



Republic of the Philippines
 Supreme Court
 Manila

SUPREME COURT OF THE PHILIPPINES
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SECOND DIVISION

EVANGELINE C. DESCALLAR, G.R. No. 243874
PATRICIA MARIE C.
DESCALLAR, and Present:
ALESSANDRA MONICA C.
DESCALLAR,*

Petitioners,

PERLAS-BERNABE, S.A.J.,
Chairperson,
CAGUIOA,**
INTING,
GAERLAN, and
DIMAAMPAO, JJ.

- versus -

HEIRS OF BELEN A. FERIA
GUEVARA, HEIRS OF
AUGUSTUS CAESAR A. FERIA,
VICTORY A. FERIA, SALUD
FERIA-MALLARE, VALERIE
VICTORIA ISACKS, ERNESTO
FERIA PASTOR, JR., and
ANJANETTE CHRISTINA
VULTAGGIO,

Respondents.

Promulgated:

OCT 06 2021

[Signature]

x-----x

DECISION

INTING, J.:

Before the Court is a Petition for Review on *Certiorari*¹ praying for the nullification of the Decision² dated February 27, 2017 and the Resolution³ dated December 19, 2018 of the Court of Appeals (CA) in

* Patricia Marie C. Descallar and Alessandra Monica C. Descallar are substitute petitioners of the late Joel F. Descallar; *rollo*, p. 12.

** Designated additional member per Raffle dated March 4, 2019.

¹ *Rollo*, pp. 11-78.

² *Id.* at 80-103; penned by Associate Justice Ramon Paul L. Hernando (now a Member of the Court) with Associate Justices Jose C. Reyes, Jr. (a retired Member of the Court) and Stephen C. Cruz, concurring.

³ *Id.* at 104-106; penned by Associate Justice Stephen C. Cruz with Associate Justices Germano

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CA-G.R. CV No. 98938 modifying the Decision⁴ dated October 27, 2011 of Branch 211, Regional Trial Court (RTC), Mandaluyong City, in Civil Case No. MC04-2417 and denying petitioners' Motion for Reconsideration,⁵ respectively.

The Antecedents

Belen A. Feria Guevara (Belen) and Augustus Caesar A. Feria (Augustus) are siblings of the late Cristeta A. Feria (Cristeta). On March 29, 2004, Belen and Augustus filed before the RTC a Complaint for *Accion Reivindicatoria* and/or Reconveyance and Damages with Urgent Prayer for a Writ of Preliminary Attachment⁶ (Complaint) against Cristeta's nephew Joel F. Descallar (Joel) and his wife, Evangeline Cabigao Descallar (Evangeline) (collectively, Spouses Descallar) involving a 285-square-meter lot, located at 587 Cordillera Street, Mandaluyong City, covered by Transfer Certificate of Title (TCT) No. 10854. The case was docketed as Civil Case No. MC04-2417.⁷

Spouses Descallar filed on October 13, 2004 a motion to dismiss which the RTC denied on July 1, 2005. The RTC directed Spouses Descallar to file an answer within five days from notice. However, they did not comply. Instead, they filed a motion for reconsideration which the RTC also denied. The RTC again ordered them to file an answer within ten days from notice. Still, they did not file any answer and instead filed a motion for extension to file the required pleading. Spouses Descallar filed a second motion for extension captioned "Final & In-extendible Motion for Extension of Time and/or New Period of Time" which the RTC granted, giving them until July 4, 2006 to file an answer.⁸

Despite the extensions given, Spouses Descallar still did not file any answer prompting Belen and Augustus to file a motion to declare them in default on August 30, 2006. Before the RTC could resolve the motion, Spouses Descallar filed on September 20, 2006 a Motion to Admit Answer⁹ attaching therewith an Answer with Compulsory

Francisco D. Legaspi and Geraldine C. Fiel-Macaraig, concurring.

⁴ *Id.* at 152-163; penned by Presiding Judge Ofelia L. Calo.

⁵ *Id.* at 214-227.

