IGLESIA EVANGELICA METODISTA EN LAS ISLAS FILIPINAS (IEMELIF), INC., PETITIONER, VS. NATANAEL B. JUANE, RESPONDENT.

G.R. No. 172447. September 18, 2009

Ponente: CHICO-NAZARIO, J.

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CHICO-NAZARIO, J.:

Before this Court are two consolidated cases arising from a Complaint, captioned "Unlawful Detainer," filed by Iglesia Evangelica Metodista en las Islas Filipinas (IEMELIF), Inc. against Reverend Natanael B. Juane (Juane), docketed as Civil Case No. 173711-CV, and raffled to the Metropolitan Trial Court (MeTC) of Manila, Branch 26.

IEMELIF is a religious corporation existing and duly organized under Philippine laws. It alleged in its Complaint, dated 17 September 2002, that:

> 3. [IEMELIF] is the absolute and registered owner of a parcel of land with Transfer Certificate of Title No. 62080 particularly described as a parcel of land with Lot No. 77-B-2 of the subdivision plan psd-12951, being a portion of 77-B, pcs-367 of the cadastal survey of the City of Manila, G.L.R.O. cad. rec. 264 as shown in Plan F-23-48, Office of the City Engineer and situated in Tondo, Manila. Likewise it is the absolute and registered owner of a parcel of land with TCT No. 14366 and situated on the SE line of Calle Sande Nos. 1462-1466, District of Tondo, Manila. x x x.
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> 4. On these lots the Cathedral of the Iglesia Evangelica Metodista en las Islas Filipinas is located together with other improvements including the Pastor's residence and the church's school.
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> 5. [Juane] is a former minister or pastor of IEMELIF. He was elected as one of the members of the Highest Consistory of Elders (or Board of Trustees) of IEMELIF in the February 2000 IEMELIF General Conference. During the concluding Anniversary Service of said General Conference, IEMELIF Bishop Nathanael P. Lazaro, the General Superintendent of the whole IEMELIF Church and the General Administrator of the IEMELIF Cathedral in Tondo, Manila, during the reading of the "IEMELIF Workers' Assignment", announced the appointment and assignment of [Juane] as Resident Pastor of the Cathedral Congregation in Tondo, Manila. By virtue and as a consequence of such appointment, Defendant Rev. Juane was authorized to stay at and occupy the Resident Pastor's residence inside the Cathedral complex. By the same reason, he also took charge of the Cathedral facilities and other property of the church in said premises. One year thereafter, during the traditional concluding IEMELIF Anniversary Service of the February 2001 General Conference, [Juane] was re-assigned and re-appointed by Bishop Lazaro to the same position.
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> 6. On 03 March 2002, during the annual and regular reading of the "IEMELIF Workers' Assignment" in the concluding Anniversary Service of the IEMELIF 2002 General Conference, Bishop Lazaro, acting in his capacity as the General Superintendent of IEMELIF Church as well as the General Administrator of the IEMELIF Cathedral in Tondo, removed [Juane] as Resident Pastor of the Tondo Cathedral Congregation and assigned him as Resident Pastor of the Sta. Mesa (Banal na Hapag) Congregation. In view of this re-assignment, [Juane]'s authority to occupy and to take charge and possession of the premises of the IEMELIF

