

**GREGORIO AMOGUIS TITO AMOGUIS, PETITIONERS, VS.
CONCEPCION BALLADO AND MARY GRACE BALLADO LEDESMA,
AND ST. JOSEPH REALTY, LTD. RESPONDENTS.**

G.R. No. 189626. August 20, 2018

Ponente: LEONEN, J.

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LEONEN, J.:

Jurisdiction over the subject matter of a complaint is conferred by law. It cannot be lost through waiver or estoppel. It can be raised at any time in the proceedings, whether during trial or on appeal.[1] The edict in *Tijam v. Sibonghanoy*[2] is not an exception to the rule on jurisdiction. A court that does not have jurisdiction over the subject matter of a case will not acquire jurisdiction because of estoppel.[3] Rather, the edict in *Tijam* must be appreciated as a waiver of a party's right to raise jurisdiction based on the doctrine of equity. It is only when the circumstances in *Tijam* are present that a waiver or an estoppel in questioning jurisdiction is appreciated.[4]

The unique circumstances in *Tijam* are present in this case. Indeed, as the petitioners in this case belatedly argue, the Regional Trial Court did not have jurisdiction over the subject matter of the Complaint. However, under the doctrine in *Tijam*, petitioners cannot now raise lack of jurisdiction as they have waived their right to do so. Estoppel by laches has set in. Petitioners did not question the jurisdiction of the Regional Trial Court during trial and on appeal. It is only before this Court, 22 long years after the Complaint was filed, that petitioners raised the Regional Trial Court's lack of jurisdiction.

On November 24, 1969, Francisco Ballado (Francisco) and Concepcion Ballado (Concepcion) (collectively, the Ballado Spouses) entered into Contract Nos. 5(M)[5] and 6(M)[6] with owner and developer St. Joseph Realty, Ltd. (St. Joseph Realty) to buy on installment parcels of land, which were designated as Lot Nos. 1 and 2, and were located in Block No. 1, Dadiangas Heights Subdivision, General Santos City. Lot No. 1 had an area of 411 square meters, and Lot No. 2 covered 402 square meters.[7] The Ballado Spouses initially paid a total of P500.00 for the lots, and had to pay P107.13[8] and P97.15[9] per month for Lot Nos. 1 and 2, respectively, both for 180 months starting on December 30, 1969.[10]

St. Joseph Realty characterized the contracts as contracts to sell[11] and provided for automatic rescission and cancellation, thus:

3) This contract shall be considered automatically rescinded and cancelled and no further force and effect, upon failure of the VENDEE to pay when due, three (3) consecutive monthly installments or to comply with any of the terms and conditions hereof, in which case the VENDORS shall have the right to resell the said parcel of land to any person or purchaser, as if this contract has never been entered into. In such a case[,] as cancellation of this contract, all the amounts paid in accordance with the agreement together with all the improvements made on the premises shall be considered as rents paid for the use and occupation of the above mentioned premises and as payment for the damages suffered for the failure of the VENDEE to fulfill his/her part of this agreement and the buyer hereby renounces his/her right to demand or reclaim the return of the same and obliges himself/herself to peacefully vacate the premises and deliver the same to the VENDORS.[12]

The Ballado Spouses amortized until 1979 when Crisanto Pinili (Pinili), St. Joseph Realty's collector, refused to receive their payments. They erected a small house made of light materials for their caretaker. Pinili informed them that it was an eyesore and was against the rules of the subdivision. He advised to suspend the payment for the lots, and directed the Ballado Spouses to remove the small house before payments could continue. He also promised to return and collect after he had put their records in order, but he never did. Francisco informed St. Joseph Realty that the small house had already been taken down, but Pinili still did not come to collect.[13]

On February 17, 1987, the Ballado Spouses discovered that St. Joseph Realty rescinded their contracts.[14] They found out that St. Joseph Realty had sent written demands to pay to the address of Lot Nos. 1 and 2, and not to their residence as declared in the contracts.[15] They were only able to receive the last letter dated December 31, 1986 in January 1987 as it had their home address handwritten beside the typewritten address of the lots.[16]

Concepcion immediately wrote St. Joseph Realty to ask for reconsideration. She enclosed a check for their remaining balance worth P30,000.00. She was the payee of the check issued by her employer, P. I. Enterprises. She borrowed money from P. I. Enterprises and indorsed the check in favor of St. Joseph Realty. After six (6) months, St. Joseph Realty returned the check to the Ballado Spouses. St. Joseph Realty claimed that it only inadvertently received the check.[17]

Meanwhile, on February 9, 1987, St. Joseph Realty sold Lot Nos. 1 and 2 to Epifanio Amoguis (Epifanio),[18] father of Gregorio Amoguis (Gregorio) and Tito Amoguis (Tito) (collectively, the Amoguis Brothers).[19] Epifanio paid P56,280.00 for one lot and P52,650.00 for the other.[20] The Amoguis Brothers then occupied the lots.[21] On August 18, 1987, titles were issued in the Amoguis Brothers' names.[22]

Francisco confronted the Amoguis Brothers when he saw that the barbed fences, which he had installed around the lots, were taken down. Epifanio told him that he bought the lots from St. Joseph Realty. Thereafter, the Amoguis Brothers took down Francisco's mango and chico trees.[23]

Compelled by these events, the Ballado Spouses filed a Complaint for damages, injunction with writ of preliminary injunction, mandatory injunction, cancellation and annulment of titles, and attorney's fees on December 23, 1987.[24] They also prayed for a temporary restraining order to enjoin the Amoguis Brothers from erecting walls around the lots.[25]

St. Joseph Realty filed its Answer.[26] It was its affirmative defense that the Regional Trial Court had no jurisdiction to hear the case, and that jurisdiction was properly vested in the Human Settlements Regulatory Commission.[27] The Amoguis Brothers, on the other hand, filed their Answer with Cross-Claim against St. Joseph Realty, and Counterclaim against the Ballado Spouses.[28] The parties did not reach an amicable settlement. The case was archived in 1989 without prejudice, pending the submission of a settlement by the parties. Five (5) years later, on April 8, 1994, the case was revived upon motion by the Ballado Spouses.[29]

After numerous postponements, on February 7, 1996, the Ballado Spouses were finally able to present their evidence in chief.[30] They testified and presented their evidence, among which were receipts to prove payments of installments, original copies of the contracts, the transmittal letter of the P30,000.00 check to St. Joseph Realty, and the check. They also presented St. Joseph Realty's rescission letter with its envelope, addressed to the lots and not to their residence, bearing "first attempt, cannot be located," "second attempt, cannot be located," and "third attempt, cannot be located" written on it.[31]

Finally, they presented as evidence Concepcion's February 21, 1987 reply letter asking for her remaining payables,[32] St. Joseph Realty's letter acknowledging receipt of Concepcion's February 21, 1987 letter, documents of sale of the lands from St. Joseph Realty to the Amoguis Brothers, and Concepcion's September 12,