⁶ *Id.* at 235-243.

⁷ *Id.* at 81, 162.

⁸ *Id.* at 82.

⁹ *Id.* at 271-272.

Counterclaim and Opposition to the Application for Preliminary Attachment.¹⁰

On November 20, 2006, the RTC granted the motion to declare Spouses Descallar in default, and consequently, denied the motion filed by Spouses Descallar. Belen and Augustus filed a motion to set case for *ex-parte* reception of evidence. Meanwhile, Spouses Descallar filed an Appearance with (1) Verified Motion to Set Aside Order of Default (Relief from Order of Default) and (2) Opposition to Motion to Set Case for *Ex-Parte* Reception of Evidence.¹¹ The RTC denied Spouses Descallar's motion in an Order¹² dated September 6, 2007. Resultantly, Spouses Descallar moved for reconsideration¹³ of the order denying the motion to lift the order of default which the RTC denied in an Order¹⁴ dated January 30, 2008.

Spouses Descallar then filed before the CA a petition for *certiorari* with urgent prayer for temporary restraining order and/or preliminary injunction docketed as CA-G.R. SP No. 103213 which assailed the order of default issued by the RTC.¹⁵

Meanwhile, the hearing before the RTC ensued and the *ex-parte* presentation of evidence proceeded. Belen took the witness stand and affirmed all contents and statements in her judicial affidavit.¹⁶

On August 29, 2008, the CA, Twelfth Division, promulgated a Decision in CA-G.R. SP No. 103213 denying the petition for *certiorari* filed by Spouses Descallar for lack of merit. The CA also directed Belen and Augustus to include the other co-heirs of Cristeta as indispensable parties. Spouses Descallar filed a motion for reconsideration.¹⁷

On November 13, 2008, the CA rendered an amended decision, which resolved, among others, to give Spouses Descallar a non-extendible period of ten days from receipt of the amended complaint within which to file their answer. The dispositive portion reads:

¹⁰ *Id.* at 154, 273-279.

¹¹ *Id.* at 281-285.

¹² *Id.* at 289-292; signed by Judge Paulita B. Acosta-Villarante.

¹³ See Motion for Reconsideration dated October 8, 2007, *id.* at 293-297.

¹⁴ *Id.* at 298; signed by Acting Presiding Judge Edwin D. Sorongon.

¹⁵ *Id.* at 83.

¹⁶ *Id.*

¹⁷ *Id.*

WHEREFORE, the dispositive portion of Our Decision dated August 29, 2008 is hereby amended to read as follows:

- 1.1. The proceedings in Civil Case No. MC04-2417 shall further continue upon amendment of the complaint to include the other co-heirs as private respondents as indispensable parties therein;
- 1.2. The petitioners are given a NON-EXTENDIBLE period of ten (10) days from receipt of the amended complaint within which to file their answer;
- 1.3. The deficiency in payment of the docket fees shall be a lien on any judgment which may be rendered in favor of private respondents.

SO ORDERED.¹⁸

Meanwhile, Belen and the other indispensable plaintiffs¹⁹ (collectively, Belen *et al.*) filed before the RTC a Motion for Leave to Admit Amended Complaint²⁰ attaching the Amended Complaint²¹ which impleaded Spouses Descallar and other indispensable defendants (collectively, defendants).²² Copy of the motion with the Amended Complaint was delivered personally and received by the legal counsel of Spouses Descallar on December 12, 2008. Summons were likewise issued anew to the defendants.²³

Once more, Spouses Descallar did not file any answer. Instead, they filed a manifestation and motion to dismiss the Amended Complaint. To this, Belen *et al.* filed a manifestation and motion to declare defendants in default.²⁴

On September 6, 2010, the RTC denied Spouses Descallar's motion to dismiss and granted Belen *et al.*'s motion to declare defendants in default. Spouses Descallar thereafter filed a motion to lift order of default and/or for reconsideration with motion to inhibit. On

¹⁸ *Id.* at 83, 155.

