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SECOND DIVISION

[G.R. No. 227482. July 1, 2019]

JOAQUIN BERBANO, TRINIDAD BERBANO, and MELCHOR BERBANO, *petitioners, vs.* **HEIRS OF ROMAN TAPULAO, namely: ALBERT D. TAPULAO,[*] DANILO D. TAPULAO,[**] MARIETA TAPULAO-REYES, LINDA TAPULAO-RAMIREZ, and JOSEFINA TAPULAO-DACANAY, represented by Attorney-in-fact JOSEFINA TAPULAO-DACANAY,** *respondents.*

SYLLABUS

1. REMEDIAL LAW; CIVIL PROCEDURE; JURISDICTION; JURISDICTION OVER THE SUBJECT MATTER IS DETERMINED BY EXAMINING THE MATERIAL ALLEGATIONS OF THE COMPLAINT AND THE RELIEF SOUGHT. — Jurisdiction is defined as the power and authority of a court to hear, try, and decide a case. In order for the court or an adjudicative body to have authority to dispose of the case on the merits, it must acquire, among others, jurisdiction over the subject matter. Jurisdiction over the subject matter is the power to hear and determine the general class to which the proceedings in question belong; it is conferred by law and not by the consent or acquiescence of any or all of the parties or by erroneous belief of the court that it exists. Section 19 of *Batas Pambansa* 129, as amended by Republic Act No. 7691 (RA 7691), enumerates the cases falling within the jurisdiction of the RTCs, x x x On the other hand, Section 33 of BP 129 enumerates the cases falling within the jurisdiction of the MTCs, Metropolitan Trial Courts (MeTCs), and Municipal Circuit Trial Courts (MCTCs), x x x **The Court has repeatedly held that jurisdiction over the subject matter is determined by examining the material allegations of the complaint and the relief sought.**

2. ID.; ID.; ID.; ID.; REGIONAL TRIAL COURT HAS JURISDICTION WHERE THE VALUE OF THE SUBJECT

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[*] Also referred to as "Albert T. Tapulao" in some parts of the *Rollo*.

[**] Also referred to as "Danny D. Tapulao" in some parts of the *Rollo*.

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MATTER EXCEEDS ₱20,000.00; CASE AT BAR. — [T]he Complaint clearly alleged that the assessed value of the lot subject of the case is ₱22,070.00. In accordance with BP 129, as amended by RA 7691, since the value of the subject matter exceeds ₱20,000.00, the same falls within the jurisdiction of the RTCs. Hence, the RTC-Branch 1, Tuguegarao City, Cagayan had jurisdiction over the subject matter of the case. Too, petitioners' claim that the property in dispute is only a specific portion of the lot or only 6,804 square meters, which supposedly carries the proportional assessed value of ₱8,111.72, is irrelevant. It does not alter what is actually alleged in the complaint. Besides, it is not for petitioners to define the allegations in their adversaries' complaint. That is the respondents' prerogative as plaintiffs below. Additionally, petitioners cannot limit the dispute to the alleged area actually being contested. This is because the rest of the contiguous portion of the lot could be relevant to the remedy or remedies flowing therefrom. For example, who bears the burden of paying for improvements; what are the indicators of good and bad faith by petitioners? The point is this: respondents' allegations in their complaint cannot be at once deemed to be a case of bad and false pleading. Lastly, but no less important, petitioners never questioned the trial court's jurisdiction in the proceedings before it. In fact, petitioners even filed their Answer and sought affirmative relief therein.

APPEARANCES OF COUNSEL

Santos M. Baculi for petitioners.
Bonifacio Albino Pattaguan, Jr. for respondents.

D E C I S I O N

LAZARO-JAVIER, *J.*:

The Case

This Petition for Review on *Certiorari*[1] assails the Decision dated September 30, 2016[2] of the Court of Appeals in CA-G.R.

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[1] *Rollo*, pp. 18-27.

[2] Penned by Presiding Justice Romeo F. Barza and concurred in by Associate Justice Agnes Reyes-Carpio and now Supreme Court Associate Justice Andres B. Reyes, Jr., *id.* at 37-47.

CV No. 104126 affirming the Judgment dated August 1, 2014[3] of the Regional Trial Court (RTC) – Branch 1, Tuguegarao City, Cagayan in Civil Case No. 7899, which granted the complaint for Recovery of Possession and Damages, declared respondents as the rightful owners of the subject property, and ordered petitioners to vacate the specific portion of the property they occupy.