1987 letter to St. Joseph Realty, proving that she did not know that the lands had already been sold to and titled under the names of the Amoguis Brothers in August 1987.[33]

The Regional Trial Court ruled in favor of the Ballado Spouses, and against St. Joseph Realty and the Amoguis Brothers:

WHEREFORE, judgment is hereby rendered in favor of plaintiffs, ordering -

1. Defendant St. Joseph to receive the sum of P30,000.00 from plaintiffs to fully pay the two residential lots;
2. To execute registrable deeds of sale in favor of plaintiffs over the two parcels of land;
3. To pay plaintiffs -
 - a. P50,000.00 for moral damages;
 - b. P20,000.00 as exemplary damages;
 - c. P30,000.00 in concept of attorney's fees;
 - d. and the cost of suit.
4. Declaring Transfer Certificates of Title Nos. T-25862 and T-29295 in the names of Gregorio Amoguis and Tito Amoguis, respectively, NULL and VOID, and ordering the Register of Deeds to cancel Sciid titles;
5. Ordering St. Joseph to refund the Amoguis the total sum of P108,730.00 with interest at 6% per annum from February 1987 until fully paid; and
6. Ordering the Amoguis to remove all their improvements from the land, to vacate the same and deliver possession thereof to plaintiffs upon presentation of new certificates of title in their names.

SO ORDERED.[34]

Based on the preponderance of evidence, the Regional Trial Court concluded that the Ballado Spouses proved their desire to complete their payment, and that it was Pinili who refused to receive their payment because of the small house erected on the lands for their caretaker. It also ruled that based on evidence, St. Joseph Realty never made attempts to collect from them. St. Joseph Realty's notices of rescission were deliberately sent to the wrong address of the lands involved, and not to the Ballado Spouses' home address.[35]

The Regional Trial Court did not give credence to St. Joseph Realty's allegation that it only inadvertently received the check for P30,000.00. It was clear that St. Joseph Realty was already negotiating the sale of the lands to Epifanio when it received Concepcion's check. When St. Joseph Realty saw that it could sell the lots for higher prices, it returned the check to Concepcion. As regards the Amoguis Brothers, the Regional Trial Court ruled that they were in bad faith when they bought the lots. Epifanio did not deny that Francisco informed him that they were in the process of completing payment. Despite this, Epifanio still cut down Francisco's trees and set up his own fence.[36]

Finally, the Regional Trial Court noted that the Ballado Spouses failed to file a formal offer of evidence. However, this was not detrimental to their case as some of these documents were admitted by St. Joseph Realty, including the contracts to sell and the letters that it sent to the Ballado Spouses through the wrong address.[37]

Only the Amoguis Brothers timely filed their appeal brief. Since St. Joseph Realty failed to file its appeal brief, the Court of Appeals considered it to have abandoned its appeal.[38]

The Amoguis Brothers argued that the Regional Trial Court should have considered valid the rescission or cancellation of the contract to sell, and that they should not have been declared as buyers in bad faith. They contended that the evidence presented by the Ballado Spouses should not have been considered as it was not

formally offered. They averred that in case there was no valid rescission or cancellation of contract, St. Joseph Realty should have been ordered to pay them the cost of their improvements, attorney's fees, litigation expense, and moral and exemplary damages.[39] They did not raise the Regional Trial Court's lack of jurisdiction.

On September 26, 2008, the Court of Appeals rendered its Decision,[40] affirming the Regional Trial Court February 28, 2001 Decision[41] with modification:

WHEREFORE, premises foregoing, the appealed decision is hereby AFFIRMED with modification. We uphold the findings of the court a quo nullifying the certificates of title issued to the Amoguises. The award of P50,000.00 as moral damages, P20,000.00 as exemplary damages and P30,000.00 as attorney's fees plus cost of the suit in favor of the Ballados is likewise affirmed with the modification that such should be paid solely by St. Joseph. St. Joseph and the Ballados are likewise ordered to execute an absolute deed of sale upon full payment by the Ballados of the deficiency in the purchase price of the subdivision lots. The amount adjudged to be paid by St. Joseph to the Amoguises should however, be modified as the same should only be P108,930.00. The Amoguises' other monetary claims are denied for want of basis.

SO ORDERED.[42]

Though not raised, the Court of Appeals discussed at the outset the issue of jurisdiction. Since the Ballado Spouses wanted St. Joseph Realty to comply with the provisions of the contracts to sell, the Complaint was for specific performance. The subject matter of the case involved subdivision lots. Therefore, jurisdiction was lodged with the Housing and Land Use Regulatory Board:

Such being the case, the court a quo should not have taken cognizance of the case as it is the Housing and Land Use Regulatory Board (HLURB, for brevity) which exercises exclusive original jurisdiction over such matters pursuant to Section 3 of Presidential Decree No. 957 entitled "Regulating the sale of Subdivision Lots and Condominiums, providing penalties for violations thereof. The provision states:

SECTION 3. National Housing Authority. — The National Housing Authority shall have exclusive jurisdiction to regulate the real estate trade and business in accordance with the provisions of this Decree.

This jurisdiction was later delineated and clarified by Presidential Decree No. 1344 which provides:

SECTION 1. In the exercise of its functions to regulate the real estate trade and business and in addition to its powers provided for in Presidential Decree No. 957, the National Housing Authority shall have exclusive jurisdiction to hear and decide cases of the following nature:

- Unsound real estate business practices;
- Claims involving refund and any other claims filed by subdivision lot or condominium unit buyer against the project owner, developer, dealer, broker or salesman; and
- Cases involving specific performance of contractual and statutory obligations filed by buyers of subdivision lot or condominium unit against the owner, developer, dealer, broker or salesman.

Moreover, the prefatory statement of Presidential Decree No. 957 which Presidential Decree No. 1344 sought to expand states:

WHEREAS, numerous reports reveal that many real estate subdivision owners, developers, operators and/or sellers have reneged on their representations and obligations to provide and maintain properly subdivision roads, drainage, sewerage, water systems, lighting systems, and another similar basic requirements, thus endangering the health and safety of home and lot buyers;

WHEREAS, reports of alarming magnitude also show cases of swindling and fraudulent manipulations perpetrated by unscrupulous subdivision and condominium sellers and operators, such as failure to deliver

titles to the buyers or titles free from liens and encumbrances, and to pay real estate taxes, and fraudulent sales of the same subdivision lots to different innocent purchasers for value[.]