¹⁹ The plaintiffs in the Amended Complaint included the other heirs of Cristeta A. Feria, to wit: "Belen A. Feria Guevara, Heirs of Augustus Caesar A. Feria, Victory A. Feria, Salud Feria-Mallare, Valerie Victoria Isacks, Ernesto Feria Pastor, Jr., and Anjanette Christina Vultaggio, represented by Belen A. Feria Guevara, all acting for themselves and on behalf of the intestate heirs of the late Cristeta A. Feria;" *id.* at 303.

²⁰ *Id.* at 299-302.

²¹ *Id.* at 303-316.

²² The defendants in the Amended Complaint are: "Spouses Joel F. Descallar and Evangeline Cabigao Descallar and Heirs of Pacita Feria Descallar, Vicente A. Feria, Jr., Heirs of Winifreda Feria Cajili, Heirs of Antonio A. Feria, Heirs of Julius Caesar A. Feria;" *id.* at 303.

²³ *Id.* at 84.

²⁴ *Id.*

February 15, 2011, the RTC denied Spouses Descallar's motion. The *ex-parte* presentation of the Belen, *et al.*'s evidence was scheduled anew for hearing.²⁵

During the hearing on May 4, 2011, Belen, *et al.*'s counsel manifested that they will be adopting the testimony of Belen which she gave in open court on June 12, 2008. They also presented the testimonies of Nepomuceno Tayag (Tayag) and Liberty Dalumpines (Dalumpines).²⁶

According to Belen, Cristeta was the owner of the subject lot previously covered by TCT No. 111022. On December 14, 1995, Cristeta executed a deed of absolute sale covering the property in favor of Joel. Thus, TCT No. 111022 was cancelled and TCT No. 10854 was issued in the name of "Joel Feria Descallar, married to Evangeline B. Cabigao." While it appears in the deed of absolute sale that the consideration for the sale was ₱2,400,000.00, the sale was simulated because no compensation was actually given. The deed of absolute sale was executed by Cristeta relying on Joel's promise that he would return the property upon demand or have it later on transferred to Cristeta's heirs. Cristeta trusted Joel because he was her lawyer. Despite the execution of the deed of sale, Cristeta acted as the beneficial owner of the property by paying its bills, taxes, expenses and by leasing it to various tenants.²⁷

Belen presented as evidence: (1) a letter dated September 4, 2001 written by Cristeta requesting her tenants to vacate the premises; (2) a follow-up letter dated November 18, 2001 by Cristeta addressed to her tenants; (3) summons issued by the *barangay* captain on the dispute between Cristeta and her tenants; and (4) a letter executed by the tenants dated May 1, 2002 addressed to the *barangay* captain.²⁸

Belen also testified that when Cristeta demanded the return of the property, Joel reneged on his promise which prompted Cristeta to send a notarized letter²⁹ dated October 20, 1998 to the Register of Deeds of Mandaluyong requesting that a notice of *lis pendens* be annotated in TCT No. 10854. Pertinent portions of the letter read:

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.* at 86.

²⁸ *Id.*

²⁹ *Id.* at 318.

I own a piece of property with improvements situated at No. 587 Cordillera Street, Mandaluyong City. Some three or four years ago, I entrusted my property to my nephew Joel Descallar...thus a simulated Deed of Sale was executed. Now I need my property so that I can mortgage or sale (sic) it for my medical purposes. I made several demands and up to this date, he refuses to return my property.

I am now 78 years old, a retired diplomat (ambassador) and a sickly patient. This "LIS PENDENS" annotation stays until he surrenders the Title to my property or in case I pre-decease him, the property will NEVER go to him but to my lawful heirs-brothers and sisters. I am filing a case against him in Court for recovery of my property.³⁰

The notice of *lis pendens* pursuant to the above letter was not annotated in TCT No. 10854. Cristeta died on July 19, 2003 before she could file a case in court. Belen and Augustus made verbal demands on Joel to return the property, to no avail. Belen and Augustus later executed their separate Affidavits of Adverse Claim³¹ on August 15, 2003 which were duly annotated in TCT No. 10854. The affidavits stated that Joel was only holding "in trust" the subject property and that Cristeta was the actual and beneficial owner thereof.³²

