Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

BERNADETTE IDA ANG HIGA,
Petitioner,

- versus -

PEOPLE OF THE PHILIPPINES,
Respondent.

G.R. No. 185473

Present:

VELASCO, JR., *J.*,
Chairperson,
PERALTA,
PEREZ,
REYES, and
JARDELEZA, *JJ.*

Promulgated:

August 17, 2016

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DECISION

REYES, *J.*:

Before the Court is a Petition for Review on *Certiorari*[1] under Rule 45 of the Rules of Court assailing the Decision[2] dated July 30, 2008 and the Resolution[3] dated November 5, 2008 of the Court of Appeals (CA) in CA-G.R. CR No. 30242, which affirmed the Decision[4] dated December 22, 2005 of the Regional Trial Court (RTC) of Las Piñas City, Branch 202, in Criminal Case No. 05-1001-51, finding Bernadette Ida Ang Higa (petitioner) guilty beyond reasonable doubt of fifty-one (51) counts of violation of Batas Pambansa Bilang 22 (B.P. Blg. 22), otherwise known as the Bouncing Checks Law.

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1 *Rollo*, pp. 9-17.

2 Penned by Associate Justice Pampio A. Abarintos, with Associate Justices Edgardo F. Sundiam and Arturo G. Tayag concurring; CA *rollo*, pp. 132-143.

3 Id. at 154-155.

4 Rendered by Judge Elizabeth Yu Guray; id. at 43-52.

The Facts

The records of the case showed that the private complainant, Ma. Vicia Carullo (Carullo), is a manufacturer and seller of jewelry while the petitioner was her former customer who later became her dealer.[5]

For the period of April to November 1996, Carullo delivered numerous pieces of jewelry to the petitioner for the latter to sell. The petitioner returned those items that were not sold, and as security for the payments of those items that were eventually sold, the petitioner gave Carullo a total of fifty-one (51) post-dated checks. However, when the subject checks were deposited on their respective due dates, they were dishonored on the ground that they were drawn against a closed account.[6]

Thereafter, Carullo notified and sent demand letters to the petitioner who then asked for time to settle her account by replacing the subject checks with cash. However, the petitioner did not make good of her promise so Carullo filed the cases against her.[7]

During the trial, the delivery receipts were submitted to prove that the subject checks were issued with valuable consideration in favor of Carullo. The representatives of Metrobank in Las Piñas City Branch and B.F. Homes, Parañaque City, Aguirre Branch were also presented and they testified that, based on the record of their banks, the subject checks were dishonored for the reason that they were drawn against a closed account. They said that the accounts of the petitioner in their respective branches were closed because she mishandled them.[8]

For her part, the petitioner alleged that there was lack of consideration and that she already paid the subject checks. However, she failed to prove her claim since she was not able to finish her testimony and did not present any piece of evidence to disprove the evidence against her.[9]

In the Joint Decision[10] dated May 23, 2005 of the Metropolitan Trial Court (MeTC) of Las Piñas City, Branch 79, the petitioner was found guilty beyond reasonable doubt of 51 counts of violation of B.P. Blg. 22. The dispositive portion of the decision reads:

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5 Id. at 133.
6 Id.
7 Id. at 133-134.
8 Id. at 134.
9 Id.
10 Rendered by Judge Ester Tuazon-Villarin; id. at 19-29.

> WHEREFORE PREMISES CONSIDERED, the prosecution having sufficiently proved the offense charged against the [petitioner] in the instant cases, the Court finds [the petitioner] guilty beyond reasonable doubt of 51 counts of Violation of [B.P.] Blg. 22 alleged in the Informations of the above-entitled cases, and pursuant to Section 1 of the aforesaid law, there being no mitigating nor aggravating circumstances, hereby sentences [the petitioner] to pay the fine, as follows:
>
> x x x x
>
> or in the total amount of SIX MILLION NINETY-THREE THOUSAND FIVE HUNDRED FIFTY PESOS (P6,093,550.00), with subsidiary imprisonment in case of insolvency, to suffer an imprisonment of one (1) year of *prision correccional*, to pay [Carullo] the amount of SIX MILLION FOUR HUNDRED FIFTY THOUSAND TWO HUNDRED SIXTY (P6,450,260.00) PESOS representing the amount of the fifty-one (51) bounced checks, subjects of the instant cases, and to pay the costs.
>
> Since there is no agreement in writing as to the payment of interest, the court cannot grant the same.
>
> SO ORDERED.[11]

