

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[39] *Id.* at 460-461.

[40] 831 Phil. 190 (2018).

[41] *Id.* at 201.

[42] *Id.*

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5. One of the properties left by the deceased spouses is a residential house and lot situated at No. 3450 Magistrado Villamor St., Lourdes Subdivision, Sta. Mesa, Manila, as evidenced by Transfer Certificate of Title No. 47603 IRT-192)[.]

x x x x

8. In their lifetime, spouses Valeriano and Genoveva Bueno, out of their kindness, tolerance and/or generosity, allowed the defendant's parents and their family to occupy the above said house and lot but without any contract. From date of occupancy, the deceased Spouses Bueno did not collect any single centavo from the defendant's predecessors-in-interest, nor did the latter pay to plaintiff any rental for their occupancy. However, the electricity and water bills were for the account of the defendant's predecessors-in-interest, as well as the real property taxes due on the residential house and lot.

9. Even after the death of Atty. Peralta, Sr. on December 27, 1983, and his wife on July 9, 1990, the herein defendant and their children continued to stay on the said property without paying any financial consideration to the plaintiff.

10. During the lifetime of VALERIANO C. BUENO, THE **HEIRS OF SPOUSES PERALTA** were personally notified by Valeriano C. Bueno, to vacate the premises; but instead of complying with this reasonable demand, the said heirs instead filed numerous and baseless harassment suits gainst Valeriano C. Bueno[.]

x x x x

37. Defendant nonetheless still failed to vacate the said premises. Thus, on February 28, 2011, plaintiff finally sent to Justice Eduardo B. Peralta, Jr. a demand to vacate the premises which was received on March 8, 2011[.][43]

The statement in the complaint that respondent's and his predecessors-in-interest's possession of the subject property was by mere tolerance of the petitioner clearly make out a case for unlawful detainer.[44] However, in order for petitioner to successfully prosecute such case, it is imperative that it be able

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[43] *Rollo*, pp. 102, 104, and 108.

[44] *De Carbonilla v. Abiera, et al.*, 639 Phil. 473, 481 (2010).

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to prove all the assertions in its complaint inasmuch as mere allegation is not evidence and is not equivalent to proof.[45]

Unlawful detainer involves the person's withholding from another of the possession of real property to which the latter is entitled, after the expiration or termination of the former's right to hold possession under the contract, either expressed or implied.[46] Thus, it must be shown that the possession was initially lawful; hence, the basis of such lawful possession must be established. If, as in this case, the contention is that such possession is by mere tolerance of the petitioner, the acts of tolerance must be proved.[47] Acts of tolerance must be proved by showing the overt acts indicative of petitioner's tolerance or permission for such person to occupy the disputed property.[48]

A careful review of the records of this case reveals that petitioner miserably failed to prove that respondent's or his predecessors-in-interest's possession of the subject property was by mere tolerance. In particular, no evidence was adduced to demonstrate how and when respondent or his predecessors-in-interest entered the subject lot, as well as how and when the permission to occupy was purportedly given.[49] As correctly observed by the CA, although respondent's father served as one of the lawyers of Spouses Bueno as well as that of their corporations, it would be incorrect to conclude that respondent's or his predecessors-in-interest's occupation of the subject property was out of benevolence or kindness of Spouses Bueno; ergo, tolerated, since the same is not supported by the evidence on record.[50] Significantly, no affidavit of the Spouses Bueno or any document for that matter had been proffered to attest to the fact that they tolerated respondent's or his predecessors-in-interest's entry to and occupation of the subject property.[51]

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45 *Javelosa v. Tapuz, et al.*, 835 Phil. 576, 589-590 (2018).

46 *Sps. Santiago, et al. v. Northbay Knitting, Inc.*, 820 Phil. 157, 165 (2017).

47 *Rollo*, pp. 102, 104, and 108.

48 *Perez v. Rasaceña, et al.*, 797 Phil. 369, 379 (2016). (Citation omitted).

49 *Supra* note 44.

50 *Rollo*, p. 51.

51 *Id.* at 102, 104, 108.