> Cathedral in Tondo ceased and expired. However, [Juane] defied said re-assignment and continued to arrogate upon himself the position of Resident Pastor of the Cathedral. To date, he continues to defy the Church authorities and still has physical possession and occupation of the Cathedral premises despite the expiration of his authority to do so and illegally depriving herein Plaintiff [IEMELIF] physical possession thereof.
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> 7. Further, on 10 May 2002, the Highest Consistory of Elders of the IEMELIF Church, upon recommendation of IEMELIF's Committee on Relations, Examination and Ordination, and in accordance with the Discipline of the Church, approved the expulsion of herein [Juane] as a pastor of the IEMELIF Church for various acts of defiance and rebellion. This expulsion as a pastor permanently took away from [Juane] any and all right or authority to occupy and possess any property of the IEMELIF Church.
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> 8. Still, Defendant Juane ignored said expulsion. To date, his defiance continues. He is occupying the IEMELIF Cathedral premises in Tondo in violation of [IEMELIF]'s right to physically possess the subject property.
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> 9. On 23 May 2002, Plaintiff's Highest Consistory of Elders, through the Secretary, Rev. Honorio F. Rivera and Bishop Nathanael P. Lazaro, sent [Juane] a letter through registered mail, demanding among others, that he vacate and turnover to the Church all Church property in his possession, including the cathedral, pastoral house, the school and the church premises. x x x.
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> 10. Despite receipt of the above-said demand to vacate the IEMELIF Cathedral premises, [Juane] failed and refused, and continues to fail and refuse, to vacate the subject property and continued its unlawful occupation thereof to the exclusion of [IEMELIF].
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> 11. Due to [Juane]'s unwarranted failure and unjust refusal to vacate the premises, [IEMELIF] is left without recourse but to file legal action to enforce its right to have physical possession of the Cathedral premises and, thus, for such purpose, is constrained to engage the services of undersigned counsel for an agreed engagement fee of P40,000.00 plus P2,000.00 per appearance fee and to incur other expenses incidental to the instant litigation.
>
> 12. Likewise, said failure and refusal on the part of [Juane] to vacate the Cathedral premises caused and is causing [IEMELIF] damages for having been deprived of the physical possession of the Cathedral. The fact is that due to such continuing failure and refusal of [Juane] and of those deriving right under him to vacate, [IEMELIF], through its Cathedral Congregation, is forced to rent a space outside the Cathedral premises in order to provide its Tondo congregation a place for worship.[1]

At the end of its Complaint, IEMELIF prayed for the RTC to:

> 1. RENDER a decision ordering [Juane] and any and all persons claiming right under him to vacate the Cathedral premises and peacefully turn over possession thereof to [IEMELIF];
>
> 2. ORDER [Juane] to pay [IEMELIF] reasonable compensation for the unlawful dispossession of the premises caused by [Juane], commencing on the time of the dispossession of the property until the same is finally vacated and possession thereof peacefully surrendered to [IEMELIF];
>
> 3. ORDER [Juane] to pay [IEMELIF] attorney's fees and the costs of suit.

Such other reliefs, just and equitable under the circumstances, are likewise respectfully prayed for.[2]

G.R. No. 172447 (Motion to Dismiss)

Juane filed a Motion to Dismiss Civil Case No. 173711-CV, contending that the Complaint therein actually involved intra-corporate controversies, which, under Republic Act No. 8799, otherwise known as the Securities Regulation Code, fell within the jurisdiction of the Regional Trial Court (RTC), not the MeTC.

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In an Order dated 27 February 2003, the MeTC denied Juane's Motion to Dismiss. It held that the case did not involve the issue of removal of a corporate officer, but rather the right to possess the IEMELIF Cathedral in Tondo (subject property). Juane filed a Motion for Reconsideration of the Order dated 21 March 2003, but the same was denied by the MeTC in another Order dated 5 May 2003.

Juane filed a Petition for Certiorari and Prohibition with Preliminary Injunction and/or Temporary Restraining Order, docketed as Civil Case No. 03-107439, before the RTC of Manila, Branch 30. On 14 November 2003, the RTC rendered its Decision dismissing Juane's Petition. The RTC pointed out that the primary and ultimate purpose of IEMELIF in filing the Complaint in Civil Case No. 173711-CV was to seek recovery of physical possession over the subject property, a matter within the jurisdiction of the MeTC.

Juane's appeal to the Court of Appeals was docketed as CA-G.R. SP No. 85543. In a Decision dated 10 April 2006, the Special Sixth Division of the Court of Appeals granted Juane's appeal and set aside the RTC Decision dated 14 November 2003. According to the Court of Appeals, the most contentious issues raised in the Complaint of IEMELIF in Civil Case No. 173711-CV were Juane's removal from office and reassignment, which were within the realm of intra-corporate controversies and the exclusive jurisdiction of the RTC. Juane's purported loss of the right to possess the subject property was merely incidental to his removal from office and reassignment by IEMELIF, and could not be the subject of an action for unlawful detainer under Rule 70 of the Rules of Court.