On appeal, the RTC Decision[12] dated December 22, 2005 modified the MeTC decision, by sentencing the petitioner to suffer imprisonment of one (1) year of *prision correccional* for each count of violation of B.P. Blg. 22 and to pay a fine in the total amount of ₱6,093,550.00 with subsidiary imprisonment in case of insolvency or non-payment, to wit:

> WHEREFORE, in view of the foregoing premises, the appeal filed by [the petitioner] is hereby DENIED for lack of merit, however, the Joint Decision, dated May 23, 2005, of the [MeTC], Branch 79, Las Piñas City is hereby **MODIFIED** in so far as the penalty imposed is concerned, to wit: [the petitioner] is sentenced to suffer imprisonment of one (1) year of prision correccional for **each** count of Violation of B.P. [Blg.] 22 and to pay a fine in the aggregate sum of SIX MILLION NINETY-THREE THOUSAND FIVE HUNDRED FIFTY PESOS (P6,093,550.00) with subsidiary imprisonment in case of insolvency or non-payment pursuant to Article 39 of the Revised Penal Code.
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> SO ORDERED.[13]

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11 Id. at 27-29.
12 Id. at 43-52.
13 Id. at 52.

Aggrieved, the petitioner filed a motion for reconsideration[14] on February 7, 2006 with the RTC, but it was denied in its Order[15] dated June 15, 2006 for lack of merit. Thereafter, the petitioner filed a Petition for Review[16] under Rule 42 of the Rules of Court with the CA.

All the same, on July 30, 2008, the CA Decision[17] denied the petition and affirmed the RTC decision.

Undeterred, the petitioner filed a motion for reconsideration[18] on August 19, 2008, but it was denied in the CA Resolution[19] dated November 5, 2008. Hence, this petition.

The Issue Presented

The main issue to be resolved is whether the penalty imposed by the RTC and affirmed by the CA, sentencing the petitioner with imprisonment of one (1) year of *prision correccional* for each count of violation of B.P. Blg. 22, is proper.

Ruling of the Court

The petition is meritorious.

To begin with, there is no doubt that the petitioner committed violations of B.P. Blg. 22 and the petitioner does not dispute the judgment of the lower courts finding her guilty as charged. However, she assails the penalty of imprisonment of one (1) year of *prision correccional* for each count of violation of B.P. Blg. 22 or a total of 51 years imposed upon her.

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14 Id. at 58-61.
15 Id. at 62.
16 Id. at 10-17.
17 Id. at 132-143.
18 Id. at 144-146.
19 Id. at 154-155.

While the Court sustains the conviction of the petitioner, it is appropriate to modify the penalty of imprisonment that was imposed since it is out of the range of the penalty prescribed in Section 1[20] of B.P. Blg. 22 and in view of Administrative Circular (A.C.) No. 12-2000,[21] which provides:

> Section 1 of B.P. Blg. 22 (*An Act Penalizing the Making or Drawing and Issuance of a Check Without Sufficient Funds for Credit and for Other Purposes*) imposes the penalty of imprisonment of not less than thirty (30) days but not more than one (1) year or a fine of not less than but not more than double the amount of the check, which fine shall in no case exceed P200,000[.00], or both such fine and imprisonment at the discretion of the court.