We may likewise add that litigants with cases cognizable by the HLURB cannot directly resort to judicial review as Section 2 of Presidential Decree No. 1344 additionally states:

SECTION 2. The decision of the National Housing Authority shall become final and executory after the lapse of fifteen (15) days from the date of its receipt. It is appealable only to the President of the Philippines and in the event the appeal is filed and the decision is not reversed and/or amended within a period of thirty (30) days, the decision is deemed affirmed. Proof of the appeal of the decision must be furnished the National Housing Authority.[43] (Emphasis in the original, citations omitted)

The Court of Appeals ruled, however, that since neither St. Joseph Realty nor the Amoguis Brothers raised the issue of jurisdiction before the Regional Trial Court, they must be considered estopped from raising it on appeal.[44]

On the issue that the Ballado Spouses did not formally offer their evidence, the Court of Appeals cited *Vda. De Oñate v. Court of Appeals*,[45] That case ruled that evidence not formally offered may still be appreciated by a trial court provided that "first, [it] must have been duly identified by testimony duly recorded and, second, [it] must have been incorporated in the records of the case." [46] The Court of Appeals cited *People of the Philippines v. Alicante*,[47] where this Court ruled that when a party fails to offer the purpose of a witness' testimony, the opposing party has the duty to immediately object "at the time when the victim was called to the witness stand, without proper explanation thereof or at anytime before the prosecution rested its case." [48] In this case, St. Joseph Realty and the Amoguis Brothers failed to timely enter their objection.

As to the admissibility of documentary evidence over which no formal offer of evidence was made, the Court of Appeals reviewed the transcript of stenographic notes and noted that of the documents which Concepcion identified, only the contracts to sell were attached. The Regional Trial Court should have considered only these documents as documentary evidence for the Ballado Spouses.[49]

As to the rescission of contracts to sell, the Court of Appeals sustained that it was improperly and unlawfully done by St. Joseph Realty. It cited *Palay Inc. v. Clave*,[50] where this Court ruled that while the suspensive condition of full payment of purchase price has not been complied with, there must, at the very least, be a notice to the defaulting buyer of the rescission. With the passage of Republic Act No. 6552, also known as the Maceda Law, the manner to rescind or cancel a contract to sell or a contract of sale has been codified. Rescission or cancellation shall take place 30 days from receipt of the buyer of a notarized notice of cancellation or demand for rescission.[51] The buyer must also be paid the full cash surrender value.[52] The Court of Appeals likewise cited *Siska Development Corporation v. Office of the President*,[53] which provided that the Maceda Law shall apply to contracts entered into before its effectivity. Thus, even if the Maceda Law was passed close to three (3) years after the contracts to sell were executed, it still must apply to them.[54]

The Court of Appeals affirmed the factual findings of the Regional Trial Court. St. Joseph Realty presented a notarized demand of rescission during trial. However, the Ballado Spouses had always insisted that they never received any notice of rescission from St. Joseph Realty. Furthermore, St. Joseph Realty did not offer to pay the cash surrender value of the payments they had made. Thus, the requirements for a valid rescission under the Maceda Law were not met.[55]

The Court of Appeals stated that since St. Joseph Realty did not validly rescind the contracts to sell, it had no legal basis to sell the properties to the Amoguis Brothers. It should make a refund of the purchase price to them, with a 6% per annum interest rate reckoned from February 1988 until fully paid.[56]

Finally, the Court of Appeals reconsidered the Regional Trial Court's finding of bad faith on the part of the Amoguis Brothers, who merely relied on the misrepresentation of St. Joseph Realty that the properties were already abandoned by the Ballado Spouses. The Amoguis Brothers only discovered the Ballado Spouses' subsisting claim after they had already purchased the properties. The Court of Appeals ordered that only St. Joseph Realty should pay damages to the Ballado Spouses.[57]

The Amoguis Brothers filed their Motion for Reconsideration, which was denied by the Court of Appeals in its August 7, 2009 Resolution.[58]

Hence, the Amoguis Brothers filed this Petition for Review on Certiorari under Rule 45 of the Rules of Court, seeking a reversal of the Court of Appeals September 26, 2008 Decision and August 7, 2009 Resolution.[59]

The issues for this Court's resolution are as follows:

First, whether or not the Regional Trial Court's lack of jurisdiction was lost by waiver or estoppel;

Second, whether or not testimonial and documentary pieces of evidence which are not formally offered may be appreciated by a trial court; and

Finally, whether or not petitioners Gregorio Amoguis and Tito Amoguis are buyers in good faith and have preferential right to Lot Nos. 1 and 2.

I

Petitioners argue that lack of jurisdiction over the subject matter was timely raised by St. Joseph Realty in its Answer with Counterclaims. Even assuming that it was never raised, jurisdiction is a question of law that cannot be lost through waiver or estoppel, and may be raised at any time, even during appeal. Further, if there was a remedy under the law, that remedy must be exhausted first before the parties come to court. The administrative remedy should have been sought before the Housing and Land Use and Regulatory Board, and then appealed to the Office of the President.[60] The Ballado Spouses counter that St. Joseph Realty never moved that its affirmative defense of lack of jurisdiction be heard; instead, it actively participated in the proceedings together with the Amoguis Brothers.[61]

Petitioners are already estopped from questioning the jurisdiction of the Regional Trial Court. Laches had already set in.

As the Court of Appeals discussed *motu proprio*, Presidential Decree No. 957 instituted the National Housing Authority as the administrative body with exclusive jurisdiction to regulate the trade and business of subdivision and condominium developments. It provided for mechanisms where entities can apply for licenses to develop and sell subdivision lots or condominiums with the intent of curbing fraud instigated on purchasers of real estate. A performance bond is also required of these entities to guarantee their undertaking under the subdivision and condominium plans. For greater transparency, their subdivision and condominium plans must likewise be registered. The following transactions, however, were beyond the administrative body's regulatory supervision, and were exempt from license and performance bond requirements:

- (a) Sale of a subdivision lot resulting from the partition of land among co-owners and co-heirs.
- (b) Sale or transfer of a subdivision lot by the original purchaser thereof and any subsequent sale of the same lot.
- (c) Sale of a subdivision lot or a condominium unit by or for the account of a mortgagee in the ordinary course of business when necessary to liquidate a bona fide debt.[62]

Presidential Decree No. 1344[63] was later on enacted to add to the National Housing Authority's jurisdiction. It was no longer just a licensing body for subdivision and condominium developers. Section 1 of Presidential Decree No. 1344 gave authority to the National Housing Authority to hear and decide cases:

Section 1. In the exercise of its functions to regulate the real estate trade and business and in addition to its powers provided for in Presidential Decree No. 957, the National Housing Authority shall have exclusive jurisdiction to hear and decide cases of the following nature:

- A. Unsound real estate business practices;
- B. Claims involving refund and any other claims filed by subdivision lot or condominium unit buyer against the project owner, developer, dealer, broker or salesman; and
- C. Cases involving specific performance of contractual and statutory obligations filed by buyers of subdivision lot or condominium unit against the owner, developer, dealer, broker or salesman.

Section 3 of Presidential Decree No. 1344 provided that appeals from decisions of the National Housing Authority shall be made to the President of the Philippines within 15 days from receipt.

