



Republic of the Philippines  
Supreme Court  
Manila

CERTIFIED TRUE COPY  
*Wilfredo V. Lapitan*  
WILFREDO V. LAPITAN  
Division Clerk of Court  
Third Division

SEP 14 2016

THIRD DIVISION

BALIBAGO FAITH BAPTIST  
CHURCH, INC. and  
PHILIPPINE BAPTIST S.B.C.,  
INC.,

G.R. No. 191527

Present:

Petitioners,

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

- versus -

FAITH IN CHRIST JESUS  
BAPTIST CHURCH, INC.  
and REYNALDO GALVAN,  
Respondents.

Promulgated:

August 22, 2016

x

*Wilfredo V. Lapitan* x

DECISION

PERALTA, *J*.

This is a Petition for Review on *Certiorari* under Rule 45 of the Rules of Court seeking the reversal of the Decision<sup>1</sup> dated March 5, 2010 of the Court of Appeals (CA) in CA-G.R. SP No. 97292.

The facts follow.

The instant petition originated from a Complaint<sup>2</sup> for unlawful detainer and damages filed by Balibago Faith Baptist Church, Inc. (BFBC) and Philippine Baptist S.B.C., Inc. (PBSBC) against Faith in Christ Jesus Baptist Church, Inc. (FCJBC) and Reynaldo Galvan (*Galvan*) before the Municipal Trial Court (MTC), Branch 2, Angeles City, docketed as Civil Case No. 02-388. The complaint sought the ejectment of FCJBC from the subject parcel of land with improvements, known as Lot 3, Blk. 35 of (LRC) PCS-2364, covered by Transfer Certificate of Title (TCT) No. 82587,<sup>3</sup> and

<sup>1</sup> Penned by Associate Justice Antonio L. Villamor, with Associate Justices Vicente S.E. Veloso and Rodil V. Zalameda, concurring; *rollo*, pp. 52-68.

<sup>2</sup> *Rollo*, pp. 107-111.

<sup>3</sup> *Id.* at 112.

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located at 35-3 Sarita St., Diamond Subdivision, Balibago, Angeles City, and owned by PBSBC.

On March 7, 1990, a contract of loan was entered into between PBSBC and BFBC where the latter borrowed money from the former to enable it to purchase the subject property. Thereafter, respondent BFBC took possession of the subject property and held therein their religious activities.

While BFBC was still in possession of the subject property, Galvan and his companions began attending BFBC's religious activities at the subject property. BFBC alleged that Galvan apparently was interested on the property because after some time Galvan formed and incorporated FCJBC and took control of the subject property.

Galvan's actuations came to the attention of the Luzon Convention of Southern Baptist Churches, Inc. (*LCSBC*). Thus, in a Letter<sup>4</sup> dated September 5, 2001, *LCSBC* upheld BFBC's right over the subject property and recognized BFBC's pastor, Rev. Rolando T. Santos, as its legitimate pastor.

However, FCJBC continued to occupy the subject property, thus, in a Demand Letter<sup>5</sup> dated September 4, 2002, BFBC demanded that FCJBC vacate the property within five (5) days from notice and to pay the amount of ₱10,000.00 per month beginning October 2001 as reasonable compensation for its use.

Due to non-compliance with its demand, on September 24, 2003, BFBC and PBSBC filed a Complaint<sup>6</sup> for unlawful detainer and damages against FCJBC and Galvan.

In its Answer, FCJBC and Galvan contend that it has been in existence since 1984. Allegedly, it was formerly known as "Faith Baptist Church" (*FBC*) and held services at the Tacipit family residence at 31-1 Dona Maria St., Diamond Subdivision, Angeles City. FBC eventually moved to a building along MacArthur Highway in the same subdivision. Sometime in 1990, some of the members of the FBC availed of the loan from the Church Loan Fund of Foreign Mission Board, SBC, Philippine Baptist Mission for the purpose of purchasing the subject property. This was embodied in a Contract of Simple Loan or *Mutuum* dated March 7, 1990.

