SPOUSES RICHARD B. PASCUAL AND CRISTINA D. PASCUAL, PETITIONERS, VS. SPOUSES REYNALDO P. CORONEL AND ASUNCION MALIG CORONEL, RESPONDENTS.

G.R. NO. 159292. July 12, 2007

Ponente: NACHURA, J.

Read online (full-text search, related cases, audio case brief): https://batas.org/library/g-r-no-159292/

NACHURA, J.:

Before the Court is a petition for review of the Decision[1] of the Court of Appeals (CA) in CA-G.R. SP No. 71323, dated April 30, 2003, and Resolution[2] dated July 29, 2003 denying the motion for reconsideration thereof. The assailed Decision affirmed the ruling of the Regional Trial Court (RTC) which ordered the petitioners to vacate the disputed property and surrender its possession to the respondents.

Respondents, spouses Reynaldo and Asuncion Coronel, are the registered owners of two parcels of land covered by Transfer Certificate of Title (TCT) No. 68436,[3] located in Barrios San Roque and San Rafael, Tarlac, with a total area of 253 sq.m., and the house standing thereon. They resided on the said property until sometime in 1969 when they decided to transfer to a new residence close to their business operations. The respondents then entrusted the property and the owner's copy of TCT No. 68436 to Asuncion's parents, Emilio and Alberta Malig, who moved into the property and resided therein. In 1981, Emilio and Alberta moved to a house in San Vicente, Sta. Ignacia, Tarlac, and entrusted the whole property to their son, Dr. Fermin Pascual, Jr. The latter had a son, petitioner Richard Pascual, who subsequently occupied the premises together with his wife, Cristina.

On April 27, 2001, the respondents formally demanded from the petitioners the immediate surrender of the premises but the latter failed and refused to vacate the same.[4]

On June 19, 2001, the respondents filed with the Municipal Trial Court in Cities (MTCC) of Tarlac City a Complaint for Unlawful Detainer and Damages[5] against the petitioners on the ground that the latter are occupying the property without their consent. The respondents alleged in the complaint that they need to retake possession of the property because they will be using it as their permanent residence since their current residence in Quezon City will be occupied by their daughter. Earnest efforts were exerted to settle the matter amicably but the same proved futile. This case was docketed as Civil Case No. 7821.

In their Answer with Counterclaim,[6] the petitioners contended that the respondents are no longer the lawful owners of the subject house and lot because they already sold the same to Alberta as evidenced by the Deed of Absolute Sale of Real Estate[7] dated February 18, 1975 (1975 Deed). Alberta, in turn, sold the property to Dr. Melu-Jean Pascual, petitioner Richard's older sister, through the Deed of Absolute Sale of Real Estate[8] dated March 6, 1989 (1989 Deed). According to the petitioners, after Alberta sold the property to Melu-Jean, she surrendered the actual possession of the property to the latter; hence, Melu-Jean is the lawful owner and possessor of the property. The petitioners claimed that they are occupying the property on behalf and with the consent of Melu-Jean, and therefore, she is the real party-in-interest and the complaint should be filed against her. The petitioners concluded that the complaint should then be dismissed since it was not filed against the real

party-in-interest and it involves a serious question of ownership.

Apparently, the respondents also filed a case for annulment of deed of sale with the RTC of Tarlac City, docketed as Civil Case No. 9169. In the complaint, the respondents admitted that respondent Asuncion executed the 1975 Deed in favor of Alberta. They claimed, however, that it was simulated because there was no actual consideration paid to them by Alberta. Respondent Asuncion allegedly decided to execute the simulated contract because, at that time, her marriage to respondent Reynaldo was on the verge of breaking up. They averred that respondent Asuncion never appeared before any notary public at the time of the execution of the contract.[9]

After the petitioners filed their answer in the case for unlawful detainer (Civil Case No. 7821), the respondents amended[10] their complaint in the case for annulment (Civil Case No. 9169) to include Melu-Jean as defendant, and to pray for the nullification of the 1989 Deed in favor of Melu-Jean. The respondents alleged that Alberta's signature in the said deed of sale is a forgery and that it was not signed by Emilio, who was still very much alive then, contrary to what was written above his name as "deceased."

On November 5, 2001, the MTCC dismissed the complaint for unlawful detainer with costs against plaintiffs, herein respondents.[11] In upholding the right of the petitioners to the possession of the property, the MTCC gave credence to the two deeds of sale which it pronounced as valid until annulled by the RTC in Civil Case No. 9169.