The underlying principle behind A.C. No. 12-2000 was established by the Court in its ruling in *Vaca v. CA*[22] and *Lim v. People of the Philippines.*[23] In these cases, the Court held that "it would best serve the ends of criminal justice if, in fixing the penalty to be imposed for violation of B.P. [Blg.] 22, the same philosophy underlying the Indeterminate Sentence Law is observed, *i.e.* that of redeeming valuable human material and preventing unnecessary deprivation of personal liberty and economic usefulness with due regard to the protection of the social order."[24]

In A.C. No. 13-2001,[25] clarifications have been made as to queries regarding the authority of Judges to impose the penalty of imprisonment for violations of B.P. Blg. 22. The Court explained that the clear tenor and intention of A.C. No. 12-2000 is not to remove imprisonment as an alternative penalty, but to lay down a rule of preference in the application of the penalties provided for in B.P. Blg. 22.[26] The Court was emphatic in clarifying that it is not the Court's intention to decriminalize violation of B.P. Blg. 22 or to delete the alternative penalty of imprisonment. The rule of preference provided in A.C. No. 12-2000 does not foreclose the

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[20] Sec. 1. *Checks without sufficient funds.* - Any person who makes or draws and issues any check to apply on account or for value, knowing at the time of issue that he does not have sufficient funds in or credit with the drawee bank for the payment of such check in full upon its presentment, which check is subsequently dishonored by the drawee bank for insufficiency of funds or credit or would have been dishonored for the same reason had not the drawer, without any valid reason, ordered the bank to stop payment, shall be punished by imprisonment of not less than thirty days but not more than one (1) year or by a fine of not less than but not more than double the amount of the check which fine shall in no case exceed Two Hundred Thousand Pesos, or both such fine and imprisonment at the discretion of the court.

x x x x

[21] RE: PENALTY FOR VIOLATION OF B.P. BLG. 22. Issued on November 21, 2000.

[22] 359 Phil. 187 (1998).

[23] 394 Phil. 844 (2000).

[24] *Tan v. Mendez, Jr.*, 432 Phil. 760, 772-773 (2002).

[25] SUBJECT: CLARIFICATION OF ADMINISTRATIVE CIRCULAR NO. 12-2000 ON THE PENALTY FOR VIOLATION OF BATAS PAMBANSA BLG. 22, OTHERWISE KNOWN AS THE BOUNCING CHECK LAW. Issued on February 14, 2001.

[26] *Julie S. Sumbilla v. Matrix Finance Corporation*, G.R. No. 197582, June 29, 2015.

possibility of imprisonment for violators of B.P. Blg. 22, neither does it defeat the legislative intent behind the law.[27]

To reiterate, A.C. No. 12-2000 merely establishes a rule of preference in the application of the penal provisions of B.P. Blg. 22, and Section 1 thereof imposes the following alternative penalties for its violation, to wit: (a) imprisonment of not less than 30 days but not more than one year; or (b) a fine of not less than but not more than double the amount of the check which fine shall in no case exceed ₱200,000[.00]; or (c) both such fine and imprisonment at the discretion of the court.[28]

There is an array of cases where this Court merely imposes fine rather than both fine and imprisonment. In *Lee v. CA*,[29] the Court ruled that the policy laid down in the cases of *Vaca* and *Lim* with regard to redeeming valuable human material and preventing unnecessary deprivation of personal liberty and economic usefulness, should be considered in favor of the accused who is not shown to be a habitual delinquent or a recidivist.[30] Said doctrines squarely apply in the instant case there being no proof or allegation that the petitioner is not a first time offender.