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Further, petitioner's contention of being the owner of the disputed property to substantiate its claim of tolerance deserves scant consideration. This Court has finally put to rest in *Estate of Bueno v. Estate of Peralta, Sr.* the issue of ownership of the disputed property. In the said case, this Court recognized that the oral contract between Bueno and Atty. Peralta for the transfer of the subject property to the latter as consideration for the legal services he rendered to the former had been validly ratified through the failure of the Estate of Bueno to object to the presentation of oral evidence surrounding the conveyance of the property from Bueno to Atty. Peralta and by its acceptance of benefits-legal services in exchange for real property, thereby removing it from the application of the Statute of Frauds. Hence, this Court affirmed the decision of the CA which ordered the Estate of Bueno to execute a deed of conveyance in favor of the Estate of Peralta, Sr. over the disputed property.[52]

As such, the decision in *Estate of Bueno v. Estate of Peralta, Sr.* recognizing the Estate of Peralta as the rightful owner of the disputed property constitutes *res judicata* in the present case. The doctrine of *res judicata* has been aptly discussed in *Degayo v. Magbanua-Dinglasan*[53] in this wise:

> *Res judicata* literally means "a matter adjudged; a thing judicially acted upon or decided; a thing or matter settled by judgment." It also refers to the "rule that a final judgment or decree on the merits by a court of competent jurisdiction is conclusive of the rights of the parties or their privies in all later suits on points and matters determined in the former suit." It rests on the principle that parties should not to be permitted to litigate the same issue more than once; that, when a right or fact has been judicially tried and determined by a court of competent jurisdiction, or an opportunity for such trial has been given, the judgment of the court, so long as it remains unreversed, should be conclusive upon the parties and those in privity with them in law or estate.
>
> This judicially created doctrine exists as an obvious rule of reason, justice, fairness, expediency, practical necessity, and public tranquillity. Moreover, public policy, judicial orderliness, economy of judicial time,

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[52] *Id.*

[53] 757 Phil. 376 (2015).

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and the interest of litigants, as well as the peace and order of society, all require that stability should be accorded judgments, that controversies once decided on their merits shall remain in repose, that inconsistent judicial decision shall not be made on the same set of facts, and that there be an end to litigation which, without the doctrine of *res judicata*, would be endless.[54] (Citations omitted)

The doctrine of *res judicata* embraces two concepts. The first is *bar by prior judgment* which is set forth in Section 47(b) of Rule 39 of the Rules of Court. The second is *conclusiveness of judgment* provided under Section 47(c) of the same Rule. These sections read:

SECTION 47. *Effect of judgments or final orders*. — The effect of a judgment or final order rendered by a court or of the Philippines, having jurisdiction to pronounce the judgment or final order, may be as follows:

x x x x

(b) In other cases, the judgment or final order is, with respect to the matter directly adjudged or as to any other matter that could have been raised in relation thereto, conclusive between the parties and their successors in interest by title subsequent to the commencement of the action or special proceeding, litigating for the same thing and under the same title and in the same capacity; and

(c) In any other litigation between the same parties or their successors in interest, that only is deemed to have been adjudged in a former judgment or final order which appears upon its face to have been so adjudged, or which was actually and necessarily included therein or necessary thereto.

In *Spouses Antonio v. Sayman Vda. De Monje*,[55] this Court differentiated the two concepts as follows:

> There is "bar by prior judgment" when, as between the first case where the judgment was rendered and the second case that is sought to be barred, there is identity of parties, subject matter, and causes of action. In this instance, the judgment in the first case constitutes an absolute bar to the second action. Otherwise put, the

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[54] *Id.* at 382-383.

[55] 646 Phil. 90 (2010).

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> judgment or decree of the court of competent jurisdiction on the merits concludes the litigation between the parties, as well as their privies, and constitutes a bar to a new action or suit involving the same cause of action before the same or other tribunal.
>
> But where there is identity of parties in the first and second cases, but no identity of causes of action, the first judgment is conclusive only as to those matters actually and directly controverted and determined and not as to matters merely involved therein. This is the concept of *res judicata* known as "conclusiveness of judgment."
>
> Stated differently, any right, fact or matter in issue directly adjudicated or necessarily involved in the determination of an action before a competent court in which judgment is rendered on the merits is conclusively settled by the judgment therein and cannot again be litigated between the parties and their privies whether or not the claim, demand, purpose, or subject matter of the two actions is the same.

x x x conclusiveness of judgment finds application when a fact or question has been squarely put in issue, judicially passed upon, and adjudged in a former suit by a court of competent jurisdiction. The fact or question settled by final judgment or order binds the parties to that action (and persons in privity with them or their successors-in-interest), and continues to bind them while the judgment or order remains standing and unreversed by proper authority on a timely motion or petition; the conclusively-settled fact or question cannot again be litigated in any future or other action between the same parties or their privies and successors-in-interest, in the same or in any other court of concurrent jurisdiction, either for the same or for a different cause of action. Thus, only the identities of parties and issues are required for the operation of the principle of conclusiveness of judgment."[56] (Citations omitted)

In other words, *res judicata* through bar by prior judgment precludes the filing of a second case when it involves the same parties, same subject, and the same cause of action, or otherwise prays for the same relief as the first case. *Res judicata* by conclusiveness of judgment, on the other hand, precludes the questioning of a fact or issue in a second case if the fact or issue

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[56] *Id.* at 100. (Citations omitted).

