

Title: Philippine Long Distance Telephone Company vs. Citi Appliance M.C. Corporation

Facts:

This case pertains to a property dispute regarding underground installations by PLDT on property owned by Citi Appliance in Cebu City. Citi Appliance, since 1992 the owner of the land, discovered the installations (telephone lines, cables, and manholes) while preparing for construction in 2003. Citi Appliance initially sought an exemption from the parking requirement imposed by the Cebu City Zoning Board, which was granted but later denied upon reconsideration, leading to a demand for the underground installations to be removed or compensated for by PLDT. PLDT claimed the installations were within a public sidewalk area and did not encroach upon Citi Appliance's property.

Following a series of demands and PLDT's refusal to remove or pay for the installations, Citi Appliance filed a complaint for ejectment against PLDT, which contended that the forcible entry action had prescribed because it should be reckoned from the discovery of the encroachment, not the last demand to vacate. The Municipal Trial Court in Cities (MTCC) ruled in favor of Citi Appliance, prompting PLDT to elevate the matter to the Court of Appeals, which also ruled in favor of Citi Appliance. PLDT then brought the case to the Supreme Court.

Issues:

1. Whether PLDT waived the issue of jurisdiction by participating in the lower court proceedings.
2. Whether the Municipal Trial Court in Cities had jurisdiction over the forcible entry case and whether the one-year prescriptive period should be reckoned from the time of discovery or the last demand to vacate.
3. Whether PLDT may exercise its right of eminent domain or rights as a builder in good faith.

Court's Decision:

1. PLDT did not waive the jurisdiction issue since it was raised seasonably in their Amended Answer before the MTCC. Also, the delay in raising the jurisdictional question did not cause the kind of long and drawn-out litigation that would lead to estoppel.
2. Citi Appliance failed to adequately allege prior physical possession of the property, which is a requirement for a forcible entry suit. Furthermore, the one-year prescriptive period for a forcible entry case had elapsed by the time the complaint was filed. Consequently, the

MTCC did not have jurisdiction over the case.

3. PLDT cannot assert rights as a builder in good faith under Article 448 of the Civil Code since it neither claimed possession of the land in the concept of an owner nor acted in good faith under the belief that the land was public. Additionally, the right to expropriate property cannot rightly be resolved within a forcible entry or unlawful detainer suit.

Doctrine:

The one-year prescriptive period for forcible entry based on stealth should be reckoned from the time of discovery of the entry. Moreover, inquiries into jurisdiction based on the prescriptive period should be counted as jurisdiction over the remedy; thus, objections must be seasonably raised.

Class Notes:

- A forcible entry action requires three elements: prior physical possession by the plaintiff, deprivation of possession by the defendant through force, intimidation, threat, strategy, or stealth, and filing of the action within one year from the plaintiff's discovery of the deprivation of possession.
- 'Jurisdiction over the remedy' differs from 'jurisdiction over the subject matter' and pertains to the court's competence over the procedure, typically governed by the Rules of Court.
- Jurisdiction over the subject matter stems from the law and cannot be waived by the parties.
- Eminent domain requires a judicial or administrative process and cannot be exercised within a case for ejectment.

Historical Background:

The case highlights the dynamics of real property rights and summarily proceedings in the Philippine legal system. It also addresses the interaction of private property rights with utility infrastructure and the large-scale application of eminent domain principles, reflecting broader tensions between private landownership and public utility provision. The case underscores the summary nature designed to prevent breaches of peace and to quickly address conflicts regarding possession of property without entering into the intrinsic merits of ownership.