



SUPREME COURT OF THE PHILIPPINES
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Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

**GOOD EARTH ENTERPRISES,
INC.,**

G.R. No. 238761

Petitioner,

Present:

- versus -

PERLAS-BERNABE, S.A.J.,
Chairperson,
REYES, A., JR.,*
HERNANDO,**
INTING, and
DELOS SANTOS, JJ.

**DANILO GARCIA, JUANITA
FAJUTAG, LEONOR
GONZALES, RIZAL MEJULIO,
ARLENE GUEVARRA, EDWIN
MENDOZA, LEONIDA
SANCHO, ANALIZA SERILANO,
DOMINGO ROCIENTO, RICO
GUEVARRA, RUFINO
JALMASCO, and RAUL
BORLADO, JR.**

Promulgated:

22 JAN 2020

Respondents.

X-----X

DECISION

PERLAS-BERNABE, J.:

Assailed in this petition for review on *certiorari*¹ are the Decision² dated May 18, 2017 and the Resolution³ dated April 17, 2018 of the Court of Appeals (CA) in CA-G.R. SP No. 148265, which reversed and set aside the Decision⁴ dated July 27, 2016 of the Regional Trial Court of Parañaque City,

* On official leave.

** On official leave.

¹ *Rollo*, pp. 10-22.

² Id. at 26-39. Penned by Associate Justice Magdangal M. De Leon with Associate Justices Elihu A. Ybañez and Carmelita Salandanan Manahan, concurring.

³ Id. at 40-41.

⁴ Id. at 187-200. Penned by Judge Noemi J. Balitaan.

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Branch 258 (RTC) in Civil Case No. 15-335 affirming the Decision⁵ dated March 22, 2013 of the Metropolitan Trial Court of Parañaque City, Branch 78 (MeTC) in Civil Case No. 2011-92; and accordingly, dismissed the complaint for unlawful detainer filed by petitioner Good Earth Enterprises, Inc. (petitioner) against respondents Danilo Garcia, Juanita Fajutag, Leonor Gonzales, Rizal Mejulio, Arlene Guevarra, Edwin Mendoza, Leonida Sancho, Analiza Serilano, Domingo Rociento, Rico Guevarra, Rufino Jalmasco, and Raul Borlado, Jr. (respondents).

The Facts

In its complaint for unlawful detainer, petitioner alleged that it was the registered owner of a parcel of land located at San Dionisio, Sucat, Parañaque City (subject property) consisting of an area of 873 square meters,⁶ as affirmed by the Court in a Decision dated December 8, 1988 entitled *Baltazar v. Court of Appeals (Baltazar)*.⁷ After such case had attained finality and pending execution proceedings, petitioner discovered that Classic Realty and Management Corporation (CRMC), a lessee of one of the losing parties in *Baltazar*, had sub-leased certain portions of the subject-property to respondents. From then on, CRMC and respondents engaged in legal battles with petitioner, during which petitioner “tolerated” respondents’ stay in the subject property. When petitioner finally won said legal battles, it individually sent letters to respondents sometime in May and July of 2011⁸ demanding them to vacate the subject property, all of which were left unheeded. Hence, petitioner was constrained to file an **Amended Complaint for ejectment** against them on September 29, 2011.⁹

For their part, respondents prayed for the dismissal of the Amended Complaint arguing, *inter alia*, that the MeTC lacked jurisdiction over the action for the following reasons: (a) petitioner failed to attach a Secretary’s Certificate evincing the authority of Mr. Stephen Hontiveros (Hontiveros) to sign the Verification and Certificate of Non-Forum Shopping (CNFS) on its behalf; and (b) the complaint was defective for failure to allege that petitioner had prior physical possession over the subject property.¹⁰

The MeTC Ruling

In a Decision¹¹ dated March 22, 2013, the MeTC ruled in petitioner’s favor, and accordingly, ordered respondents: (a) to voluntarily, peacefully, and immediately vacate the subject property and turn-over possession

⁵ Id. at 162-186. Penned by Presiding Judge Ramsey Domingo G. Pichay.

⁶ See Transfer Certificate of Title No. 50962; id. at 54-55.

⁷ See *Baltazar v. Court of Appeals*, 250 Phil. 349 (1988).

⁸ See Demands to Vacate; records, pp. 11-43.

⁹ See Amended Complaint dated September 29, 2011; *rollo*, pp. 42-53.

¹⁰ See Answer; records (Vol. II), pp. 806-810.

¹¹ *Rollo*, pp. 162-186.

thereof to petitioner; (b) to each pay petitioner reasonable compensation for the use and occupation of the subject property at the monthly rate of ₱15,000.00 from September 1, 2011 up to March 1, 2013, or a total of ₱270,000.00; (c) to each pay petitioner the monthly rent of ₱15,000.00 from March 1, 2013 until they turn-over possession of the subject property to petitioner; and (d) to jointly pay petitioner attorney's fees in the amount of ₱10,000.00.¹²

In ruling for petitioner, the MeTC found that petitioner had sufficiently established a case for unlawful detainer against respondents as the former merely allowed the latter to use and possess the subject property without any prior contract or agreement between them.¹³

Aggrieved, respondents moved for reconsideration, which was denied in an Order¹⁴ dated April 24, 2013 for being a prohibited pleading. Dismayed, they appealed¹⁵ to the RTC.