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<sup>4</sup> *Id.* at 113.

<sup>5</sup> *Id.* at 114-115.

<sup>6</sup> *Id.* at 107-111.

Rolando Santos was the pastor of FBC from 1993 to 2000. Due to a misunderstanding within the church group, Santos left FBC, together with some of its members. In February 2001, Santos' group formed BFBC, an organization which was duly registered with the Securities and Exchange Commission.

Meanwhile, FBC continued to occupy the subject property and, on January 9, 2001, organized themselves into FCJBC.

On May 30, 2001, FCJBC paid installments due on the subject property in the sum of ₱10,000.00, leaving a balance of ₱240,615.53. FCJBC alleged that since June 2001, they were willing and able to pay the installments due on the subject property, however, PBSBC refused to accept any payment from it. By September 9, 2002, the installments due had reached ₱47,232.00.

FCJBC further averred that, prior to BFBC's filing of the present complaint, a Petition for Consignation of Payment was already filed on October 9, 2002 with the RTC, Branch 62, Angeles City entitled "*Carlos Gelacio, et al. v. Foreign Mission Board, S.B.C. Philippine Baptist Mission, now Philippine Baptist, S.B.C., Inc.*" docketed as Civil Case No. 10713. FCJBC prayed that PBSBC be required to accept the amount of ₱240,615.53 as full payment of the Contract of Simple Loan or *Mutuum*.

On October 29, 2002, FCJBC filed a Motion seeking the suspension of proceedings in Civil Case No. 02-388 pending resolution of the petition for consignation.

On February 9, 2004, the MTC rendered its Decision<sup>7</sup> in favor of respondent BFBC in Civil Case No. 02-388. The MTC ruled that the case was one of forcible entry and not unlawful detainer. The dispositive portion of the Decision reads:

WHEREFORE, premises considered, judgment is hereby rendered in favor of plaintiff Balibago Faith Baptist Church, Inc. and against the defendants Faith in Christ Jesus Baptist Church, Inc., Reynaldo Galvan and all persons claiming rights under them, ordering the latter the following:

1. To vacate and surrender possession of the subject property to plaintiff within three (3) months from receipt of this Decision;
2. To pay the sum of ₱20,000.00 as reasonable attorney's fees; and

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<sup>7</sup> *Id.* at 199-206.



3. To pay the costs of the suit.

Defendants' counterclaim is hereby DISMISSED for lack of merit.

SO ORDERED.<sup>8</sup>

Both parties filed their respective appeal memoranda with the RTC. On April 19, 2006, the RTC issued the assailed Decision<sup>9</sup> which affirmed the Decision of the MTC. FCJBC moved for reconsideration, but was denied on November 24, 2006. Thus, FCJBC filed a petition for review on *certiorari* before the appellate court.<sup>10</sup>

In the disputed Decision<sup>11</sup> dated March 5, 2010, the appellate court granted the petition, the dispositive portion of which reads:

WHEREFORE, premises considered, the instant petition is GRANTED. The assailed orders of the Regional Trial Court, Branch 57, Angeles City, dated April 19, 2006 and November 24, 2006, are REVERSED and SET ASIDE. The complaint for unlawful detainer is DISMISSED.

SO ORDERED.<sup>12</sup>

Undaunted, BFBC and PBSBC filed the instant petition for review on *certiorari* under Rule 45 of the Rules of Court raising the following issues:

I

WHETHER THE COURT OF APPEALS ERRED IN DISMISSING THE COMPLAINT FOR UNLAWFUL DETAINER AND RULING THAT THE MTC HAS NO JURISDICTION OVER THE CASE.

II

WHETHER THE COURT OF APPEALS ERRED IN RAISING ISSUES ON THE SUFFICIENCY OF THE COMPLAINT AND THE MTC JURISDICTION WHICH WERE NOT BROUGHT OUT BY THE PARTIES.