In between the approval of Presidential Decree Nos. 957 and 1344, the Maceda Law was approved.[64]

Subject matter jurisdiction is a court's or tribunal's power to hear and determine cases of a general class or type relating to specific subject matters.[65] This jurisdiction is conferred by law.[66] To determine a court's or an administrative body's jurisdiction over a subject matter, allegations in the complaint must be examined.[67] The nature of the action, as reflected in the allegations in the complaint, and the reliefs sought determine jurisdiction over the subject matter.[68] It is immaterial whether the claimant has a right to the relief sought.[69]

Presidential Decree No. 957 was approved on July 12, 1976, 11 years before the Ballado Spouses filed their complaint. This means that the law mandating the jurisdiction of the National Housing Authority, which later on became the House and Land Use Regulatory Board,[70] had long been in effect when petitioners filed their Answer and participated in trial court proceedings. It behooved them to raise the issue of jurisdiction then, especially since St. Joseph Realty, their co-respondent, raised it in its Answer albeit superficially and without any discussion.

In their Complaint, the Ballado Spouses alleged that the properties already sold to them by St. Joseph Realty were sold to the Amoguis Brothers for a better price. They sought the cancellation of the titles issued to petitioners as a result of their subsisting contracts to sell, which were neither rescinded nor annulled. They argued that when St. Joseph Realty received their check for P30,000.00, they had fully paid the purchase price. As against St. Joseph Realty, they sought damages and specific performance. They based their claim of full payment when St. Joseph Realty accepted the check for P30,000.00. Upon St. Joseph Realty's acceptance, the Ballado Spouses were able to fully comply with the terms of the contracts to sell. Without any valid rescission, St. Joseph Realty was bound to carry out its obligations under the contracts. As against petitioners, the Ballado Spouses sought injunction and the cancellation of titles issued under their names. The Amoguis Brothers were beneficiaries of St. Joseph Realty's breach of the contracts to sell. They had no authority under the law to occupy the properties and have them titled under their names.

According to Presidential Decree No. 1344, exclusive original jurisdiction for specific performance of contractual and statutory obligations filed by buyers of subdivision lots or condominium units against the owner, developer, dealer, broker or salesman is lodged with the National Housing Authority.

In *Antipolo Realty v. National Housing Authority*,[71] this Court ruled that the National Housing Authority, and

not the regular courts, have initial jurisdiction to determine the rights and obligations of the subdivision developer and of the buyer under a contract to sell.

Solid Homes v. Payawal[72] stressed that the jurisdiction of National Housing Authority excluded that of the regular courts even in a concurrent capacity. The respondent in that case, Teresita Payawal, argued that regular courts had jurisdiction based on *Batas Pambansa Blg. 129*,[73] a law passed after Presidential Decree No. 1344. This Court ruled otherwise:

The language of [Section 1, Presidential Decree 1344], especially the italicized portions, leaves no room for doubt that "exclusive jurisdiction" over the case between the petitioner and the private respondent is vested not in the Regional Trial Court but in the National Housing Authority.

. . . .

It is obvious that the general law in this case is BP No. 129 and PD No. 1344 the special law.

The argument that the trial court could also assume jurisdiction because of Section 41 of PD No. 957, earlier quoted, is also unacceptable. We do not read that provision as vesting concurrent jurisdiction on the Regional Trial Court and the Board over the complaint mentioned in PD No. 1344 if only because grants of power are not to be lightly inferred or merely implied. The only purpose of this section, as we see it, is to reserve to the aggrieved party such other remedies as may be provided by existing law, like a prosecution for the act complained of under the Revised Penal Code.[74] (Citation omitted)

Solid Homes cemented the National Housing Authority's jurisdiction to hear and decide claims for damages and attorney's fees incidental to unsound business practices, claims for refund, and for specific performance against subdivision lot or condominium unit owners, developers, dealers, brokers, or salesmen. This Court ruled that the qualifier "and any other claims" in Section 1(b) of Presidential Decree No. 1344 meant so. In *Solid Homes*, this Court also ruled that as an administrative body, the National Housing Authority possessed specialized competence and experience to determine these allied matters.[75]

In the years that followed, this Court tackled the issue of whether the Housing and Land Use and Regulatory Board's jurisdiction included the cancellation of land titles issued to third parties due to the subdivision developer's or owner's unsound business practices. *Fajardo v. Hon. Bautista*[76] ruled that it did. Apart from unsound business practices, the cancellation of titles issued to third parties also involved claims for specific performance against subdivision developers and owners. In *Fajardo*, the claimants sought that the developer perform its obligations under the contract to sell, and the cancellation of titles were but incidental.

These doctrines have been observed by this Court even in recent cases. Presently, jurisprudence still dictates that when a buyer wants to compel a developer to conform with the terms of the contract it executed, jurisdiction lies with the Housing and Land Use and Regulatory Board.[77]

The *Ballado Spouses'* rights and interests lie not just as buyers of any property, but buyers of subdivision lots from a subdivision developer. From the circumstances between *St. Joseph Realty* and the *Ballado Spouses*, there is no doubt that the then National Housing Authority had jurisdiction to determine the parties' obligations under the contracts to sell and the damages that may have arisen from their breach. The *Ballado Spouses' Complaint* should have been filed before it. The National Housing Authority also had jurisdiction over the injunction and annulment of titles sought against petitioners as these were incidental to *St. Joseph Realty's* unsound business practices.

Where there is no jurisdiction over a subject matter, the judgment is rendered null and void. A void judgment has absolutely no legal effect, "by which no rights are divested, from which no rights can be obtained, which neither

binds nor bars any one, and under which all acts performed and all claims flowing out of are void." [78] Because there is in effect no judgment, *res judicata* does not apply to commencing another action despite previous adjudications already made. [79]

II

However, this Court has discussed with great nuance the legal principle enunciated in *Tijam*. Estoppel by laches bars a party from invoking lack of jurisdiction in an unjustly belated manner especially when it actively participated during trial.

Estoppel by laches has its origins in equity. It prevents a party from presenting his or her claim "when, by reason of abandonment and negligence, he [or she] allowed a long time to elapse without presenting [it]." [80] It is further elaborated by this Court in *Regalado v. Go*, [81] thus:

Laches is defined as the "failure or neglect for an unreasonable and unexplained length of time, to do that which, by exercising due diligence, could or should have been done earlier, it is negligence or omission to assert a right within a reasonable length of time, warranting a presumption that the party entitled to assert it either has abandoned it or declined to assert it." [82] (Citation omitted)

In estoppel by laches, a claimant has a right that he or she could otherwise exercise if not for his or her delay in asserting it. This delay in the exercise of the right unjustly misleads the court and the opposing party of its waiver. Thus, to claim it belatedly given the specific circumstances of the case would be unjust.