Tayag, a former tenant who resided in the property for more than 40 years, testified that all his transactions regarding his lease were addressed to Cristeta. After Cristeta died, he and the other tenants refused to pay their rent to Joel and, instead, deposited it in a bank.³³

Dalumpines also testified that she resided in the apartment for more than 30 years and had been transacting with Cristeta, until her death. She recalled Cristeta introducing Belen as her trustee. Dalumpines was therefore surprised when Joel tried to make her sign documents stating that she recognizes Joel as the owner of the property and that she should pay the rents to him.³⁴

On July 6, 2011, Belen *et al.* filed their Formal Offer of Documentary Evidence.³⁵ On July 29, 2011, the RTC admitted all the exhibits as part of their evidence. Considering that Spouses Descallar

³⁰ *Id.* at 86-87, 318.

³¹ See Affidavit of Adverse Claim of Augustus C.A. Feria, *id.* at 349-351. See also Affidavit of Adverse Claim of Belen Feria-Guevara, *id.* at 352-354.

³² *Id.* at 87.

³³ *Id.*

³⁴ *Id.* at 87-88.

³⁵ *Id.* at 319-329.

and the rest of the defendants were in default, the RTC resolved the case based solely on the evidence of Belen, *et al.*³⁶

The Ruling of the RTC

In its Decision dated October 27, 2011, the RTC held:

WHEREFORE, premises considered, judgment is hereby rendered as follows:

1. Declaring the Heirs of the late Cristeta A. Feria as the legal and rightful owner[s] of the property covered by TCT No. 10854 located at 587 Cordillera St., Mandaluyong City more particularly described as follows:

x x x x

2. Ordering the Register of Deeds of Mandaluyong City to effect the transfer of the aforementioned property in the name of Heirs of Cristeta A. Feria; and
3. Ordering the defendants to pay the plaintiffs the amount of P100,000.00 as and by way of attorney's fees.

SO ORDERED.³⁷

Spouses Descallar filed a motion for reconsideration but the RTC denied it on May 14, 2012.³⁸ Thus, their appeal to the CA docketed as CA-G.R. CV No. 98938.

The Ruling of the CA

In its Decision dated February 27, 2017, the CA ruled in CA-G.R. CV No. 98938, to wit:

WHEREFORE, the appeal is hereby PARTIALLY GRANTED. The Decision dated October 27, 2011 rendered by the Regional Trial Court, Branch 211 of Mandaluyong City in Civil Case No. MC04-2417 is hereby MODIFIED in that the award of attorney's fees to the plaintiffs-appellees is deleted.

³⁶ *Id.* at 88.

³⁷ *Id.* at 162-163.

³⁸ *Id.* at 166-172.

SO ORDERED.³⁹

The CA held that the RTC was justified in declaring Spouses Descallar in default. The amended decision in CA-G.R. SP No. 103213 expressly ordered them to file an answer. But instead of complying, they filed a motion to dismiss insisting that the answer they previously filed with the RTC should stand as their answer to the Amended Complaint. However, the answer did not become part of the records due to the RTC's denial of its admission that ultimately led to the earlier declaration of default.⁴⁰

The CA also held that Belen *et al.* have sufficiently proved by preponderance of evidence the material allegations of their Complaint.⁴¹ Also, the Complaint has not yet prescribed because the title issued in the name of Spouses Descallar was issued on January 25, 1996 while the Complaint was filed on March 29, 2004, which was within the 10-year prescriptive period.⁴²

However, the CA disagreed with the RTC as to attorney's fees finding that its award lacked factual and legal justification.⁴³

Spouses Descallar filed a Motion for Reconsideration but the CA denied it in its Resolution⁴⁴ dated December 19, 2018.