The respondents appealed to the RTC on the ground that the MTCC erred in relying on the deed of sale transferring the property to Melu-Jean. On March 26, 2002, the RTC reversed the MTCC's decision, thus:

> In view of the foregoing, the decision appealed is hereby reversed and judgment is issued ordering the defendants and all other persons acting under their command to:
>
> - Immediately vacate from the subject property and turn over possession of the same unto the plaintiffs;
>
> - To pay the plaintiffs the sum Php 20,000.00 as attorney's fees plus Php 2,000.00 as appearance fee for every hearing;
>
> - To pay the costs of the suit.
>
> SO ORDERED.[12]

In so ruling, the RTC found that the petitioners' possession was by the tolerance of the respondents, thus, lawful until the latter sent the petitioners a demand to vacate. According to the RTC, the lower court failed to grasp the distinction between possession de jure or possession arising from ownership, and possession de facto or physical possession. It pointed out that the only issue in a case for unlawful detainer is possession de facto, which, in this case, should be decided in favor of the respondents. It ruled that the lower court erred in relying on the deeds of sale in determining who has the better right to possess the property as the same pertains to possession as an attribute of ownership (possession de jure). Further, the RTC held that the deed of sale executed by respondent Asuncion was simulated, thus, void from the beginning, and the second deed of sale executed by Alberta seemed falsified, and so, it cannot be the basis of a valid transfer of ownership.

On June 3, 2002, the RTC denied the petitioners' motion for reconsideration of its decision for want of merit.[13]

The petitioners filed an appeal with the CA. The petitioners argued, inter alia, that they have a superior right because they are in actual physical possession of the property by authority of the real owner, Melu-Jean, who should have been impleaded as defendant. They contended that the action for unlawful detainer is not proper since the issue of ownership is raised; the proper action is to file an accion publiciana or accion reinvindicatoria cognizable by the RTC.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

On April 30, 2003, the CA affirmed the Decision of the RTC.[14] The CA held that the respondents have a superior right to the possession of the subject property considering that they are its registered owners and a certificate of title is a conclusive evidence of ownership. Melu-Jean was not impleaded as defendant since she was not in actual possession of the property, and in an unlawful detainer case, the issue is purely physical possession. The CA pointed out, however, that, in an unlawful detainer case, the court may provisionally make a finding on the issue of ownership for the purpose of determining who has the right to possess the property. Thus, the RTC did not err in finding that the sale to Melu-Jean was invalid since it did so only to determine the question of possession, not ownership of the property. On the other hand, the MTCC's ruling that the petitioners have a better right to the possession based on the deeds of sale is erroneous because it refers to possession de jure which is not the issue in an unlawful detainer case.

On July 29, 2003, the CA denied the petitioners' motion for reconsideration for lack of merit.[15] As a result, they filed this petition for review, raising the following issues:

I.

WHETHER OR NOT THE HONORABLE COURT OF APPEALS ERRED IN NOT CONSIDERING THE FACT THAT ALTHOUGH THE SUBJECT PROPERTY WAS STILL REGISTERED IN THE NAME OF THE RESPONDENTS, THEY, HOWEVER, WERE NO LONGER OR CEASED TO BE THE RIGHTFUL AND LAWFUL OWNERS OF THE SAID PROPERTY WHEN THEY EXECUTED THE DEED OF ABSOLUTE SALE OF REAL ESTATE ON FEBRUARY 18, 1975 IN FAVOR OF ALBERTA MALIG, RESPONDENT ASUNCION MALIG CORONEL'S MOTHER, AND WHO IN TURN SOLD THE SAME PROPERTY TO DR. MELU-JEAN PASCUAL, PETITIONER RICHARD PASCUAL'S OLDER SISTER, AS EVIDENCED BY THE DEED OF ABSOLUTE SALE OF REAL ESTATE EXECUTED ON MARCH 6, 1989.

II.

WHETHER OR NOT THE HONORABLE COURT OF APPEALS ERRED IN CONCLUDING THAT SINCE THE RESPONDENTS ARE STILL THE REGISTERED OWNERS OF THE SUBJECT PROPERTY THEY ARE ENTITLED TO THE POSSESSION THEREOF.

III.

WHETHER OR NOT THE HONORABLE COURT OF APPEALS ERRED IN CONCLUDING THAT PETITIONERS' STAY ON THE SUBJECT PROPERTY WAS BY MERE TOLERANCE OF THE RESPONDENTS AND NOT BY DR. MELU-JEAN PASCUAL AND THAT THERE IS UNLAWFUL DETAINER.

IV.

WHETHER OR NOT THE HON. COURT OF APPEALS ERRED IN CONSIDERING THAT THE DEED OF ABSOLUTE SALE IS A SIMULATED ONE AND THEREFORE NULL AND VOID.