III

WHETHER THE COURT OF APPEALS ERRED WHEN IT RULED TO DISMISS THE COMPLAINT INSTEAD OF DECIDING THE CASE ON THE MERITS IN LIGHT OF SECTION 8, RULE 140 OF THE RULES OF COURT.

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<sup>8</sup> *Id.* at 206.

<sup>9</sup> *Id.* at 207-211.

<sup>10</sup> *Id.* at 215-268.

<sup>11</sup> *Id.* at 52-68.

<sup>12</sup> *Id.* at 67.

In a nutshell, the main issue before us is whether the instant case is one of unlawful detainer or forcible entry.

In *Sumulong v. Court of Appeals*,<sup>13</sup> the Court differentiated the distinct causes of action in forcible entry *vis-a-vis* unlawful detainer, to wit:

Forcible entry and unlawful detainer are two distinct causes of action defined in Section 1, Rule 70 of the Rules of Court. In forcible entry, one is deprived of physical possession of any land or building by means of force, intimidation, threat, strategy, or stealth. In unlawful detainer, one unlawfully withholds possession thereof after the expiration or termination of his right to hold possession under any contract, express or implied. In forcible entry, the possession is illegal from the beginning and the only issue is who has the prior possession *de facto*. In unlawful detainer, possession was originally lawful but became unlawful by the expiration or termination of the right to possess and the issue of rightful possession is the one decisive, for in such action, the defendant is the party in actual possession and the plaintiff's cause of action is the termination of the defendant's right to continue in possession.<sup>14</sup>

From the foregoing, it is then clear that unlawful detainer and forcible entry are entirely distinct causes of action, to wit: (a) action to recover possession founded on illegal occupation from the beginning – forcible entry; and (b) action founded on unlawful detention by a person who originally acquired possession lawfully – unlawful detainer.

The rule is that the allegations in the complaint determine both the nature of the action and the jurisdiction of the court.<sup>15</sup> The cause of action in a complaint is not what the designation of the complaint states, but what the allegations in the body of the complaint define and describe. The designation or caption is not controlling, more than the allegations in the complaint themselves are, for it is not even an indispensable part of the complaint.<sup>16</sup> The complaint must specifically allege the facts constituting unlawful detainer or forcible entry if the complaint filed was for unlawful detainer, or forcible entry, respectively. It cannot be made to depend on the exclusive characterization of the case by one of the parties, jurisdiction cannot be made to depend upon the defenses set up in the answer, in a motion to dismiss or in a motion for reconsideration.<sup>17</sup>

It should then be stressed that what determines the cause of action is the nature of defendants' entry into the land. If entry is illegal, then the cause of action which may be filed against the intruder within one year therefrom

<sup>13</sup> G.R. No. 108817, May 10, 1994, 232 SCRA 372.

<sup>14</sup> *Sumulong v. Court of Appeals*, *supra*, at 382-283.

<sup>15</sup> *Dela Cruz v. Court of Appeals*, 539 Phil. 158, 172 (2006).

<sup>16</sup> *Id.*; *Feranil v. Judge Arcilla*, 177 Phil. 713, 717-718 (1979).

<sup>17</sup> See *Tamano v. Hon. Ortiz*, 353 Phil. 775, 780 (1998).

is forcible entry. If, on the other hand, entry is legal but thereafter possession became illegal, the case is one of illegal detainer which must be filed within one year from the date of the last demand.<sup>18</sup>

Indeed, to vest the court of jurisdiction to effect the ejectment of an occupant, it is necessary that the complaint should embody such a statement of facts which brings the party clearly within the class of cases for which the statutes provide a remedy, as these proceedings are summary in nature. The complaint must show enough on its face the court's jurisdiction without resort to parol testimony.<sup>19</sup> This is where petitioners' cause of action fails.