Moreover, the lower courts should have considered that the penalty of imprisonment must be graduated or proportionate to the amount of the check rather than imposing the same penalty of one year of *prision correccional* for the check that bounced amounting to ₱7,600.00 and the one for ₱200,000.00. Thus, a guilty person who issued a worthless check of lesser amount could be imprisoned for the same term as that of a guilty person who issued one worth millions. "Justice demands that crime be punished and that the penalty imposed to be commensurate with the offense committed."[31]

Indeed, the imposition by the RTC, as affirmed by the CA, of imprisonment of one year of *prision correccional* for each count of violation of B.P. Blg. 22 resulting in a total of 51 years is too harsh taking into consideration the fact that the petitioner is not a recidivist, and that past transactions show that the petitioner had made good in her payment. It cannot be gainsaid that what is involved here is the life and liberty of the petitioner. If her penalty of imprisonment remains uncorrected, it would not be conformable with law and she would be made to suffer the penalty of imprisonment of 51 years, which is outside the range of the penalty prescribed by law; thus, the penalty imposed upon the petitioner should be duly corrected.

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27 A.C. No. 13-2001, paragraph (3).

28 *Tan v. Mendez, Jr.*, supra note 24, at 772.

29 489 Phil. 420 (2005).

30 Id. at 443.

31 *See* Associate Justice Presbitero J. Velasco, Jr.'s Dissenting Opinion in *People v. Temporada*, 594 Phil. 680, 762 (2008).

"An appeal in a criminal case throws the entire case for review and it becomes our duty to correct any error, as may be found in the appealed judgment, whether assigned as an error or not."[32] Accordingly, the Court finds that the penalty of imprisonment imposed by the lower courts should be modified to six (6) months for each count of violations of B.P. Blg. 22. Furthermore, the total amount of the subject checks which corresponds to the pieces of jewelry that was given and guaranteed to be sold by the petitioner should also be returned to Carullo. Lastly, considering that the lower courts failed to award interest on the amount due to Carullo, it is but proper to grant interest at the rate of six percent (6%) *per annum* reckoned from the date of finality of this Decision until fully paid.[33]

WHEREFORE, the petition is **PARTLY GRANTED**. The Decision dated July 30, 2008 and the Resolution dated November 5, 2008 of the Court of Appeals in CA-G.R. CR No. 30242, finding petitioner Bernadette Ida Ang Higa **GUILTY** beyond reasonable doubt of fifty-one (51) counts of violation of Batas Pambansa Bilang 22, are **AFFIRMED** with the following **MODIFICATIONS**:

(a) Bernadette Ida Ang Higa is hereby sentenced to a penalty of six (6) months imprisonment for each count, to be served in accordance with the limitation prescribed in paragraph (4),[34] Article 70 of the Revised Penal Code;

(b) Bernadette Ida Ang Higa is ORDERED to indemnify Ma. Vicia Carullo the amount of the checks in their totality, or in the amount of Six Million Ninety-Three Thousand Five Hundred Fifty Pesos (₱6,093,550.00); and

(c) All the monetary award shall earn interest at the legal rate of six percent (6%) *per annum* from the date of finality of this Decision until fully paid.

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32 *Lee v. CA*, supra note 29, at 443.

33 *People v. Cabungan*, 702 Phil. 177, 190 (2013).

34 Art. 70. *Successive service of sentences; exception.* – x x x.

x x x x

Notwithstanding the provisions of the rule next preceding, the maximum duration of the convict's sentence shall not be more than three-fold the length of time corresponding to the most severe of the penalties imposed upon him. No other penalty to which he may be liable shall be inflicted after the sum total of those imposed equals the same maximum period.

Such maximum period shall in no case exceed forty years.

x x x x

SO ORDERED.

BIENVENIDO L. REYES
Associate Justice

WE CONCUR:

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

DIOSDADO M. PERALTA
Associate Justice

JOSE PORTUGAL PEREZ
Associate Justice

FRANCIS H. JARDELEZA
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARIA LOURDES P. A. SERENO
Chief Justice

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WILFREDO V. LAPITAN
Division Clerk of Court
Third Division
SEP 20

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WILFREDO V. LAPITAN
Division Clerk of Court
Third Division
SEP 28 2016

Republic of the Philippines
Supreme Court
Manila

SEP 29 2016

THIRD DIVISION

SPOUSES LOLITA ORENCIA AND PEDRO D. ORENCIA,
Petitioners,

G.R. No. 190143

-versus-

FELISA CRUZ VDA. DE RANIN, represented by her Attorney-in-Fact, Mrs. Estela C. Tanchoco,
Respondent.

x----------/

September 26, 2016

NOTICE OF JUDGMENT

Sirs / Mesdames:

Please take notice that on **August 10, 2016** a Decision, copy attached hereto, was rendered by the Supreme Court in the above-entitled case, the original of which was received by this Office on September 26, 2016 at 2:05 p.m.