In *Tijam*, the spouses Serafm Tijam and Felicitas Tagalog (the Tijam Spouses) filed a collection case against the spouses Magdaleno Sibonghanoy and Lucia Baguio (the Sibonghanoy Spouses). The Court of First Instance of Cebu issued a writ of attachment over the Sibonghanoy Spouses' properties. It was dissolved afterwards as the Sibonghanoy Spouses and the Manila Surety and Fidelity Co., Inc. (Manila Surety), their surety, filed a counterbond. The decision on the collection case became final and executory. As collection could not be made against the Sibonghanoy Spouses, the Tijam Spouses tried to satisfy the judgment against the surety's bond. Manila Surety opposed and argued that no demand was made on it. The Court of First Instance ruled in the surety's favor. However, demand on the surety was eventually made, and the Court of First Instance issued a writ of execution. Again, Manila Surety opposed and tried to quash the writ of execution. It argued that a summary hearing was required before the writ should issue. Upon the Court of First Instance's denial to quash, Manila Surety appealed to the Court of Appeals. It assigned errors committed by the Court of First Instance in the issuance of the writ of execution but did not raise the issue of jurisdiction. The Court of Appeals affirmed the Court of First Instance's orders to execute. After Manila Surety received a copy of the Court of Appeals decision, it asked for additional time to file its motion for reconsideration. The Court of Appeals granted an extension. Instead of filing a motion for reconsideration, the surety filed a motion to dismiss raising, for the first time, the Court of First Instance's lack of jurisdiction over the subject matter of the case. As the amount involved was only P1,908.00, inferior courts, and not the Court of First Instance, had exclusive original jurisdiction over the collection case. This was mandated by Republic Act No. 296, the Judiciary Act of 1948, which came into effect a month after the Tijam Spouses filed their complaint before the Court of First Instance. [83]

This Court ruled that the surety could no longer question the Court of First Instance's jurisdiction over the subject matter due to estoppel by laches. It premised that since Manila Surety actively participated during trial and prevailed; invoking the Court of First Instance's lack of jurisdiction was a last ditch effort to absolve itself from the effects of an unfavorable judgment on appeal. On the 15-year delay before the issue on jurisdiction was raised, this Court ruled that it could have and should have been raised earlier. The surety's failure to do so was negligence on its part, "warranting a presumption that the party entitled to assert it either has abandoned it or declined to

assert it." [84] Tijam set a precedent to stop legal machinations where jurisdiction was raised at the very last minute when the parties have already gone through long years of litigation. It was not so much an issue of time than it was an issue of fairness. Though conferred by law, fairness and equity must temper the parties' bravado to raise jurisdiction when they have participated in proceedings in the lower courts or when an unfavorable judgment against them has been rendered.

The following circumstances were present in Tijam: first, there was a statutory right in favor of the claimant. Manila Surety had the right to question the Court of First Instance's jurisdiction because it was the inferior courts that had authority to try cases that involved the amount claimed. Second, the statutory right was not invoked. Manila Surety participated in the trial and execution stages. It even sought relief from the Court of Appeals without questioning the Court of First Instance's jurisdiction. Third, an unreasonable length of time had lapsed before the claimant raised the issue of jurisdiction. It was only after the Court of Appeals affirmed the Court of First Instance's order of execution did Manila Surety pursue the issue of jurisdiction. Jurisdiction over collections for the amount involved was already determined by law a month before the case was filed. Fifteen years had lapsed before the surety pointed this out. Fourth, the claimant actively participated in the case and sought affirmative relief from the court without jurisdiction. The unreasonable length of time was, therefore, inexcusable as the claimant was apprised of the prevailing law, as well as all stages of the proceeding.

Calimlim v. Hon. Ramirez [85] unequivocally ruled that it is only when the exceptional instances in Tijam are present should estoppel by laches apply over delayed claims:

A rule that had been settled by unquestioned acceptance and upheld in decisions so numerous to cite is that the jurisdiction of a court over the subject-matter of the action is a matter of law and may not be conferred by consent or agreement of the parties. The lack of jurisdiction of a court may be raised at any stage of the proceedings, even on appeal. This doctrine has been qualified by recent pronouncements which stemmed principally from the ruling in the cited case of Sibonghanoy. It is to be regretted, however, that the holding in said case had been applied to situations which were obviously not contemplated therein. The exceptional circumstance involved in Sibonghanoy which justified the departure from the accepted concept of non-waivability of objection to jurisdiction has been ignored and, instead a blanket doctrine had been repeatedly upheld that rendered the supposed ruling in Sibonghanoy not as the exception, but rather the general rule, virtually overthrowing altogether the time-honored principle that the issue of jurisdiction is not lost by waiver or by estoppel. [86]

Calimlim clarified the additional requirement that for estoppel by laches to be appreciated against a claim for jurisdiction, there must be an ostensible showing that the claimant had "knowledge or consciousness of the facts upon which it is based." [87]

Figueroa v. People of the Philippines [88] framed the exceptional character of Tijam:

The Court, thus, wavered on when to apply the exceptional circumstance in Sibonghanoy and on when to apply the general rule enunciated as early as in De La Santa and expounded at length in Calimlim. The general rule should, however, be, as it has always been, that the issue of jurisdiction may be raised at any stage of the proceedings, even on appeal, and is not lost by waiver or by estoppel. Estoppel by laches, to bar a litigant from asserting the court's absence or lack of jurisdiction, only supervenes in exceptional cases similar to the factual milieu of Tijam v. Sibonghanoy. Indeed, the fact that a person attempts to invoke unauthorized jurisdiction of a court does not estop him from thereafter challenging its jurisdiction over the subject matter, since such jurisdiction must arise by law and not by mere consent of the parties. This is especially true where the person seeking to invoke unauthorized jurisdiction of the court does not thereby secure any advantage or the adverse party does not suffer any harm. [89] (Emphasis in the original, citation omitted)

Thus, Tijam will only apply when given the circumstances of a case, allowing the belated objection to the

jurisdiction of the court will additionally cause irreparable damages, and therefore, injustice to the other party that relied on the forum and the implicit waiver.

In *Tijam*, this Court ruled that long delay in raising lack of jurisdiction is unfair to the party pleading laches because he or she was misled into believing that this defense would no longer be pursued. A delay of 15 years in raising questions on subject matter jurisdiction was appreciated by this Court as estoppel by laches.

In *Metromedia Times Corporation v. Pastorin*,^[90] this Court recognized the unfairness in allowing a party who sought affirmative relief from a tribunal and invoked its jurisdiction to later disavow the same jurisdiction upon passage of an adverse ruling. It ruled that raising lack of jurisdiction over a subject matter a little under a year since a complaint is filed does not amount to laches.

In *Figueroa*, this Court observed the injustice caused to the party pleading laches. Restoration of and reparation towards the party may no longer be accomplished due to the changes in his or her circumstances. Laches, however, was not appreciated as it was a mere four (4) years since trial began that the petitioner in that case raised the issue of jurisdiction on appeal.