V.

WHETHER OR NOT THE HONORABLE COURT OF APPEALS ERRED IN CONCLUDING THAT DR. MELU-JEAN PASCUAL IS GUILTY OF LACHES.

VI.

WHETHER OR NOT THE PROCEEDINGS BELOW WAS (sic) NULL AND VOID FOR NONJOINDER OF AN INDISPENSABLE PARTY.

Study hands-free: podcast-style lessons with read-along highlighting - batas.org

VII.

WHETHER OR NOT THIS HONORABLE COURT CAN REVIEW THE FINDINGS OF FACTS BY THE HON. COURT OF APPEALS IN THIS CASE.[16]

The petitioners contend that the respondents are no longer the owners of the property; therefore, they are not entitled to its possession. Their theory is that the 1975 Deed validly transferred ownership of the property to Alberta, which the latter, in turn, transferred to Melu-Jean through the 1989 Deed. The petitioners maintain that the 1975 Deed is a notarized document that enjoys the presumption of validity; it is considered valid unless declared null and void by a court of competent jurisdiction. The petitioners contend that the respondents' self-serving and unsubstantiated claim that the 1975 Deed is simulated cannot prevail over such presumption. Further, the fact that the person who notarized the same is not commissioned to be a notary public has no bearing on the validity of the 1975 Deed. The petitioners aver that the 1975 Deed is binding not only upon the parties but upon their heirs, assigns and successors-in-interest even if it was not registered; in any case, registration is not necessary as it does not confer ownership. They point out that the filing of the case for annulment of the deeds of sale is an admission by the respondents that they are voidable, or valid until annulled.

The petition has no merit.

In an unlawful detainer case, the sole issue for resolution is physical or material possession of the property involved, independent of any claim of ownership by any of the parties.[17] However, where the issue of ownership is raised, the courts may pass upon the issue of ownership in order to determine who has the right to possess the property.[18] We stress, however, that this adjudication is only an initial determination of ownership for the purpose of settling the issue of possession, the issue of ownership being inseparably linked thereto. The lower court's adjudication of ownership in the ejectment case is merely provisional and would not bar or prejudice an action between the same parties involving title to the property.[19] It is, therefore, not conclusive as to the issue of ownership,[20] which is the subject matter of a separate case for annulment of deeds of sale filed by respondent.

In the present case, both the petitioners and the respondents raise the issue of ownership. The petitioners aver that the real owner is Melu-Jean based on the two deeds of sale and that it is by her tolerance that they are occupying the property. On the other hand, the respondents claim that they themselves are the owners of the property as evidenced by the certificate of title in their names. The resolution of this case will therefore boil down to which of the parties' respective documentary evidence deserves more weight.

At this juncture, it would be fitting to mention that under Rule 45 of the Rules of Court, only questions of law may be raised for the simple reason that the Court is not a trier of facts.[21] It is not duty-bound to analyze and weigh again the evidence considered in the proceedings below.[22] This is especially true where the trial court's factual findings are adopted and affirmed by the CA as in the present case. Factual findings of the trial court, affirmed by the CA, are final and conclusive and may not be reviewed on appeal.[23] Here, both the RTC and the CA gave more credence to the respondents' title and found that the petitioners' occupation of the subject property was by the mere tolerance of the respondents. Accordingly, as far as this Court is concerned, these findings are already final.

In any case, we sustain the appellate court's finding that the respondents have the better right to possess the subject property. As opposed to the unregistered deeds of sale, the certificate of title certainly deserves more probative value. Indeed, a Torrens Certificate is evidence of indefeasible title of property in favor of the person in whose name appears therein'such holder is entitled to the possession of the property until his title is nullified.[24]

The petitioners, however, insist that the deeds of sale deserve more credence because they are valid contracts that

legally transferred ownership of the property to Melu-Jean. They argue that (a) the 1975 Deed, being a public document, is presumed to be valid and there was no evidence sufficient to overturn such presumption or show that it was simulated; (b) the fact that the person who notarized the said deed of sale is not commissioned as a notary public has no bearing on its validity; (c) registration of the deed of sale was not necessary to transfer ownership; (d) Melu-Jean is not guilty of laches in asserting her ownership over the property since she is actually in possession of the property through the petitioners; and (e) the filing of the annulment case is an admission that the two deeds of sale are merely voidable, or valid until annulled.

However, it should be noted that the CA merely affirmed the power of the trial court to provisionally resolve the issue of ownership, which consequently includes the power to determine the validity of the deeds of sale. As previously stated, such determination is not conclusive, and the issue of ownership and the validity of the deeds of sale would ultimately be resolved in the case for annulment of the deeds of sale.

