### Title: Amelia S. Roberts vs. Martin B. Papio

### Facts:

In 1982, to prevent foreclosure of a real estate mortgage due to an unpaid loan of P59,000.00 to Amparo Investments Corporation, spouses Martin and Lucina Papio sold their 274-square-meter residential lot in Makati to Martin's cousin, Amelia Roberts, through a Deed of Absolute Sale. Of the P85,000.00 purchase price, P59,000.00 was directed to settle the loan, with the balance retained by the couple. A subsequent Contract of Lease allowed the Papios to stay on the property as tenants under Roberts, with specified rent amounts over the years. Despite cessation of rental payments in 1986 and demands for rent and vacating the property in 1998 and 1999, Papio and his family did not leave, prompting Roberts to file an unlawful detainer complaint in 1999.

Papio countered that the 1982 sale was actually meant to be a means for him to eventually repurchase the property and claimed to have done so in 1985 through payments to Roberts' representative, Perlita Ventura, although not fully acknowledged by Roberts due to alleged misappropriated funds by Ventura.

The Metropolitan Trial Court (MeTC) sided with Roberts, focusing on the irregularity of Papio's possession post-lease and dismissing his claims of repurchase. Papio's appeal to the RTC and subsequent motion for reconsideration were denied, with the RTC modifying the calculation of accrued rentals but otherwise affirming the MeTC's decision. On further appeal, the CA reversed the lower courts, viewing the sale as an equitable mortgage, granting Papio protective rights but denying his claims for damages.

### Issues:

1. Whether the MeTC had jurisdiction to resolve ownership issues tied to possession in an unlawful detainer case.
2. Whether the transaction between Roberts and Papio constituted an equitable mortgage.
3. Whether Roberts was entitled to material possession of the property.
4. The validity and impact of Papio's repurchase claim.

### Court's Decision:

The Philippine Supreme Court reinstated the MeTC decision (affirmed with modifications by the RTC), dismissing the CA's view that the sale was an equitable mortgage. It backed the

MeTC's jurisdiction over the detainer case despite the ownership claims, outlined that the sale did not meet the criteria for an equitable mortgage, and reaffirmed Roberts' right to possession based on the lease's termination.

Issue-by-Issue Analysis:
– The Court confirmed the MeTC's jurisdiction to provisionally determine ownership to resolve possession issues.
– It clarified that the agreement between Roberts and Papio was a genuine sale, not an equitable mortgage, as Papio's defense was more about repurchasing the property than challenging the sale's nature.
– It concluded that the evidence supported Roberts' ownership and right to possession, dismissing Papio's repurchase claim due to lack of authoritative representation and consequent payment arrangements through Ventura.

### Doctrine:

The case reiterated principles around the jurisdiction of courts over unlawful detainer suits, the distinctions between an equitable mortgage and a conditional sale (with repurchase rights), and the importance of written authority for representation in property transactions.

### Class Notes:

– **Unlawful Detainer Jurisdiction**: The MeTC can provisionally rule on ownership issues when necessary to resolve possession disputes.
– **Equitable Mortgage vs. Absolute Sale**: Distinguished by the parties' intentions and the contract's terms, not subsequent agreements or assertions.
– **Representation in Property Sales**: Must be explicitly authorized in writing; otherwise, transactions are void.
– **Doctrine of Estoppel**: Parties are bound by their admissions and representations within contractual agreements and legal proceedings.

### Historical Background:

The case reflects the legal intricacies of property transactions in the Philippines, particularly how familial relationships, informal agreements, and legal formalities intertwine, often leading to complex disputes over possession, ownership, and rights post-transaction.