IEMELIF, thus, filed the present Petition for Review on Certiorari under Rule 45 of the Rules of Court, docketed as G.R. No. 172447. IEMELIF argues that the intra-corporate dispute alleged by Juane is a completely extraneous matter that was never alleged or prayed for in the Complaint. IEMELIF points out that the right to physically occupy the premises is derived from Juane's appointment as a church worker assigned to the Cathedral, and not from his being a member of the corporation.

The Court has determined that the fundamental issue for its resolution in this Petition is whether the Complaint filed by IEMELIF against Juane constitutes an intra-corporate dispute beyond the jurisdiction of the MeTC.

The Court rules in the negative.

In Magay v. Estiandan,[3] the Court held that:

> [J]urisdiction over the subject matter is determined by the allegations of the complaint, irrespective of whether or not the Plaintiff is entitled to recover upon all or some of the claims asserted therein - a matter that can be resolved only after and as a result of the trial. Nor may the jurisdiction of the court be made to depend upon the defenses set up in the answer or upon the motion to dismiss, for, were we to be governed by such rule, the question of jurisdiction could depend almost entirely upon the defendant x x x. (Emphases ours.)

The Court reiterated in Abrin v. Campos[4] that:

> Well-settled is the rule that what determines the nature of the action, as well as the Court which has jurisdiction over the case, is the allegation made by the Plaintiff in his complaint (Ching v. Malaya, 153 SCRA 412; Ganadin v. Ramos, 99 SCRA 613; Republic v. Sebastian, 72 SCRA 227; Magay v. Estandian, 69 SCRA 456; Time, Inc. v. Reyes, 39 SCRA 303). To resolve the issue of jurisdiction, the Court must interpret and apply the law on jurisdiction vis-a-vis the averments of the complaint (Malayan Integrated Industries Corporation v. Judge Mendoza, 154 SCRA 548 [1987]). The defenses asserted in the answer or motion to dismiss are not to be considered in resolving the issue of jurisdiction, otherwise the question of jurisdiction could depend entirely upon the defendant (Magay v. Estandian, 69 SCRA 456 [1976]).

The jurisdictional elements needed to be alleged in a Complaint for unlawful detainer are the following: (1) the plaintiff is a vendor, vendee, or other person from whom possession of any land or building is unlawfully withheld after the expiration or termination of the right to hold possession, by virtue of any contract, express or

implied; (2) the defendant is the person unlawfully withholding the same from the plaintiff after the expiration or termination of the right to hold possession, by virtue of any contract express or implied; (3) the plaintiff issued a demand for the defendant to comply with the contract or vacate the said premises; and (4) the action is commenced within one year from the demand.[5]

The Complaint of IEMELIF in Civil Case No. 173711-CV stated all the foregoing jurisdictional elements. The Complaint stated that IEMELIF is the absolute and registered owner of the subject parcel of land. The Complaint stated further that by virtue of the appointment and assignment of defendant Juane as Resident Pastor of the Cathedral Congregation in Tondo, Manila, he was authorized to stay in and occupy the Pastor's residence inside the cathedral complex. The Complaint stated that this authority to stay in the premises expired upon Juane's reassignment as Resident Pastor of the Sta. Mesa Congregation. Finally, the Complaint stated that IEMELIF issued a demand for Juane to vacate the premises which was within one year from the date of the Complaint, 17 September 2002.

Furthermore, the Complaint never alleged as issues the validity of IEMELIF's actions of reassigning Juane to another church, and later removing him as pastor. The invalidity of Juane's removal as the Resident Pastor of the IEMELIF Tondo Congregation and his reassignment as the Resident Pastor of the IEMELIF Sta. Mesa (Banal na Hapag) Congregation was a defense set up by Juane in his Motion to Dismiss, which cannot be considered in resolving the issue of jurisdiction.