In *Cabrera, et al. v. Getaruela, et al.*,<sup>20</sup> the Court held that a complaint sufficiently alleges a cause of action for unlawful detainer if it recites the following:

- (1) initially, possession of property by the defendant was by contract with or by tolerance of the plaintiff;
- (2) eventually, such possession became illegal upon notice by plaintiff to defendant of the termination of the latter's right of possession;
- (3) thereafter, the defendant remained in possession of the property and deprived the plaintiff of the enjoyment thereof; and
- (4) within one year from the last demand on defendant to vacate the property, the plaintiff instituted the complaint for ejectment.<sup>21</sup>

In this case, BFBC presented the following allegations in support of its unlawful detainer complaint:

x x x x

2. Plaintiff Philippine Baptist S.B.C., Inc. is the registered owner of a parcel of land with improvements under Lot 3 Blk. 35 of (LRC) Pcs-2364 described under Transfer Certificate of Title (TCT) No. 82587 issued by the Registry of Deeds of Angeles City, located at 35-3 Sarita St., Diamond Subd., Balibago, Angeles City, which is the subject matter of this case and hereinafter referred to as subject premises. A copy of the title is hereto attached as Annex "A" and to form an integral part hereof;
3. On March 7, 1990, plaintiff PBSBC granted a contract of simple loan to plaintiff BFBC for the latter's purchase of the subject premises and plaintiff BFBC started to possess the same and hold their religious activities thereat;
4. ***While plaintiff BFBC was in possession of the subject premises, defendant Reynaldo Galvan and his companions joined the regular religious services of plaintiff BFBC at the subject premises;***

<sup>18</sup> *Sarmiento v. CA*, 320 Phil. 146, 154 (1995).

<sup>19</sup> *Zacarias v. Anacay*, G.R. No. 202354, September 24, 2014, 736 SCRA 508, 515.

<sup>20</sup> 604 Phil. 59 (2009).

<sup>21</sup> *Cabrera, et al. v. Getaruela, et al.*, *supra*, at 66.

5. *It turned out that defendants have an interest in the subject premises and defendant Reynaldo Galvan formed and incorporated the defendant FCJBC and took control of the subject premises;*

6. The take-over of the defendants was brought to the attention of the Luzon Convention of Southern Baptist Churches, Inc., (LCSBC) and the latter, in letter dated September 5, 2001, has affirmed the right of the plaintiff BFBC, headed by Rev. Rolando T. Santos, to occupy the subject premises. A copy of LCSBC's letter dated September 5, 2001 is hereto attached as Annex "B";

7. Despite [LCSBC's] letter and plaintiff's peaceful overtures for the defendants to turn over to plaintiffs the subject premises, defendants ignored the same;

8. Due to exhaustion, expense and exasperation, plaintiffs were constrained to refer this matter to the undersigned counsel and, accordingly, on September 4, 2002, a demand letter was sent to the defendants for them to pay the reasonable compensation of TEN THOUSAND (₱10,000.00) PESOS per month beginning October 2001 for the use of the subject premises and to vacate the same within five (5) [days upon] their receipt thereof. A copy of the demand letter is hereto attached as Annex "C" and to form an integral part hereof;

9. Despite plaintiffs' lawyer's demand letter, defendants failed and refused to pay the reasonable compensation for the subject premises and to vacate the subject premises;

x x x.<sup>22</sup>

A perusal of the above-quoted allegations in the complaint would show that it contradicts the requirements for unlawful detainer. In an unlawful detainer action, the possession of the defendant was originally legal and its possession was tolerated or permitted by the owner through an express or implied contract.