Very truly yours,

WILFREDO V. LAPITAN
Division Clerk of Court

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The Presiding Judge
Regional Trial Court
Branch 73, 1870 Antipolo City
(Civil Case No. 08-749)

The Presiding Judge
Municipal Trial Court
Taytay, 1920 Rizal
(Civil Case No. 1904)

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Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

SPOUSES LOLITA ORENCIA AND PEDRO D. ORENCIA, Petitioners,	**G.R. No. 190143** Present:
- versus -	VELASCO, JR., *J.*, *Chairperson*, PERALTA, PEREZ, REYES, and JARDELEZA, *JJ.*
FELISA CRUZ VDA. DE RANIN, represented by her Attorney-in-Fact, Mrs. Estela C. Tanchoco, Respondent.	Promulgated: August 10, 2016

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DECISION

REYES, *J.*:

Assailed in this petition for review on *certiorari*[1] under Rule 45 of the Rules of Court are the Decision[2] dated August 27, 2009 and Resolution[3] dated November 6, 2009 of the Court of Appeals (CA) in CA-G.R. SP No. 106081, which reversed and set aside the Decision[4] dated July 10, 2008 of the Regional Trial Court (RTC) of Antipolo City, Branch 73, in Civil Case No. 08-749 and the Judgment[5] dated November 16, 2007 of the Municipal Trial Court (MTC) of Taytay, Rizal, in Civil Case No. 1904.

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1 *Rollo*, pp. 3-22.

2 Penned by Associate Justice Myrna Dimaranan Vidal, with Associate Justices Jose C. Mendoza (now a Member of this Court) and Jane Aurora C. Lantion concurring; id. at 24-32.

3 Id. at 34-35.

4 Rendered by Judge Ronaldo B. Martin; id. at 36-38.

5 Rendered by Judge Wilfredo V. Timola; id. at 39-41.

The Facts

This petition stemmed from a Complaint[6] for Unlawful Detainer with Damages over Door No. 4 (formerly known as Apartment C) of No. 2 Tanchoco Avenue, El Monteverde Subdivision, Taytay, Rizal, filed by Feliza Cruz Vda. De Ranin (respondent), represented by her sister, Mrs. Estela C. Tanchoco, against Spouses Lolita Orencia (Lolita) and Pedro Orencia (petitioners).

The records showed that the petitioners had been occupying Door No. 4 of the seven-door apartment and lot which is registered under the name of the respondent as evidenced by Transfer Certificate of Title (TCT) No. 514491[7] and Tax Declarations (TD) No. TY 004-13393[8] and No. 00-TY-004-5912.[9]

In her complaint, the respondent alleged that the petitioners stopped and failed to pay the monthly rental on the subject property starting April 15, 2005. On April 24, 2006, the respondent, through counsel, sent to the petitioners a formal letter of demand to vacate,[10] which was received by the petitioners' representative in the subject property on May 2, 2006 as certified by the Postmaster of the Philippine Postal Corporation of Taytay, Rizal. The respondent also referred the matter to the barangay for conciliation proceedings. However, despite the demand to vacate and referral to the barangay, the petitioners continuously refused to vacate the subject property. Consequently, since no conciliation was agreed upon, a Certification to File Action[11] was issued.[12]

