

Title: Wilfredo De Vera, et al. vs. Spouses Eugenio Santiago, et al. – Supreme Court Decision on Jurisdiction and Reconveyance of Land Ownership

Facts:

- Initial Complaint:** On February 14, 2000, petitioners filed an action for reconveyance of ownership or possession with damages against respondents at the Municipal Trial Court (MTC) of Bolinao, Pangasinan. The case was docketed as Civil Case No. 939.
- Alleged Ownership:** Petitioners claimed ownership of certain portions of land in Barangay Patar, Bolinao, Pangasinan (Lot No. 7303). They alleged continuous possession since 1967.
- Disputed Free Patent Titles:** Petitioners discovered that this land had been titled in respondents' names through allegedly fraudulent means.
- Ownership Claims:** Petitioners supported their claims with tax declarations while respondents, who also claimed ownership, presented titles and tax declarations acquired legally through Free Patents.
- Jurisdictional Dispute:** Respondents contended that the MTC lacked jurisdiction because the land's assessed value exceeded P20,000.00, thus falling under the jurisdiction of the Regional Trial Court (RTC).

Procedural Posture:

- MTC Decision:** On November 9, 2001, the MTC ruled in favor of respondents, dismissing the complaint and declaring respondents the lawful owners.
- RTC Appeal:** Petitioners appealed to the RTC of Alaminos City. On June 14, 2002, RTC reversed the MTC's decision, declaring the Free Patent Titles void and reconveying the property to the petitioners.
- CA Petition:** Respondents then filed a petition for review with the Court of Appeals (CA). On May 29, 2007, the CA annulled both RTC's and MTC's decisions citing a lack of jurisdiction.
- Supreme Court Petition:** Petitioners sought the Supreme Court's intervention, contending that the RTC properly assumed jurisdiction on appeal per Section 8, Rule 40 of the Rules of Court.

Issues:

- Whether the CA erred in annulling the RTC Decision for lack of jurisdiction.**
- Validity and indefeasibility of the Free Patent Titles issued to respondents.**
- The appropriate jurisdiction over the reconveyance action considering the land's assessed value.**

Court's Decision:

- Jurisdiction:** The Supreme Court ruled that while the MTC lacked jurisdiction over the property with an assessed value exceeding P20,000.00, the RTC correctly assumed jurisdiction on appeal under Section 8, Rule 40 of the Rules of Court. The RTC had the authority to review the merits and properly decided the case.
- CA's Error:** The CA erred in annulling the RTC decision and should have reviewed the RTC's factual findings instead. The RTC's decision was deemed promulgated within its appellate jurisdiction.
- Further Proceedings:** The case was remanded to the CA for a resolution of factual issues.

Doctrine:

- Section 8, Rule 40 of the Rules of Court:** Allows the RTC to try the merits of a case on appeal when the lower court (MTC) has tried the merits without proper jurisdiction, mandating RTC's review instead of dismissal.
- Jurisdiction is conferred by law:** As per Section 19 (2) and Section 33 (3) of B.P. Blg. 129, the RTC has exclusive jurisdiction over civil actions involving real property valued over P20,000.00 outside Metro Manila.

Class Notes:

- Jurisdiction Determination:**
 - Based on the assessed value of the property involved.
 - MTC vs. RTC jurisdiction, as illustrated in Section 19 (2) and Section 33 (3) of B.P. Blg. 129.
 - RTC's appellate jurisdiction irrespective of property value (Section 22, B.P. Blg. 129).
- Free Patent Titles:** Principles of indefeasibility commence after one year from registration, barring nullification except through a direct proceeding.

Historical Background:

- The case reflects land disputes common in the Philippines, emphasizing the intricacies of jurisdiction based on assessed land values. It underscores procedural safeguards in land registration and the appeals process within the judiciary.