In *Bernardo v. Heirs of Villegas*,^[91] this Court identified the propensity of litigants who, to exhaust the time and resources of their opponents, will plead lack of jurisdiction only when an unfavorable decision is obtained in order to re-litigate the case. The delay of 10 years in raising jurisdictional issues in that case was appreciated as laches.

In summary, *Tijam* applies to a party claiming lack of subject matter jurisdiction when:

(1)

there was a statutory right in favor of the claimant;

(2)

the statutory right was not invoked;

(3)

an unreasonable length of time lapsed before the claimant raised the issue of jurisdiction;

(4)

the claimant actively participated in the case and sought affirmative relief from the court without jurisdiction;

(5)

the claimant knew or had constructive knowledge of which forum possesses subject matter jurisdiction;

(6)

irreparable damage will be caused to the other party who relied on the forum and the claimant's implicit waiver.

Tijam applies in this case. The allegations, determinative of subject matter jurisdiction, were apparent on the face of the Complaint. The law that determines jurisdiction of the National Housing Authority had been in place for more than a decade when the Complaint was filed. St. Joseph Realty raised lack of jurisdiction in its Answer. Petitioners sought affirmative relief from the Regional Trial Court and actively participated in all stages of the proceedings. Therefore, there was no valid reason for petitioners to raise the issue of jurisdiction only now before this Court.

III

On the issue of the admissibility of the Ballado Spouses' testimonial and documentary evidence, the Amoguis Brothers argue that it was unfair to fault them for not objecting when the former's counsel started his direct examination without offering the purpose of the witnesses' testimonies. Had they done so, it would alert the Ballado Spouses' counsel of the defect. Rule 132, Sections 34 and 35 of the Rules of Court are mandatory, regardless if an opposing party timely objected. The jurisprudence relied upon by the Court of Appeals is not applicable in this case as *People of the Philippines v. Alicante*[92] was a rape case and it was the 13-year-old victim's testimony that was not offered. Meanwhile, this is a civil case. In *Alicante*, there was already a sworn statement made by the victim before she took the stand; in this case, only Francisco verified the Complaint, while Concepcion identified the documents and testified on their claims. The Regional Trial Court judge could not have known the purpose of Concepcion's testimony.[93] The Ballado Spouses, on the other hand, reiterated that timely objections should have been made.[94]

Rule 132, Sections 34 to 36 of the Rules of Court govern the manner of offering and objecting to evidence:

Section 34. Offer of evidence. — The court shall consider no evidence which has not been formally offered. The purpose for which the evidence is offered must be specified.

Section 35. When to make offer. — As regards the testimony of a witness, the offer must be made at the time the witness is called to testify.

Documentary and object evidence shall be offered after the presentation of a party's testimonial evidence. Such offer shall be done orally unless allowed by the court to be done in writing.

Section 36. Objection. — Objection to evidence offered orally must be made immediately after the offer is made.

Objection to a question propounded in the course of the oral examination of a witness shall be made as soon as the grounds therefor shall become reasonably apparent.

An offer of evidence in writing shall be objected to within three (3) days after notice of the offer unless a different period is allowed by the court.

In any case, the grounds for the objections must be specified.

Following these provisions, a witness' testimony must be offered at the start, when he or she takes the stand for the first time and before questions are propounded to him or her. Documentary or object evidence, on the other hand, must be orally offered after the presentation of a party's witnesses unless the court orders or allows that a written formal offer is filed.

All evidence must be formally offered. Otherwise, the court cannot consider them.[95] This rule ensures that judges will carry out their constitutional mandate to render decisions that clearly state the facts of cases and the applicable laws.[96] Judgments must be based "only and strictly upon the evidence offered by the parties to the suit." [97] This rule also affords parties their right to due process by examining the evidence presented by their opponent, and to object to its presentation when warranted.[98]

However, testimonial evidence not formally offered but not timely objected to by an opposing party may be still be considered by the court. The purpose of offering a witness' testimony is for the court to expertly assess whether questions propounded are relevant and material, and if the witness is competent to answer. It is to aid the court in ruling over objections made by opposing counsel. *Catuiria v. Court of Appeals*[99] was instructive:

The petition is devoid of merit. The reason for requiring that evidence be formally introduced is to enable the

court to rule intelligently upon the objection to the questions which have been asked. As a general rule, the proponent must show its relevancy, materiality and competency. Where the proponent offers evidence deemed by counsel of the adverse party to be inadmissible for any reason, the latter has the right to object. But such right is a mere privilege which can be waived. Necessarily, the objection must be made at the earliest opportunity, lest silence when there is opportunity to speak may operate as a waiver of objections.

Thus, while it is true that the prosecution failed to offer the questioned testimony when private respondent was called to the witness stand, petitioner waived this procedural error by failing to object at the appropriate time, i.e., when the ground for objection became reasonably apparent the moment private respondent was called to testify without any prior offer having been made by the proponent. Most apt is the observation of the appellate court:

While it is true that the prosecution failed to offer in evidence the testimony of the complaining witness upon calling her to testify and that it was only after her testimony and after the petitioner moved that it be stricken that the offer was made, the respondent Court did not gravely err in not dismissing the case against the petitioner on the ground invoked. For, she should have objected to the testimony of the complaining witness when it was not first offered upon calling her and should not have waited in ambush after she had already finished testifying. By so doing she did not save the time of the Court in hearing the testimony of the witness that after all according to her was inadmissible. And for her failure to make known her objection at the proper time, the procedural error or defect was waived.[100] (Citations omitted)

Catuirra also discussed that litigation is not a game of surprises. Rules of procedure and evidence are in place to ensure the smooth and speedy dispensation of cases. Where the opposing party belatedly raises the technicality that the witnesses' testimonies were not formally offered to "ambush"[101] the party presenting them, the court may not expunge or strike them out.

Under the rules, a timely objection is a remedy available to petitioners. They waived their right to this remedy when they waited until the case was submitted for resolution to do so.

The rules on examination of witnesses and objecting to them are not separate for civil and criminal cases. A witness, whether in a criminal or civil case, is presented to support and prove the allegations made by the party presenting him or her. The witness must be competent, and his or her testimony must be relevant and material. Whether the case is civil or criminal, objection or failure to offer the testimony of a witness must be made immediately.[102]

As to the Ballado Spouses' documentary evidence, the Court of Appeals was correct to consider only the contracts to sell. These were the only documents attached to the written formal offer of evidence that they filed. Hence, these documents should be considered as the only documentary evidence formally offered. When a party fails to formally offer his or her documentary or object evidence within a considerable period after the presentation of witnesses, he or she is deemed to have waived the opportunity to do so.[103] The party, therefore, as in this case, runs the risk of weakening his or her claim or defense.