The Proceedings Before the Trial Court

Respondents Heirs of Roman Tapulao, namely: Albert D. Tapulao, Danilo D. Tapulao, Marieta Tapulao-Reyes, Linda Tapulao-Ramirez, and Josefina Tapulao-Dacanay filed a Complaint for Recovery of Possession and Damages against petitioners Joaquin Berbano, Trinidad Berbano, and Melchor Berbano.

In their Complaint, respondents averred that their father Roman Tapulao was the registered owner of a lot located in Taguing, Baggao, Cagayan covered by Original Certificate of Title (OCT) No. P-9331. They paid the realty taxes thereon.[4]

After the death of Roman Tapulao and his wife Catalina Casabar-Tapulao, respondents caused the relocation survey of the lot. It revealed that petitioners occupied portions of the lot. Despite several demands, however, petitioners refused to vacate and return the lot to respondents.[5]

In their Answer, petitioners argued that the original owner of the lot was Felipe Peña. Sometime in 1954, Felipe Peña ceded his possession over half hectare of the lot in favor of Joaquin Berbano. From that time on, Joaquin had been in open and exclusive possession of the lot.

Subsequently, Felipe Peña sold the adjacent lot to Roman Tapulao. When Roman Tapulao caused its registration, the survey mistakenly included therein the adjacent lot belonging to Joaquin.

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[3] Penned by Presiding Judge Raymond Reynold R. Lauigan, *id.* at 28-34.

[4] *Id.* at 28.

[5] *Id.* at 28.

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As a result, OCT No. P-9331 (in the name of Roman Tapulao) also covered Joaquin's lot. Roman and Catalina Tapulao acknowledged this error through their Affidavit dated April 2, 1976. They promised to respect Joaquin's ownership of that specific portion.[6]

The case was then called for pre-trial which for one reason or another got reset for eight (8) consecutive times. During the pre-trial on January 30, 2014, petitioners and counsel failed to appear. Thus, respondents moved to present evidence *ex-parte* which the trial court granted.[7]

The Trial Court's Ruling

After due proceedings, the trial court rendered its Judgment dated August 1, 2014[8] in respondents' favor, *viz*:

WHEREFORE, the evidence preponderates in favor of the plaintiffs and against the defendants and hereby renders judgment as follows:

1. Declaring the plaintiffs as the rightful and legal owners of the subject property covered by OCT No. P-9331 located in Taguing, Baggao, Cagayan with an area of 18,512 square meters;

2. Ordering the defendants to vacate the portion occupied by them and surrender possession thereof to the plaintiffs; and,

3. Ordering the defendants to pay the plaintiffs ₱4,131.00 as and by way of actual damages representing the expenses incurred by the plaintiffs in filing this case.

No pronouncement as to costs.

SO DECIDED.[9]

In their motion for reconsideration, for the first time, petitioners raised the issue of jurisdiction. They asserted that

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[6] *Id*. at 29.

[7] *Id*. at 38.

[8] Penned by Judge Raymond Reynold R. Lauigan, *id*. at 28-34.

[9] *Id*. at 33-34.

since the value of the lot (less than ₱20,000.00), the case fell within the jurisdiction of the first level courts.

Under Resolution dated January 5, 2015,[10] the trial court denied petitioners' motion for reconsideration in view of the clear allegation in the complaint itself that the lot had an assessed value of ₱22,070.00, hence, within the court's jurisdiction.

The Proceedings Before the Court of Appeals

On appeal, petitioners, again for the first time, justified their failure to appear at the pre-trial. They claimed they were allegedly not notified of the pre-trial. They also insisted that the RTC had no jurisdiction over the case. According to them, the assessed value of the whole lot should not be taken into consideration considering that only a portion thereof was in dispute. Hence, only the value of the specific portion they were occupying must be the determining jurisdictional factor.

The Court of Appeals' Ruling

By its assailed Decision dated September 30, 2016[11] the Court of Appeals affirmed. It held that respondents sufficiently proved their ownership of the lot including the specific portion which petitioners were physically occupying. The trial court acquired jurisdiction over the case because properties with assessed value of more than ₱20,000.00 fell within the jurisdiction of the RTCs.

The Present Petition

Petitioners now ask the Court to exercise its discretionary appellate jurisdiction to review and reverse the aforesaid decision of the Court of Appeals.