The Complaint, having stated the jurisdictional elements in an unlawful detainer case, was properly filed with the Metropolitan Trial Court.[6]

G.R. No. 179404 (Main Case)

While the foregoing incidents regarding Juane's Motion to Dismiss were taking place, and without any Temporary Restraining Order or preliminary injunction having been issued against the MeTC, said trial court continued with the proceedings in Civil Case No. 173711-CV. On 10 January 2005, the MeTC promulgated its Decision in favor of IEMELIF. The dispositive portion of said Decision reads as follows:

> WHEREFORE, judgment is hereby rendered in favor of the plaintiff [IEMELIF] and against the defendant [Juane] ordering the latter and any and all persons claiming right under him
>
> 1. to vacate the [IEMELIF's] property including the cathedral, pastoral house, the school, and the church premises in Tondo, Manila and peacefully turn over possession thereof to the [IEMELIF];
>
> 2. to pay [IEMELEIF] attorneys fees in the amount of Ten Thousand Pesos; and
>
> 3. to pay the costs of suit.[7]

Juane filed an appeal of the aforementioned MeTC judgment, docketed as Civil Case No. 05-112202, before the RTC of Manila, Branch 1. In a Decision dated 15 December 2005, the RTC affirmed the MeTC Decision.

Juane brought his case before the Court of Appeals, where it was docketed as CA-G.R. SP No. 93222. Juane pursued his argument that the transformation of IEMELIF from a corporation sole to a corporation aggregate was legally defective and, therefore, IEMELIF had no personality to eject Juane from the subject property.

The Sixth Division of the Court of Appeals, in a Decision dated 15 August 2007, affirmed the RTC Decision dated 15 December 2005. The Court of Appeals reasoned that even assuming arguendo, that the transformation of IEMELIF from a corporation sole to a corporation aggregate was legally defective, its head or governing body, i.e., Bishop Lazaro, whose acts were approved by the Highest Consistory of Elders, still did not change. As Bishop Lazaro and the Highest Consistory of Elders had the authority to appoint Juane as Resident Pastor of the

IEMELIF Tondo Congregation, they also had the power to remove him as such or transfer him to another congregation. The Court of Appeals additionally stressed that ownership of the subject property was not a valid defense in an ejectment proceeding where at issue was the right to physical possession of the subject property.

Thereafter, Juane filed a Petition for Review on Certiorari with this Court, docketed as G.R. No. 179404. Juane maintains that the "IEMELIF" that filed the Complaint before the MeTC had no personality to eject him from the subject property. The Church has remained a corporation sole, since its transformation to a corporation aggregate was legally defective. Juane, thus, claims that he is now the corporation sole, who is entitled to the physical possession of the subject property as owner thereof. In fact, on the basis of these same arguments, Juane already filed a case disputing ownership of the subject property, docketed as Civil Case No. 03-018777 before the RTC of Manila. The RTC rendered a Decision in Civil Case No. 03-018777 against Juane, which was affirmed by the Court of Appeals. Juane now has a pending Petition for Review with the Second Division of this Court.

We uphold the findings of the Court of Appeals.

As held by the Court of Appeals, even if the transformation of IEMELIF from a corporation sole to a corporation aggregate was legally defective, its head or governing body, i.e., Bishop Lazaro, whose acts were approved by the Highest Consistory of Elders, still did not change. A corporation sole is one formed by the chief archbishop, bishop, priest, minister, rabbi or other presiding elder of a religious denomination, sect, or church, for the purpose of administering or managing, as trustee, the affairs, properties and temporalities of such religious denomination, sect or church.[8] As opposed to a corporation aggregate, a corporation sole consists of a single member, while a corporation aggregate consists of two or more persons. If the transformation did not materialize, the corporation sole would still be Bishop Lazaro, who himself performed the questioned acts of removing Juane as Resident Pastor of the Tondo Congregation. If the transformation did materialize, the corporation aggregate would be composed of the Highest Consistory of Elders, which nevertheless approved the very same acts. As either Bishop Lazaro or the Highest Consistory of Elders had the authority to appoint Juane as Resident Pastor of the IEMELIF Tondo Congregation, it also had the power to remove him as such or transfer him to another congregation.