IV

Petitioners argue that they are buyers in good faith, as determined by the Court of Appeals. As innocent purchasers, reconveyance is no longer a feasible option against them especially since they have introduced a multitude of improvements on the properties. They have occupied the land since 1987.[104] According to the Ballado Spouses, the Amoguis Brothers never denied that they were buyers in bad faith. They testified that they told Epifanio that they had bought the lands as the latter was destroying the fences they had put up and cut down the trees they had planted. Despite protests from the Ballado Spouses, petitioners continued introducing improvements over the properties.[105]

In their Reply, petitioners argued that the finding of good faith by the Court of Appeals can no longer be disturbed by the Ballado Spouses as they did not appeal the Court of Appeals September 26, 2008 Decision.[106]

A buyer in good faith is one who purchases and pays fair price for a property without notice that another has an interest over or right to it.[107] If a land is registered and is covered by a certificate of title, any person may rely on the correctness of the certificate of title, and he or she is not obliged to go beyond the four (4) corners of the certificate to determine the condition of the property.[108] This rule does not apply, however,

when the party has actual knowledge of facts and circumstances that would impel a reasonably cautious man to make such inquiry or when the purchaser has knowledge of a defect or the lack of title in his vendor or of sufficient facts to induce a reasonably prudent man to inquire into the status of the title of the property in litigation.[109] (Citation omitted)

The Regional Trial Court ruled that petitioners were in bad faith because they did not deny Francisco's testimony that he had informed them of his ownership when they occupied the properties. Despite this, petitioners continued to make improvements on the lands.[110] The Court of Appeals, on the other hand, made a conflicting finding. It ruled that it was St. Joseph Realty that made representations to the Amoguis Brothers and assured them that the previous buyers had abandoned their purchase of the properties. It appreciated that the Amoguis Brothers found out about the Ballado Spouses' claim only after they had bought them.[111] Due to these conflicting findings, this Court is compelled to review whether respondents were bad faith purchasers.[112]

It is incumbent upon a buyer to prove good faith should he or she assert this status. This burden cannot be discharged by merely invoking the legal presumption of good faith.[113] This Court rules that based on the evidence on record, petitioners failed to discharge this burden. Though they were informed by Francisco on his claim to the properties only after their purchase, it is undisputed from the records that mango and chico trees were planted on the properties, and that they were cordoned off by barbed wires. St. Joseph Realty also informed them that there were previous buyers, who allegedly abandoned their purchase. To merely claim that they were buyers in good faith, absent any proof, does not make the case for them.

The Regional Trial Court found that petitioners were in bad faith. However, it did not order their solidary liability with St. Joseph Realty. It ordered damages, attorney's fees, and the cost of suit to be borne by St. Joseph Realty alone. The modification in this regard made by the Court of Appeals was, therefore, superfluous.

WHEREFORE, the Petition for Review is DENIED. The Court of Appeals' September 26, 2008 Decision and August 7, 2009 Resolution in CA-G.R. CV No. 73758-MIN are hereby AFFIRMED.

SO ORDERED.

Leonardo-De Castro (Chairperson), Bersamin, Reyes, Jr., and Gesmundo, JJ., concur.

[1] Magno v. People of the Philippines, 662 Phil. 726, 735 (2011) [Per J. Brion, Third Division], citing Machado v. Gatdula, 626 Phil. 457 (2010) [Per J. Brion, Second Division].

[2] 131 Phil. 556 (1968) [Per J. Dizon, En Banc].

[3] Magno v. People of the Philippines, 662 Phil. 726, 735 (2011) [Per J. Brion, Third Division], citing Machado v. Gatdula, 626 Phil. 457 (2010) [Per J. Brion, Second Division].

[4] See Republic v. Bantigue Development Corporation, 684 Phil. 192 (2012) [Per J. Sereno, Second Division]; Frianela v. Banayad, Jr., 611 Phil. 765 (2009) [Per J. Nachura, Third Division].

[5] Rollo, pp. 92-92-A.

[6] Id. at 93-93-A.

[7] Id. at 92 and 93.

[8] Id. at 92.

[9] Id. at 93.

[10] Id. at 87.

[11] Id. at 99.

[12] Id. at 92-A.

[13] Id. at 109.

[14] Id. at 110.

[15] Id. at 108.

[16] Id. at 112.

[17] Id.

[18] Id.

[19] Id. at 110

[20] Id.

[21] Id. at 106-107.

[22] Id. at 112.

[23] Id. at 107.

[24] Id. at 86-91.

[25] Id. at 89.

[26] Id. at 99-102.

[27] Id. at 101.

[28] Id. at 94-98.

[29] Id. at 106.

[30] Id. In the trial court's decision, it noted that trial commenced "after so many postponements by the parties."

[31] Id. at 107-108. A portion of St. Joseph Realty's rescission letter stated, "If you desire to seek reconsideration of the notice of rescission, please see us in our office within ten days from your receipt of this letter and file your request in writing."

[32] Id. at 108.

[33] Id. at 109.

[34] Id. at 114.

[35] Id. at 111-3.

[36] Id. 112-113.

[37] Id. at 113.

[38] Id. at 16.

[39] Id.

[40] Id. at 56-83. The Decision, docketed as CA-G.R. CV No. 73758-MIN, was penned by Associate Justice Rodrigo F. Lim, Jr. and concurred in by Associate Justices Michael P. Elbinias and Ruben C. Ayson of the Twenty-Third Division, Court of Appeals, Cagayan de Oro City.

[41] Id. at 104-115. The Decision, docketed as Civil Case No. 3687, was penned by Pairing Judge Jose S. Majaducon of Branch 22, Regional Trial Court, General Santos City.

[42] Id. at 82-83.

[43] Id. at 66-67.

[44] Id. at 68.

[45] 320 Phil. 344 (1995) [Per J. Kapunan, First Division].

[46] Id. at 350.

[47] 388 Phil. 233 (2000) [Per Curiam, En Banc].

[48] Id. at 245.

[49] Rollo, pp. 73-75.

[50] 209 Phil. 523 (1983) [Per J. Melencio-Herrera, First Division].

[51] Rollo, pp. 77-78.

[52] Rep. Act No. 6552, sec. 3 provides:

Section 3. In all transactions or contracts involving the sale or financing of real estate on installment payments, including residential condominium apartments but excluding industrial lots, commercial buildings and sales to tenants under Republic Act Numbered Thirty-eight hundred forty-four, as amended by Republic Act Numbered Sixty-three hundred eighty-nine, where the buyer has paid at least two years of installments, the buyer is entitled to the following rights in case he defaults in the payment of succeeding installments:

(a) To pay, without additional interest, the unpaid installments due within the total grace period earned by him, which is hereby fixed at the rate of one month grace period for every one year of installment payments made: Provided, That this right shall be exercised by the buyer only once in every five years of the life of the contract and its extensions, if any.

(b) If the contract is cancelled, the seller shall refund to the buyer the cash surrender value of the payments on the property equivalent to fifty per cent of the total payments made and, after five years of installments, an additional five per cent every year but not to exceed ninety per cent of the total payments made: Provided, That the actual cancellation of the contract shall take place after thirty days from receipt by the buyer of the notice of cancellation

or the demand for rescission of the contract by a notarial act and upon full payment of the cash surrender value to the buyer.