On August 8, 2006, the respondent filed a complaint for unlawful detainer case against the petitioners. However, despite the summons[13] being served, the petitioners failed to file their answer. Consequently, on September 11, 2006, the respondent filed a Motion for Judgment[14] which was set for hearing on October 6, 2006. On the same date, the petitioners appeared and the MTC received a copy of their answer. The petitioners were then ordered to file a comment on the respondent's motion. Thereafter, the MTC denied the respondent's

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6 Id. at 76-79.
7 Id. at 83.
8 Id. at 84-85.
9 Id. at 86-87.
10 Id. at 88.
11 Id. at 89.
12 Id. at 77.
13 Id. at 92.
14 Id. at 90.

motion and ordered the parties to file their respective position papers.[15]

For her part, Lolita filed her Answer with Counterclaim[16] and alleged that: (1) there was no cause of action; (2) the respondent does not have the authority to institute an action; (3) there was no prior conciliation proceeding between the parties; and (4) there was no prior demand to vacate.[17]

On November 16, 2007, the MTC rendered its Judgment[18] in favor of the petitioners. The MTC dismissed the complaint on the grounds of lack of cause of action and lack of personality to sue by the respondent. The MTC ruled that:

> After a careful study of the evidence of the [respondent], it was established that the property occupied by [Lolita] where she is sought to be ejected by the [respondent] does not belong to [the respondent], but to certain Lea Liza Cruz Ranin, who authorized her to occupy the same; that there was no evidence presented by the [respondent] that Lea Liza de Ranin and [the respondent] refer to one and the same person; that in the absence of proof to that effect the court cannot make a conclusion that [the respondent] and Lea Liza Cruz de Ranin are one and the same person.[19]

Aggrieved, the respondent filed an appeal before the RTC. However, on July 10, 2008, the RTC affirmed the MTC judgment in its entirety.[20] According to the RTC:

> Even if we look into the relevance of [the respondent's] evidence x x x which tend to prove her claim of ownership over the property in question, they instead gave her away. While TCT No. 514491 is in the name of [the respondent], [TD] No. TY 004-13393 is in the name of a certain Lea Liza Cruz Ranin. A close scrutiny of the said [TD] shows that it is the only one which has an apartment as improvement. The other [TD] ([TD] No. 00-TY-004-5912, x x x) in the name of [the respondent] indicates no improvement at all. The court *a quo* is quite correct when it found that the property in question does not belong to [the respondent] but to a certain Lea Liza Cruz Ranin. The land might be owned by [the respondent] and the improvement thereon might belong to Lea Liza Cruz Ranin as suggested by the evidence on hand. According to the decision of the court below, it

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15 Id. at 39.
16 Id. at 93-96.
17 Id. at 94.
18 Id. at 39-41.
19 Id. at 40.
20 Id. at 36-38.

> was Lea Liza Cruz Ranin who authorized [Lolita] to occupy the premises in question.[21]

On appeal,[22] the CA, in its Decision[23] dated August 27, 2009, reversed and set aside the MTC and RTC decisions, and ordered the petitioners to vacate the subject property. In overturning the trial courts' rulings, the CA held that the respondent's complaint adequately made out a case of unlawful detainer as the latter pointed out in her complaint that despite the letter of demand and the barangay certification, the petitioners failed and refused to vacate the subject property as well as to pay the monthly rentals. The CA emphasized that the only issue to be resolved in the instant unlawful detainer case is who has the better right of possession over the subject property. According to the CA, the documents adduced by the respondent to support her claim, specifically TCT No. 514491 registered in her name, sufficiently proved that she has a better right of possession over the subject property.

Upset by the foregoing disquisition, the petitioners moved for reconsideration[24] but it was denied by the CA in its Resolution[25] dated November 6, 2009. Hence, the present petition for review on *certiorari*.

The Issue

Whether the respondent has the right of physical possession of the subject property.

Ruling of the Court

The petition is bereft of merit.