The Petition

Evangeline, and her children, Patricia Marie C. Descallar and Alessandra Monica C. Descallar, (collectively, petitioners) are now before the Court claiming that:

A. THE RTC HAD NO JURISDICTION. THE CA ERRED IN NOT DISMISSING THE COMPLAINT CONSIDERING THAT THE RTC HAD NO JURISDICTION OVER THE CASE. THE AMENDED COMPLAINT BEING ONE FOR ACCION REIVINDICATORIA

³⁹ *Id.* at 103.

⁴⁰ *Id.* at 92.

⁴¹ *Id.* at 97.

⁴² *Id.* at 98-99.

⁴³ *Id.* at 101-102.

⁴⁴ *Id.* at 104-106.

AND/OR RECONVEYANCE, DID NOT ALLEGE THE ASSESSED VALUE OF THE PROPERTY, A JURISDICTIONAL ELEMENT.⁴⁵

A.1. THE COURT OF APPEALS ERRED IN NOT DISMISSING THE COMPLAINT FOR FAILURE TO PAY THE CORRECT DOCKET FEES.⁴⁶

B. THE CAUSE OF ACTION HAS PRESCRIBED. THE CA ERRED IN NOT DECLARING THAT THE CAUSE OF ACTION HAS PRESCRIBED.⁴⁷

C. THE COURT OF APPEALS ERRED IN HOLDING THAT THE RTC WAS CORRECT IN DECLARING PETITIONERS IN DEFAULT DESPITE THE FACT THAT THEY ALREADY FILED THEIR ANSWER TO THE ORIGINAL COMPLAINT.⁴⁸

D. THE CA ERRED IN NOT DECLARING THAT THE UNILATERAL DEED OF SALE WAS VALIDLY EXECUTED BY CRISTETA FERIA WITH SUFFICIENT CONSIDERATION.⁴⁹

E. THE COURT OF APPEALS DESPITE FINDING BELEN FERIA GUEVARA'S TESTIMONY AS HEARSAY, ERRED IN STILL FINDING FOR RESPONDENTS ALLEGEDLY BECAUSE OF THE OTHER EXHIBITS WHICH ARE EQUALLY INADMISSIBLE IN EVIDENCE.⁵⁰

The Issues

1. Whether the RTC had jurisdiction over the Complaint;
2. Whether petitioners were in default; and
3. Whether respondents sufficiently proved their case for reconveyance.

The Court's Ruling

The Court finds no merit in the petition.

⁴⁵ *Id.* at 50.

⁴⁶ *Id.* at 55.

⁴⁷ *Id.* at 56.

⁴⁸ *Id.* at 62.

⁴⁹ *Id.* at 63.

⁵⁰ *Id.* at 72.

Jurisdiction of the RTC.

Jurisdiction, defined, is the power and authority of a court to hear, try and decide a case brought before it for resolution. Courts exercise the powers conferred on them with binding effect if they acquire jurisdiction over: (1) the cause of action or the subject matter of the case; (2) the thing or *res*; (3) the parties; and (4) the remedy.⁵¹

Here, petitioners argue that the RTC did not have jurisdiction over the case because the action had already prescribed.

The Court disagrees.

Based on the circumstances of the case, it is clear that there was an implied trust between Cristeta and her nephew, Joel.

Implied trusts are those which, without being expressed, are deducible from the nature of the transaction as matters of intent of which are superinduced on the transaction by operation of law as matters of equity, independently of the particular intention of the parties.⁵² An action for reconveyance based on implied trust prescribes in ten years which period is reckoned from the date of the issuance of the original certificate of title or TCT.⁵³

Considering that the TCT was issued in the names of Spouses Descallar on January 25, 1996, the Complaint filed by Belen and Augustus on March 29, 2004 is clearly within the 10-year period. Petitioners' argument that the counting of the period should be reckoned from the filing of the Amended Complaint on December 15, 2008 is contrary to the purpose of prescription, which is "to protect the diligent and vigilant, not those who sleep on their rights."⁵⁴

While an action to enforce an implied trust may be circumscribed by laches, in the case, the facts do not show prolonged inaction on the part of Belen and Augustus.