Down payments, deposits or options on the contract shall be included in the computation of the total number of installment payments made.

[53] 301 Phil. 678 (1994) [Per J. Quiason, En Banc].

[54] Rollo, pp. 78-79.

[55] Id. at 79.

[56] Id. at 79-80.

[57] Id. at 81-82.

[58] Id. at 84-85. The Resolution was penned by Associate Justice Rodrigo F. Lim, Jr. and concurred in by Associate Justices Michael P. Elbinias and Ruben C. Ayson of the Former Twenty-Third Division, Court of Appeals, Cagayan de Oro City.

[59] Id. at 40.

[60] Id. at 47.

[61] Id. at 130.

[62] Pres. Decree No. 957, sec. 7.

[63] Approved on April 2, 1978.

[64] Approved on August 26, 1972.

[65] *Mitsubishi Motors v. Bureau of Customs*, 760 Phil. 954, 960 (2015) [Per J. Perlas-Bernabe, First Division]; *De Joya v. Judge Marquez*, 516 Phil. 717, 723-724 (2006) [Per J. Azcuna, Second Division].

[66] *Magno v. People of the Philippines*, 662 Phil. 726, 735 (2011) [Per J. Brion, Third Division], citing *Machado v. Gatdula*, 626 Phil. 457 (2010) [Per J. Brion, Second Division].

[67] *Padlan v. Dinglasan*, 707 Phil. 83, 91 (2013) [Per J. Peralta, Third Division].

[68] *Fort Bonifacio Development Corporation v. Domingo*, 599 Phil. 554, 561 (2009) [Per J. Chico-Nazario, Third Division].

[69] *City of Dumaguete v. Philippine Ports Authority*, 671 Phil. 610, 629 (2011) [Per J. Leonardo-De Castro, First Division].

[70] Exec. Order No. 648 (1981) transferred the regulatory and quasi-judicial functions of the National Housing Authority to the Human Settlements Regulatory Commission. Executive Order No. 90 dated December 17, 1986, the renamed the Human Settlements Regulatory Commission to the Housing and Land Use Regulatory Board.

[71] 237 Phil. 389 (1987) [Per J. Feliciano, En Banc].

[72] 257 Phil. 914 (1989) [Per J. Cruz, First Division].

[73] Batas Blg. 129, sec. 19 provides:

Section 19. Jurisdiction in civil cases. — Regional Trial Courts shall exercise exclusive original jurisdiction:

(1) In all civil actions in which the subject of the litigation is incapable of pecuniary estimation;

(2) In all civil actions which involve the title to, or possession of, real property, or any interest therein, where the assessed value of the property involved exceeds Twenty thousand pesos (P20,000.00) or for civil actions in Metro Manila, where such the value exceeds Fifty thousand pesos (P50,000.00) except actions for forcible entry into and unlawful detainer of lands or buildings, original jurisdiction over which is conferred upon Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts;

....

(8) In all other cases in which the demand, exclusive of interest and cost or the value of the property in controversy, amounts to more than twenty thousand pesos (P20,000.00). * Before amendment by Republic Act No. 7691.

[74] *Solid Homes v. Payawal*, 257 Phil. 914, 918-920 (1989) [Per J. Cruz, First Division].

[75] *Id.*

[76] 302 Phil. 324 (1994) [Per J. Davide, Jr., First Division].

[77] See *Francel Realty Corporation v. Sycip*, 506 Phil. 407 (2005) [Per J. Panganiban, Third Division]; *Roxas v. Court of Appeals*, 439 Phil. 966 (2002) [Per J. Quisumbing, Second Division].

[78] *Arevalo v. Benedicto*, 157 Phil. 175, 181 (1974) [Per J. Antonio, Second Division].

[79] *Hilado v. Chavez*, 482 Phil. 104 (2004) [Per J. Callejo, Second Division].

[80] *International Banking Corp. v. Yared*, 59 Phil. 72, 92 (1933) [Per J. Villareal, First Division].

[81] 543 Phil. 578, 598 (2007) [Per J. Chico-Nazario, Third Division].

[82] *Id.* at 598.

[83] *Magno v. People of the Philippines*, 662 Phil. 726, 735 (2011) [Per J. Brion, Third Division], citing *Machado v. Gatdula*, 626 Phil. 457 (2010) [Per J. Brion, Second Division].

[84] *Id.*

[85] 204 Phil. 25 (1982) [Per J. Vasquez, First Division].

[86] *Id.* at 34-35.

[87] *Id.* at 36.

[88] 580 Phil. 58 (2008) [Per J. Nachura, Third Division].

[89] *Id.* at 76.

[90] 503 Phil. 288 (2005) [Per J. Tinga, Second Division].

[91] 629 Phil. 450 (2010) [Per J. Perez, Second Division].

[92] 388 Phil. 233 (2000) [Per Curiam, En Banc].

[93] *Rollo*, pp. 48-49.

[94] Id. at 131.

[95] *Heirs of Pasag v. Spouses Parocha*, 550 Phil. 571, 581 (2007) [Per J. Velasco, Jr., Second Division].

[96] CONST., art. VIII, sec. 14 provides:

Section 14. No decision shall be rendered by any court without expressing therein clearly and distinctly the facts and the law on which it is based.

[97] *People of the Philippines v. Franco*, 336 Phil. 206, 210 (1997) [Per J. Francisco, Third Division] citing 6 *Comments on the Rules of Court* 123 (1980 ed.), *U.S. v. Solaña*, 33 Phil. 582 (1916) [Per J. Carson, First Division] and *Dayrit v. Gonzalez*, 7 Phil. 182 (1906) [Per J. Tracey, En Banc].

[98] *Republic of the Philippines v. Gimenez*, 776 Phil. 233, 256 (2016) [Per J. Leonen, Second Division].

[99] 306 Phil. 424 (1994) [Per J. Bellosillo, First Division].

[100] Id. at 426-427.

[101] Id.

[102] RULES OF COURT, Rule 132, sec. 36.

[103] *Constantino v. Court of Appeals*, 332 Phil. 68 (1996) [Per J. Bellosillo, First Division].

[104] *Rollo*, pp. 51-52.

[105] Id. at 131.

[106] Id. at 144-145.

[107] *Hemedes v. Court of Appeals*, 374 Phil. 692, 719-720 (1999) [Per J. Gonzaga-Reyes, Third Division].

[108] Id.

[109] *Sigaya v. Mayuga*, 504 Phil. 600, 614 (2005) [Per J. Austria-Martinez, Second Division].

[110] *Rollo*, p. 113.

[111] Id. at 81-82

[112] *Pascual v. Burgos*, 116 Phil. 167 (2016) [Per J. Leonen, Second Division].

[113] *Potenciano v. Reynoso*, 449 Phil. 396, 410 (2003) [Per J. Panganiban, Third Division].

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