To begin with, it is perceptible from the arguments of the petitioners that they are calling for the Court to reassess the evidence presented by the parties. The petitioners are, therefore, raising questions of fact beyond the ambit of the Court's review. In a petition for review under Rule 45 of the Rules of Court, the jurisdiction of the Court in cases brought before it from the CA is limited to the review and revision of errors of law allegedly

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21 Id. at 37.
22 Id. at 56-64.
23 Id. at 24-32.
24 Id. at 42-44.
25 Id. at 34-35.

committed by the appellate court.[26] However, the conflicting findings of fact and rulings of the MTC and the RTC on one hand, and the CA on the other, compel this Court to revisit the records of this case. But even if the Court were to re-evaluate the evidence presented, considering the divergent positions of the courts below, the petition would still fail.

The petitioners' arguments are summarized as follows: (1) the respondent has no cause of action or personality to sue because she is not the owner of the subject property; (2) there were badges of fraud as evidenced by TD No. TY 004-13393 which is in the name of one Lea Liza Cruz Ranin (Lea Liza); (3) they did not personally receive the demand letter which was merely received by a certain Jonalyn Jovellano; (4) the filing of the case is premature as there was no prior conciliation proceedings between the parties before the barangay; and (5) the complaint is a case for quieting of title and/or recovery of possession.[27]

In the main, the crux of the petitioners' argument focuses only on the assumption that just because the respondent is not the owner of the subject property, then she has no right to its possession.

The facts and the issues surrounding this petition are no longer novel since a catena of cases involving the question of who has a better right of physical possession over a property in an unlawful detainer case has already come before the Court.

Unlawful detainer is an action to recover possession of real property from one who unlawfully withholds possession after the expiration or termination of his right to hold possession under any contract, express or implied. "The possession of the defendant in an unlawful detainer case is originally legal but becomes illegal due to the expiration or termination of the right to possess. The sole issue for resolution 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. When the defendant, however, 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."[28]

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26 *Tong v. Go Tiat Kun*, G.R. No. 196023, April 21, 2014, 722 SCRA 623, 632-633.

27 *Rollo*, pp. 12-13.

28 *Go v. Looyuko, et al.*, 713 Phil. 125, 131 (2013).

Guided by the foregoing norms, the allegations of the respondent's complaint made out a case of unlawful detainer based on the petitioners' refusal to vacate the subject property which is Door No. 4. The cause of action was to recover possession of the subject property, on account of the petitioners' alleged non-payment of rentals and failure to comply with the respondent's demand to vacate the subject property. Indeed, the possession of the petitioners, although lawful at its commencement, became unlawful upon its non-compliance with the respondent's demand to pay its obligation and to vacate the subject property.

To summarize, the respondent claims that: (1) she is the registered owner of the subject property; (2) the petitioners are renting Door No. 4 of the subject property; (3) the petitioners failed to pay the monthly rental starting April 15, 2005; and (4) a demand letter to vacate the subject property and to pay the rental dues was sent to the petitioners, but the latter refused to do so.

In the instant case, the position of the petitioners is that the respondent cannot oust them from the subject property because the latter is not the owner of the same. They allege that they constructed and built their own house in the land that they occupied in the concept of an owner/possessor.[29] They also claim that it was Lea Liza who authorized them to occupy the subject property.[30]

The respondent, however, rebuts this claim by contending that the subject property is registered under her name and she has been issued a land title under the Torrens system. To support her claim, she submitted TCT No. 514491, TD No. TY 004-13393 and TD No. 00-TY-004-5912.

Without first finding for itself whether there was failure on the part of the petitioners to pay rent which will determine the existence of the cause of action, the MTC and the RTC simply dismissed the case on the grounds of lack of cause of action and lack of legal standing on the part of the respondent. The trial courts also failed to correctly pass upon the issue of ownership in this case to determine the issue of possession. Worse, the trial courts acted on its mistaken notion that the TD should prevail over a Torrens title.

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29 *Rollo*, p. 10.
30 Id. at 12.