Even if we sustain the petitioners' arguments and rule that the deeds of sale are valid contracts, it would still not bolster the petitioners' case. In a number of cases, the Court had upheld the registered owners' superior right to possess the property. In Co v. Militar,[25] the Court was confronted with a similar issue of which between the certificate of title and an unregistered deed of sale should be given more probative weight in resolving the issue of who has the better right to possess. There, the Court held that the court a quo correctly relied on the transfer certificate of title in the name of petitioner, as opposed to the unregistered deeds of sale of the respondents. The Court stressed therein that the Torrens System was adopted in this country because it was believed to be the most effective measure to guarantee the integrity of land titles and to protect their indefeasibility once the claim of ownership is established and recognized.[26]

Likewise, in the recent case of Umpoc v. Mercado,[27] the Court declared that the trial court did not err in giving more probative weight to the TCT in the name of the decedent vis-à-vis the contested unregistered Deed of Sale. Later in Arambulo v. Gungab,[28] the Court held that the registered owner is preferred to possess the property subject of the unlawful detainer case. The age-old rule is that the person who has a Torrens Title over a land is entitled to possession thereof.[29]

Still the petitioners unrelentingly argue that the proceedings below were null for failure to implead Melu-Jean, the alleged owner, as an indispensable party-defendant. As previously mentioned, the sole issue in an unlawful detainer case is who has the right to the physical possession of the property. Consequently, in an action for unlawful detainer, the real party-in-interest as party-defendant is the person who is in possession of the property without the benefit of any contract of lease and only upon the tolerance and generosity of its owner. Such occupant is bound by an implied promise that he will vacate the premises upon demand.[30] As earlier pronounced in Domalsin v. Valenciano,[31] an action of forcible entry and detainer may be maintained only against one in possession at the commencement of the action, and not against one who does not in fact hold the land.

WHEREFORE, premises considered, the petition is DENIED. The Decision of the Court of Appeals, dated April 30, 2003, and Resolution dated July 29, 2003, are AFFIRMED.

SO ORDERED.

Ynares-Santiago, (Chairperson), Austria-Martinez, and Chico-Nazario, JJ., concur.

---

[1] Penned by Associate Justice Portia Aliño-Hormachuelos, with Associate Justices Edgardo P. Cruz and Noel G. Tijam, concurring; rollo, pp. 187-195.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

[2] Id. at 227-228.

[3] Rollo, p. 49.

[4] Id. at 54.

[5] Id. at 45-47.

[6] Id. at 57-60.

[7] Id. at 62.

[8] Id. at 63.

[9] Id. at 35.

[10] Id. at 69-72.

[11] Id. at 76-78.

[12] Id. at 85.

[13] Id. at 90.

[14] Id. at 187-195.

[15] Id. at 227-228.

[16] Id. at 261-263.

[17] Barba v. Court of Appeals, 426 Phil. 598, 609-610 (2002).

[18] Section 16 of Rule 70 of the Rules of Court provides that:

SEC. 16. Resolving defense of ownership. - When the defendant raises the defense of ownership in his pleadings and the question of possession cannot be resolved without deciding the issue of ownership, the issue of ownership shall be resolved only to determine the issue of possession.

[19] Rivera v. Rivera, 453 Phil. 404, 412 (2003).

[20] Umpoc v. Mercado, G.R. No. 158166, January 21, 2005, 449 SCRA 220, 238.

[21] Asian Construction and Development Corporation v. Tulabut, G.R. No. 161904, April 26, 2005, 457 SCRA 317, 323.

[22] Manotok Realty, Inc. v. CLT Realty Development Corporation, G.R. Nos. 123346, 134385 & 148767, November 29, 2005, 476 SCRA 305, 335.

[23] Child Learning Center, Inc. v. Tagorio, G.R. No. 150920, November 25, 2005, 476 SCRA 236, 241.

[24] Baloloy v. Hular, G.R. No. 157767, September 9, 2004, 438 SCRA 80, 92.

[25] Co v. Militar, 466 Phil. 217 (2004).

[26] Id. at 224.

[27] Supra note 20, at 238.

[28] G.R. No. 156581, September 30, 2005, 471 SCRA 640.

Study hands-free: podcast-style lessons with read-along highlighting - batas.org

[29] Id. at 649-650.

[30] Lao v. Lao, G.R. No. 149599, May 16, 2005, 458 SCRA 539, 546-547.

[31] G.R. No. 158687, January 25, 2006, 480 SCRA 114, 134.

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at https://batas.org

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.