Petitioners reiterate their argument that the trial court had no jurisdiction over the case because although the entire lot has a total area of 18,512 square meters and an assessed value of ₱22,070.00 (18,512 x ₱1.19219965 per square meter), the

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[10] *Id*. at 35-36.

[11] *Id*. at 37-47.

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real subject matter of the case is only a small part thereof, *i.e.* 6,804 square meters which, by simple computation, carried an assessed value of ₱8,111.72 (6,804 x ₱1.19219965 per square meter). This amount is within the jurisdiction of the Municipal Trial Courts (MTCs) and not the RTCs. The trial court and the Court of Appeals, therefore, erred in holding that the trial court had jurisdiction over the subject matter of the complaint.[12]

In their Comment dated February 10, 2017,[13] respondents riposte that the nature of the action and/or value of the subject matter are determined by the allegations of the complaint. Here, the complaint alleged that the assessed value of the lot was ₱22,070.00, an amount well within the jurisdiction of the RTCs.

In their Reply dated December 3, 2017,[14] petitioners simply assert anew their argument against the trial court's jurisdiction over the subject matter of the case.

Issue

Is petitioners' challenge against the trial court's jurisdiction tenable?

Ruling

Jurisdiction is defined as the power and authority of a court to hear, try, and decide a case. In order for the court or an adjudicative body to have authority to dispose of the case on the merits, it must acquire, among others, jurisdiction over the subject matter. Jurisdiction over the subject matter is the power to hear and determine the general class to which the proceedings in question belong; it is conferred by law and not by the consent or acquiescence of any or all of the parties or by erroneous belief of the court that it exists.[15]

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[12] See Petition for Review dated November 24, 2016, *id.* at 18-27.

[13] *Rollo*, pp. 51-58.

[14] *Id.* at 62-66.

[15] *Glynna Foronda-Crystal v. Aniana Lawas Son*, G.R. No. 221815, November 29, 2017.

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Section 19 of *Batas Pambansa* 129, as amended by Republic Act No. 7691 (RA 7691),[16] enumerates the cases falling within the jurisdiction of the RTCs, *viz*:

Sec. 19. Jurisdiction in civil cases. — Regional Trial Courts shall exercise exclusive original jurisdiction:

1) In all civil actions in which the subject of the litigation is incapable of pecuniary estimation;

2) In all civil actions which involve the title to, or possession of, real property, or any interest therein, where the assessed value of the property involved exceeds Twenty Thousand Pesos (₱20,000.00) or, for civil actions in Metro Manila, where such value exceeds Fifty Thousand Pesos (₱50,000.00) except actions for forcible entry into and unlawful detainer of lands or buildings, original jurisdiction over which is conferred upon the Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts.

On the other hand, Section 33 of BP 129 enumerates the cases falling within the jurisdiction of the MTCs, Metropolitan Trial Courts (MeTCs), and Municipal Circuit Trial Courts (MCTCs), *viz*:

Sec. 33. Jurisdiction of Metropolitan Trial Courts, Municipal Trial Courts and Municipal Circuit Trial Courts in civil cases. — Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts shall exercise:

x x x x x x x x x

3) Exclusive original jurisdiction in all civil actions which involve title to, or possession of, real property, or any interest therein where the assessed value of the property or interest therein does not exceed Twenty thousand pesos (₱20,000.00) or, in civil actions in Metro Manila, where such assessed value does not exceed Fifty Thousand Pesos (₱950,000.00) exclusive of interest, damages of whatever kind, attorney's fees, litigation expenses and costs: Provided, That in cases

[16] An Act Expanding the Jurisdiction of the Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts, Amending for the Purpose Batas Pambansa Blg. 129, otherwise Known as The "Judiciary Reorganization Act of 1980."

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of land not declared for taxation purposes, the value of such property shall be determined by the assessed value of the adjacent lots.