Apparently, the Court has observed that the allegations in the complaint and the answer do not put in issue the existence and validity of the lease contract or their rental agreement. The petitioners never refuted the existence of a lease contract or the fact that they are merely renting the subject property. Likewise, the petitioners never deny their failure to pay rent. What the petitioners dispute is the respondent's ownership of the subject property.

Undeniably, it is evident from the records of the case that the petitioners are the occupants of the subject property which they do not own. The respondent was able to prove by preponderance of evidence that she is the owner and the rightful possessor of the subject property. The respondent has the right of possession over the subject property being its registered owner under TCT No. 514491. The TCT of the respondent is, therefore, evidence of indefeasible title over the subject property and, as its holder, she is entitled to its possession as a matter of right.

On the other hand, aside from their bare allegation that the respondent is not the owner of the subject property, the petitioners presented nothing to support their claim. They did not submit any piece of evidence showing their right to possess the subject property. Thus, their unsubstantiated arguments are not, by themselves, enough to offset the respondent's right as the registered owner.

"There is no question that the holder of a Torrens title is the rightful owner of the property thereby covered and is entitled to its possession."[31] At any rate, it is fundamental that a certificate of title serves as evidence of an indefeasible and incontrovertible title to the property in favor of the person whose name appears therein. The titleholder is entitled to all the attributes of ownership of the property, including possession. Thus, the Court must uphold the age-old rule that the person who has a Torrens title over a land is entitled to its possession.[32]

In this case, the evidence showed that as between the parties, it is the respondent who has a Torrens Title to the subject property. The MTC and the RTC erroneously relied on TD No. TY 004-13393 in the name of Lea Liza to support their finding that the respondent is not the owner of the subject property.

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31 *Quijano v. Amante*, G.R. No. 164277, October 8, 2014, 737 SCRA 552, 564.

32 *Manila Electric Co. v. Heirs of Spouses Deloy*, 710 Phil. 427, 443 (2013).

The Court also notes that in assailing the respondent's right over the subject property, the petitioners even branded as fabricated or forged the TCT and TD No. 00-TY-004-5912 presented by the respondent. This argument is obviously equivalent to a collateral attack against the Torrens title of the respondent – an attack that the Court cannot allow in the instant unlawful detainer case.

The Court has repeatedly emphasized that when the property is registered under the Torrens system, the registered owner's title to the property is presumed legal and cannot be collaterally attacked, especially in a mere action for unlawful detainer.[33]

Lastly, the other issues raised by the petitioners, specifically their failure to receive the demand letter and the lack of prior conciliation proceeding before the barangay, are contradicted by the evidence on record. The certification issued by the Postmaster of Taytay, Rizal that the petitioners have received the said demand letter deserves more weight and consideration than the petitioners' bare denial of not having received the same. Similarly, the petitioners' allegation that there was no prior conciliation proceeding before the barangay is belied by the Certification to File Action[34] issued on December 15, 2005.

In fine, the Court finds no cogent reason to annul the findings and conclusions of the CA. The respondent, as the title holder of the subject property, is the recognized owner of the same and consequently has the better right to its possession.

WHEREFORE, the petition is **DENIED**. The Decision dated August 27, 2009 and Resolution dated November 6, 2009 of the Court of Appeals in CA-G.R. SP No. 106081 are **AFFIRMED**.

SO ORDERED.

BIENVENIDO L. REYES
Associate Justice

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33 *Spouses Dela Cruz v. Spouses Capco*, 729 Phil. 624, 638 (2014).

34 *Rollo*, p. 89.

WE CONCUR:

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

DIOSDADO M. PERALTA
Associate Justice

JOSE PORTUGAL PEREZ
Associate Justice

FRANCIS H. JARDELEZA
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARIA LOURDES P. A. SERENO
Chief Justice

CERTIFIED TRUE COPY
WILFREDO V. LAPITAN
Division Clerk of Court
Third Division
SEP 2 8 2016