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has already been judicially determined in the first case between the same parties.[57]

The doctrine of *res judicata* has the following elements: (1) the judgment sought to bar the new action must be final; (2) the decision must have been rendered by a court having jurisdiction over the subject matter and the parties; (3) the disposition of the case must be a judgment on the merits; and (4) there must be as between the first and second action, identity of parties, subject matter, and causes of action. Where there is identity of parties, subject matter, and causes of action in the two cases, there is *res judicata* in its aspect as a bar by prior judgment. If as between the two cases, only identity of parties can be shown, but not identity of causes of action, then *res judicata* as conclusiveness of judgment applies.[58]

All the elements of *res judicata* by conclusiveness of judgment are present here. First, the decision in *Estate of Bueno v. Estate of Peralta, Sr.* had attained finality by virtue of the denial by this Court of the motion for reconsideration sought and the corresponding directive that no further pleadings, motions, letters or other communications shall be entertained, and for an entry of judgment to be issued immediately.[59] Second, the decision was

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[57] *Heirs of Elliot v. Corcuera*, G.R. No. 233767, August 27, 2020. (Emphasis and citations omitted).

[58] *Igot v. Valenzona*, G.R. No. 230687, December 5, 2018, 888 SCRA 525.

[59] The March 23, 2022 Resolution rendered by the Third Division reads:

G.R. No. 205810 *(Estate of Valeriano C. Bueno and Genoveva I. Bueno, represented by Valeriano I. Bueno, Jr. and Susan I. Bueno v. Estate of Atty. Eduardo M. Peralta, Sr. and Luz Peralta, herein represented by Dr. Edgardo B. Peralta)*. — Acting on petitioners' motion for reconsideration of the decision promulgated on September 9, 2020, which denied the petition for review on *certiorari* and affirmed the August 21, 2012 Decision and February 18, 2013 Resolution of the Court of Appeals in CA-G.R. CV No. 86410, the Court resolves to **DENY** the motion with **FINALITY**, the basic issues raised therein having been duly considered and passed upon by the Court in the aforesaid decision and no substantial argument having been adduced to warrant its reconsideration.

No further pleadings, motions, letters or other communications shall be entertained in this case. Let an entry of judgment be issued immediately.

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rendered by this Court in the exercise of its appellate jurisdiction. Third, the decision was reached after due consideration of the evidence proffered by the parties where this Court upheld the validity of the oral contract involving the transfer of the disputed property by Bueno to Atty. Peralta. Fourth, the parties in *Estate of Bueno v. Estate of Peralta, Sr.* and in this case are identical as they share identity of interest.[60]

Apropos, it is incumbent upon this Court to take judicial notice of its own final decision in *Estate of Bueno v. Estate of Peralta, Sr.* as the judgment therein has bearing in the present case. As fittingly stated in *Republic v. Court of Appeals*,[61] citing Justice Edgardo L. Paras:

> A court will take judicial notice of its own acts and records in the same case, of facts established in prior proceedings in the same case, of the authenticity of its own records of another case between the same parties, of the files of related cases in the same court, and of public records on file in the same court. In addition, judicial notice will be taken of the record, pleadings or judgment of a case in another court between the same parties or involving one of the same parties, as well as of the record of another case between different parties in the same court. Judicial notice will also be taken of court personnel.[62]

Moreover, petitioner cannot feign ignorance of the proceedings in the said case since it is a party thereto. In *Tiburcio v. People's Homesite & Housing Corporation*,[63] this Court recognized, that in certain circumstances, courts need to take judicial notice of pronouncements in other causes due to its relevance to the matter at hand:

> In some instance, courts have taken judicial notice of proceedings in other causes, because of their close connection with the matter in controversy. Thus, in a separate civil action against the administrator of an estate arising from an appeal against the report of the committee on claims appointed in the administration proceedings of said estate, to

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60 See: *Supra* note 53 and 58.

61 343 Phil. 428 (1997).

62 *Id.* at 437. (Citations omitted).

63 106 Phil. 477 (1959).

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determine whether or not the appeal was taken on time, the court took judicial notice of the record of the administration proceedings. Courts have also taken judicial notice of previous cases to determine whether or not the case pending is a moot one or whether or not a previous ruling is applicable in the case under consideration.[64]

Consequently, the pronouncement in *Estate of Bueno v. Estate of Peralta, Sr.* giving due recognition to the Peralta heirs as the rightful owner of the disputed property is conclusive upon this case. Hence, petitioner's basis — ownership over the disputed property — to justify its claim of tolerance has no more leg to stand on in light of the ruling in the aforementioned case.