The Court has repeatedly held that jurisdiction over the subject matter is determined by examining the material allegations of the complaint and the relief sought.[17]

Here, the Complaint reads:

x x x x x x x x x

3. Plaintiffs are the children of deceased spouses Roman Tapulao and Catalina Casabar, who both died intestate;

4. Deceased Roman Tapulao is the registered owner of a parcel of land denominated as Lot No. 1072, Pls-492-D located at Taguing, Baggao, Cagayan, and embraced under Original Certificate of Title No. P-9331 x x x

x x x x x x x x x

5. The above-described parcel of land is declared for taxation purposes and with an assessed value of Twenty Two Thousand and Seventy Pesos (Php22,070.00) as evidenced by Tax Declaration No. 03-06042-00175 issued by the Municipal Assessor of Baggao, Cagayan x x x[18]

x x x x x x x x x

Indeed, the Complaint clearly alleged that the assessed value of the lot subject of the case is ₱22,070.00. In accordance with BP 129, as amended by RA 7691, since the value of the subject matter exceeds ₱20,000.00, the same falls within the jurisdiction of the RTCs. Hence, the RTC-Branch 1, Tuguegarao City, Cagayan had jurisdiction over the subject matter of the case.

Too, petitioners' claim that the property in dispute is only a specific portion of the lot or only 6,804 square meters, which supposedly carries the proportional assessed value of ₱8,111.72, is irrelevant. It does not alter what is actually alleged in the

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[17] *Editha Padlan v. Elenita Dinglasan, et al.,* 707 Phil. 83, 91 (2013).

[18] *Rollo*, p. 21.

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complaint. Besides, it is not for petitioners to define the allegations in their adversaries' complaint. That is the respondents' prerogative as plaintiffs below. Additionally, petitioners cannot limit the dispute to the alleged area actually being contested. This is because the rest of the contiguous portion of the lot could be relevant to the remedy or remedies flowing therefrom. For example, who bears the burden of paying for improvements; what are the indicators of good and bad faith by petitioners? The point is this: respondents' allegations in their complaint cannot be at once deemed to be a case of bad and false pleading.

Lastly, but no less important, petitioners never questioned the trial court's jurisdiction in the proceedings before it. In fact, petitioners even filed their Answer and sought affirmative relief therein. The trial court summarized petitioners' prayer in their Answer, to wit:

> Because of the groundless filing of the case, the defendants suffered mental anguish, wounded feelings, social humiliation and they also incurred actual damages. They were likewise compelled to engage the services of a counsel and incurred actual damages. Thus, defendants pray for the dismissal of the case, that the plaintiffs be ordered to execute the necessary documents to cause the transfer and registration of the lot in suit in the name of the defendants and the award of actual, moral and exemplary damages.[19]

It is only after the case was decided against them that they challenged it for the first time via their motion for reconsideration. In ***Tijam, et al. v. Sibonghanoy, et al.***,[20] the Court held that a party cannot invoke the jurisdiction of a court and ask for affirmative relief against his opponent and, after obtaining or failing to obtain such relief, repudiate or question that same jurisdiction. So must it be.

All told, the Court of Appeals did not err in affirming the trial court's jurisdiction over the case below.

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[19] *Id*. at 29.

[20] See 131 Phil. 556, 564 (1968).

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WHEREFORE, the petition is **DENIED**, and the Decision dated September 30, 2016 of the Court of Appeals in CA-G.R. CV No. 104126, **AFFIRMED**.

SO ORDERED.

Carpio (Chairperson), Perlas-Bernabe, Caguioa, and *Reyes, J. Jr. JJ.,* concur.

SECOND DIVISION

[G.R. No. 230645. July 1, 2019]

TONDO MEDICAL CENTER, represented by DR. MARIA ISABELITA M. ESTRELLA, *petitioner, vs.* **ROLANDO RANTE, doing business under the name and style of JADEROCK BUILDERS,** *respondent.*

SYLLABUS

1. POLITICAL LAW; ADMINISTRATIVE LAW; CONSTRUCTION INDUSTRY ARBITRATION LAW (EO NO. 1008); CONSTRUCTION INDUSTRY AND ARBITRATION COMMISSION (CIAC); JURISDICTION OVER DISPUTES ARISING FROM, OR CONNECTED WITH, CONTRACTS ENTERED INTO BY THE PARTIES INVOLVED IN CONSTRUCTION IN THE PHILIPPINES; DECISION OF CIAC ACCORDED GREAT WEIGHT, RESPECT AND FINALITY. — "Executive Order No. 1008 entitled, 'Construction Industry Arbitration Law' provided for an arbitration mechanism for the speedy resolution of construction disputes other than by court litigation." x x x [It] created the CIAC and vests upon it original and exclusive jurisdiction over disputes arising from, or connected with, contracts entered into by the parties involved in construction in the Philippines. The competence of the CIAC to handle construction disputes was expressly recognized by