In this case, paragraphs 5 and 6 make it clear that FCJBC's occupancy was unlawful from the start and was bereft of contractual or legal basis. There was, likewise, no allegation that BFBC and PBSBC tolerated FCJBC's possession of the subject property. Neither was there any averment in the complaint which shows any overt act on the part of BFBC and PBSBC indicative of permission to occupy the land. In an unlawful detainer case, the defendant's possession becomes illegal only upon the plaintiff's demand for the defendant to vacate the property and the defendant's subsequent refusal. Here, paragraphs 7 and 8 characterize the defendant's occupancy as unlawful even before the formal demand letters were written by the petitioner's counsel. Given these allegations, the unlawful withholding of possession should not be based on the date the demand letters were sent, as the alleged unlawful act had taken place at an earlier unspecified date.

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<sup>22</sup> *Rollo*, pp. 108-109. (Emphasis ours.)

This case would have to fall under the concept of forcible entry as it has been long settled that in forcible entry cases, no force is really necessary. The act of going on the property and excluding the lawful possessor therefrom necessarily implies the exertion of force over the property, and this is all that is necessary.<sup>23</sup> However, while BFBC sufficiently alleged that they had prior physical possession of the subject property, nothing has been said on how FCJBC's entry was effected or when dispossession started. It is in this light that we rule that the present complaint is similarly defective even if we are to treat the same as forcible entry as it failed to allege how and when entry was effected. The bare allegation of BFBC that "*ijt turned out that defendants have an interest in the subject premises and defendant Reynaldo Galvan formed and incorporated the defendant FCJBC and took control of the subject premises,*" would not suffice since it only shows that FCJBC entered the land and occupied the house thereon without BFBC and PBSBC's consent or permission which are constitutive of forcible entry. Unfortunately, BFBC and PBSBC's failure to allege when the dispossession took place and how it was effected leaves the complaint wanting in jurisdictional ground.

Suffice it to say, the one-year period within which to bring an action for forcible entry is generally counted from the date of actual entry on the land, except that when entry was made through stealth, the one-year period is counted from the time the plaintiff learned thereof.<sup>24</sup> If the dispossession did not occur by any of the means stated in Section 1, Rule 70, as in this case, the proper recourse is to file a plenary action to recover possession with the Regional Trial Court.<sup>25</sup> Consequently, the MTC has no jurisdiction over the case.

We likewise reiterate that a court's jurisdiction may be raised at any stage of the proceedings, even on appeal. The reason is that jurisdiction is conferred by law, and lack of it affects the very authority of the court to take cognizance of and to render judgment on the action. Indeed, a void judgment for want of jurisdiction is no judgment at all. It cannot be the source of any right nor the creator of any obligation. All acts performed pursuant to it and all claims emanating from it have no legal effect. Hence, it can never become final and any writ of execution based on it is void.<sup>26</sup>

**WHEREFORE**, all premises considered, the instant petition is **DENIED** for lack of merit. Accordingly, the Decision dated March 5, 2010 of the Court of Appeals in CA-G.R. SP No. 97292 is **AFFIRMED in toto**.

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<sup>23</sup> *Mediran v. Villanueva*, 37 Phil. 752, 756 (1918); *David v. Cordova*, 502 Phil. 626, 642 (2005); *Quizon v. Juan*, 577 Phil. 470, 478 (2008).

<sup>24</sup> *Nuñez v. SLTEAS Phoenix Solutions, Inc.*, 632 Phil. 143, 155 (2010).

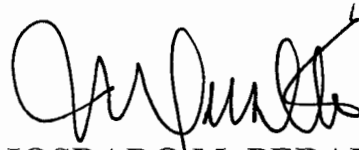
<sup>25</sup> *Spouses Ong v. Parel*, 407 Phil. 1045, 1053 (2001).

<sup>26</sup> *Zacarias v. Anacay*, *supra* note 19, at 522.






**SO ORDERED.**

  
**DIOSDADO M. PERALTA**  
Associate Justice

**WE CONCUR:**

  
**PRESBITERO J. VELASCO, JR.**  
Associate Justice  
Chairperson


  
**JOSE PORTUGAL PEREZ**  
Associate Justice

  
**BIENVENIDO L. REYES**  
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, Third Division


**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 14 2016