This Court cannot also close its eyes to the fact that petitioner sought to be paid the amount of ₱5,000.00 for the use and occupation of the property from May 16, 2001 up to the time the same is finally vacated.[65] In *Heirs of Melchor v. Melchor*,[66] this Court categorically ruled that the prayer for rental payment contradicts the existence of possession by tolerance. Such claim implies that as early as 2001, possession by tolerance has ceased to exist.[67]

Even if this Court were to disregard all these and take petitioner's word at face value on its claimed tolerance, this Court is still precluded from ruling in its favor for the reason that its complaint was not filed within one year from the time it was unlawfully deprived of the disputed property.

While this Court agrees that the one-year period cannot be reckoned from May 16, 2001 since the demand to vacate given at such time was not addressed to the respondent, still the counting of the one-year period cannot begin to run only on February 28, 2011, the date petitioner claims it sent its final demand upon the respondent to vacate. Records disclose that as early as ***August 30, 2002***, petitioner already sent a ***final demand*** upon the respondent

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[64] *Id.* at 484. (Citations omitted).

[65] *Rollo*, p. 109.

[66] 461 Phil. 437 (2003).

[67] *Id.* at 446.

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for him to vacate the subject premises. The letter is reproduced below:

Dear Judge Peralta:

In Civil Case No. 170694, entitled "Estate of Sps. Valeriano Bueno and Genoveva I. Bueno, represented by Valeriano I. Bueno, Jr. and Susan I. Bueno, [Plaintiffs], Edgardo B. Peralta and Edmundo B. Peralta [Defendants], pending before Branch 8, MTC, Manila, defendants in their Answer (Ad Abundantiorem Cautelam) dated April 29, 2002, averred that **x x x the actual occupant of 3450 Magistrado Villamor St., is Judge Eduardo B. Peralta, Jr. x x x**

As you well know, the property (house & lot) which you occupied and possess is owned and registered in the name of Valeriano C. Bueno married to Genoveva Ignacio covered by Transfer Certificate of Title No. 47630 (RT-192) and Tax Declaration Nos. 96-614-00021 & 96-614-00022.

This is our final demand for you to vacate and turn over the premises to our client within fifteen (15) days from receipt hereof and to pay the monthly rental in the amount of Ps.5,000.00 starting July 10, 1990 up to the time you finally vacate the premises.

At this juncture, we are urging you to peacefully vacate the premises and turn over the possession to our client within fifteen (15) days from receipt and to pay the above said rental. Otherwise, much to our regret we will be constrained to file an appropriate legal action against you without further delay to protect the interest of our client.[68]

In *Racaza v. Gozum*,[69] this Court has categorically ruled that subsequent demands that are merely in the nature of reminders or reiterations of the original demand do not operate to renew the one-year reglementary period within which to commence an ejectment suit, and the said period will still be reckoned from the date of the original demand.[70] In *Reyes, Sr. v. Heirs of Forlales*,[71] this Court explained that the reason for this rule is to prevent the

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[68] *Rollo*, p. 168.

[69] 523 Phil. 694 (2006).

[70] *Id.*

[71] *Supra* note 29.

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circumvention of the one-year limitation period[72] by putting an end to the practice of sending demand letter after demand letter for the purpose of acquiring a new one-year period to file an ejectment suit.

From the foregoing, petitioner had one year from August 30, 2002 within which to file a complaint for unlawful detainer against the respondent. Since it filed the present ejectment suit only on February 28, 2011, the same is clearly filed beyond the one-year limitation period.

All told, the CA correctly ruled that petitioner availed of the wrong remedy in its pursuit to recover possession of the disputed property.

WHEREFORE, premises considered, the present petition is **DENIED** for lack of merit. The Decision dated December 18, 2018 and Resolution dated July 26, 2019 of the Court of Appeals in CA-G.R. SP No. 141858 are **AFFIRMED**. The dismissal of the complaint for unlawful detainer against respondent Associate Justice Eduardo B. Peralta, Jr. is **SUSTAINED**.

SO ORDERED.

Leonen, S.A.J. (Chairperson), Hernando,[*] and *M. Lopez, JJ.*, concur.

Kho, Jr., J., on leave.

APPEARANCES OF COUNSEL

Jaso Dorillo & Associates for petitioners.
Tagle-Chua Cruz & Aquino for respondent.

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[72] *Id.*

[*] Additional member, vice J. Javier per Raffle dated July 6, 2022.