An action for reconveyance or accion reivindicatoria has no effect and can exist at the same time as ejectment cases involving the same property.[9] This is because the only issue to be resolved in an unlawful detainer case is physical or material possession of the property involved, independent of any claim of ownership by any of the parties involved.[10] Ejectment cases are designed to summarily restore physical possession to one who has been illegally deprived of such possession, without prejudice to the settlement of the parties' opposing claims of juridical possession in appropriate proceedings.[11] The question of ownership may only be provisionally ruled upon for the sole purpose of determining who is entitled to possession de facto.[12]

That IEMELIF has presented sufficient evidence to prove its allegations in its Complaint in Civil Case No. 173711-CV, thus, warranting the ejectment of Juane from the subject property, is a matter which the Court can no longer look into. There is a question of fact when the doubt or difference arises as to the truth or falsehood of alleged facts, or when the query necessarily invites calibration of the whole evidence, considering mainly the credibility of witnesses, existence and relevance of specific surrounding circumstances, their relation to one another and to the whole and the probabilities of the situation.[13] Time and again we have held that it is not the function of the Supreme Court to analyze or weigh all over again the evidence and credibility of witnesses presented before the lower tribunal or office. The Supreme Court is not a trier of facts. Its jurisdiction is limited to reviewing and revising errors of law imputed to the lower court, its findings of fact being conclusive and not reviewable by this Court.[14] Findings of fact of the trial court, particularly when affirmed by the Court of Appeals, are binding upon this Court.[15]

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WHEREFORE, the Court renders the following judgment:

(1) The Petition in G.R. No. 172447 is GRANTED. The Decision dated 10 April 2006 of the Special Sixth Division of the Court of Appeals in CA-G.R. SP No. 85543 is REVERSED and SET ASIDE. The Decision dated 14 November 2003 of the Regional Trial Court of Manila, Branch 30, in Civil Case No. 03-107439, which affirmed the Order dated 27 February 2003 of the Metropolitan Trial Court of Manila, Branch 26, in Civil Case No. 173711-CV, denying the Motion to Dismiss of Natanael B. Juane, is REINSTATED; and

(2) The Petition in G.R. No. 179404 is DENIED. The Decision dated 15 August 2007 of the Sixth Division the Court of Appeals in CA-G.R. SP No. 93222 affirming the findings of the Regional Trial Court of Manila, Branch 1 and the Metropolitan Trial Court of Manila, Branch 26 that there was unlawful detainer in the case at bar is hereby AFFIRMED.

Costs against Natanael B. Juane.

SO ORDERED.

Ynares-Santiago, (Chairperson), Velasco, Jr., Nachura, and Peralta, JJ., concur.

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[1] Records, Vol. I, pp. 2-5.

[2] Id. at 6.

[3] G.R. No. L-28975, 27 February 1976, 69 SCRA 456, 458.

[4] G.R. No. 52740, 12 November 1991, 203 SCRA 420, 423.

[5] Rules of Court, Rule 70, Sections 1-2.

[6] Rules of Court, Rule 70, Section 1.

[7] Records, Vol. I, p. 777.

[8] CORPORATION CODE, Section 110.

[9] See Del Rosario v. Jimenez, 118 Phil. 565, 567 (1963); Guzman v. Court of Appeals, G.R. No. 81949, 15 September 1989, 177 SCRA 604, 616; Sy v. Court of Appeals, G.R. No. 95818, 2 August 1991, 200 SCRA 117, 126-127.

[10] Co v. Militar, 466 Phil. 217, 223 (2004).

[11] Barnes v. Padilla, G.R. No. 160753, 28 June 2005, 461 SCRA 533, 543.

[12] Umpoc v. Mercado, G.R. No. 158166, 21 January 2005, 449 SCRA 220, 238-239.

[13] Bernardo v. Court of Appeals, G.R. No. 101680, 7 December 1992, 216 SCRA 224, 232.

[14] Manzano v. Court of Appeals, 344 Phil. 240, 252 (1997).

[15] Castillo v. Court of Appeals, 329 Phil. 151, 159 (1996).

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