The RTC Ruling

In a Decision¹⁶ dated July 27, 2016, the RTC affirmed the MeTC ruling.¹⁷ It found that the allegations of the Amended Complaint indeed made out a case for unlawful detainer, noting that petitioner's failure to file an action for quite some time shows that it merely tolerated respondents' possession of the subject property.¹⁸

Undaunted, respondents filed a petition for review before the CA.¹⁹

The CA Ruling

In a Decision²⁰ dated May 18, 2017, the CA reversed and set aside the rulings of the trial courts on a purely procedural ground. Particularly, it pointed out that Hontiveros was not empowered to sign the verification and CNFS on petitioner's behalf, as no Secretary's Certificate proving such authority was appended thereto. Further, it observed that the rule on substantial compliance cannot be applied in petitioner's favor considering that petitioner did not attempt to comply at all, even belatedly.²¹

¹² Id. at 183-186.

¹³ Id. at 174-183.

¹⁴ Records (Vol. III), p. 1374.

¹⁵ See Notice of Appeal dated April 18, 2013; id. at 1370-1371.

¹⁶ *Rollo*, pp. 187-200.

¹⁷ Id. at 200.

¹⁸ See id. at 196-200.

¹⁹ Id. at 201-215.

²⁰ Id. at 26-39.

²¹ Id. at 35-38.

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Petitioner moved for reconsideration²² but the same was denied in a Resolution²³ dated April 17, 2018; hence, this petition.²⁴

The Issue Before the Court

The issue before the Court is whether or not the CA correctly dismissed petitioner's complaint for unlawful detainer on a purely procedural ground, *i.e.*, non-compliance with the rules on verification and certification against forum shopping.

The Court's Ruling

The petition is meritorious.

To recapitulate, the CA dismissed the complaint for unlawful detainer on the ground that Hontiveros was not duly authorized by petitioner to sign the verification and CNFS attached thereto in its behalf.

However, a more circumspect scrutiny of the records would show that – contrary to the CA's finding – petitioner had, in fact, belatedly submitted a Secretary's Certificate confirming Hontiveros' authority to "*file any complaint, action, or claim against...all unlawful occupants of the property covered by T.C.T. No. 50962*" and to "*verify, certify and sign under oath any document, verification or certification*" on its behalf.²⁵ Records further reveal that on January 5, 2012, petitioner filed a Manifestation²⁶ dated January 2, 2012 with the MeTC praying for the admission of the foregoing certificate, with an explanation that the failure to attach the same was due to mere inadvertence and oversight. Indeed, the certificate was later marked and made part of the records of the case.²⁷ Fittingly, case law provides that a party's belated submission of a Secretary's Certificate constitutes substantial compliance with the rules, as it operates to ratify and affirm the authority of the delegate to represent such party before the courts.²⁸

Clearly, Hontiveros was duly authorized to sign the verification and CNFS attached to petitioner's complaint. As such, the CA erroneously ordered the dismissal of the complaint solely on the aforementioned ground.

²² See Motion for Reconsideration dated June 7, 2017; *id.* at 216-218.

²³ *Id.* at 40-41.

²⁴ *Id.* at 10-22.

²⁵ See Secretary's Certificate dated August 12, 2011; records (Vol. II), pp. 922-923.

²⁶ *Id.* at 679-680.

²⁷ See Secretary's Certificate dated August 12, 2011 (*id.* at 1100-1101); attached to Petitioner's Position Paper dated January 16, 2013 (*id.* at 983-997); Preliminary Conference Brief (*id.* at 911-920); Report dated October 15, 2012 (*id.* at 945-948); and Minutes of Marking dated October 12, 2012 (*id.* at 949-951).

²⁸ See *Yap, Sr. v. Siao*, 786 Phil. 257, 269 (2016). See also *Swedish Match Philippines, Inc. v. Treasurer of the City of Manila*, 713 Phil. 240, 249-250 (2013).

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Considering that the CA dismissed this case on a purely procedural ground, the Court deems it prudent to remand the case to the CA for a resolution on the merits.

WHEREFORE, the petition is **GRANTED**. Accordingly, the Decision dated May 18, 2017 and the Resolution dated April 17, 2018 of the Court of Appeals in CA-G.R. SP No. 148265 are hereby **REVERSED** and **SET ASIDE**. The instant case is **REMANDED** to the Court of Appeals for a resolution on the merits.


SO ORDERED.



ESTELA M. PERLAS-BERNABE
 Senior Associate Justice

WE CONCUR:

On official leave
ANDRES B. REYES, JR.
 Associate Justice


On official leave
RAMON PAUL L. HERNANDO
 Associate Justice


HENRI JEAN PAUL B. INTING
 Associate Justice


EDGARDO L. DELOS SANTOS
 Associate Justice

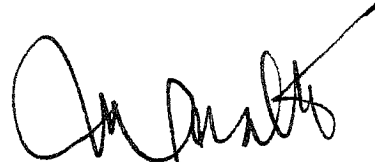
A T T E S T A T I O N

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 Decision.


ESTELA M. PERLAS-BERNABE
 Senior Associate Justice
 Chairperson, Second Division

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.



DIOSDADO M. PERALTA
Chief Justice