⁵¹ *First Sarmiento Property Holdings, Inc. v. Philippine Bank of Communications*, 833 Phil. 400, 415 (2018).

⁵² *Lopez v. Court of Appeals*, 594 Phil. 436, 446 (2008).

⁵³ *Id.* at 449.

⁵⁴ *Vda. de Rigonan v. Derecho*, 502 Phil. 202, 209 (2005).

Petitioners also question the RTC's jurisdiction over the case on the ground that "[w]hile respondents alleged in their Amended Complaint that...the value of the property is not less than Five Hundred Thousand Pesos (Php 500,000.00)...[r]espondents failed to present the tax declaration of the subject property."⁵⁵

Again, the Court finds no merit in this argument.

It is an established doctrine that jurisdiction over the subject matter of a case is conferred by law and determined by the allegations in the complaint which comprise a concise statement of the ultimate facts constituting the plaintiffs' cause of action. The nature of the action, as well as which court has jurisdiction over it, is determined based on the allegations contained in the complaint of the plaintiff, irrespective of whether the plaintiff is entitled to recover upon all or some of the claims asserted thereon. The averments in the complaint and the character of the relief sought are the ones to be examined. Once vested by the allegations in the complaint, jurisdiction also remains vested irrespective of whether the plaintiff is entitled to recover upon all or some of the claims asserted therein.⁵⁶

It is also a time-honored principle recognized by the Court that the issue of jurisdiction is not lost by waiver or estoppel.⁵⁷ The general rule remains to be 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.⁵⁸

Estoppel, being in the nature of a forfeiture, is not favored by law. It is to be applied rarely, only from necessity and only in extraordinary circumstances.⁵⁹ A party is only estopped from raising the issue of lack of jurisdiction when it does so in an unjustly belated manner especially when it actively participated during trial.⁶⁰

In the case at hand, the Complaint was filed by Belen and Augustus in 2004 and the Amended Complaint in 2008. A reading of

⁵⁵ *Rollo*, p. 53.

⁵⁶ *De Vera v. Sps. Santiago*, 761 Phil. 90, 101 (2015).

⁵⁷ *Figueroa v. People*, 580 Phil. 58, 70 (2008), citing *Calimlim v. Ramirez*, 204 Phil. 25 (1982).

⁵⁸ *Heirs of Dragon v. The Manila Banking Corp.*, G.R. No. 205068, March 6, 2019.

⁵⁹ *Figueroa v. People*, *supra* note 57.

⁶⁰ *Heirs of Dragon v. The Manila Banking Corp.*, *supra* note 58.

the issues before the CA would show that petitioners did not raise the issue of jurisdiction before the CA.⁶¹ It is only in the petition before the Court filed on February 20, 2019 that they raised the issue of lack of jurisdiction for failure to attach the tax declaration of the subject property and for failure to pay the correct docket fees.⁶²

Cases have held that a party may be estopped from questioning the lack of jurisdiction due to insufficient payment of filing or docket fees if the objection is not timely raised.⁶³ Considering the number of years involved in the case before petitioners raised the issue of lack of jurisdiction, the Court finds that the instant case falls under the exception.

The origins of estoppel by laches may be traced in equity. The principle 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. In estoppel by laches, the 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 the waiver. To claim it belatedly would simply be unjust.⁶⁴

Declaration of default.

The Court also finds that the RTC correctly declared petitioners in default and that their answer, filed in 2006, cannot be considered as their answer to the Amended Complaint.

There is no question that the RTC gave petitioners several opportunities to file their answer.

From the time Belen and Augustus filed their Complaint on March 29, 2004, the RTC issued several orders: dated July 1, 2005, April 3, 2006, June 13, 2006, and July 26, 2006 for petitioners to file their answer. Petitioners however did not comply. It was only on September 20, 2006, after Belen and Augustus filed a motion to declare them in

⁶¹ See Assignment of Errors in CA-G.R. CV No. 98939, *rollo*, p. 89.

⁶² *Id.* at 11, 50, 55.

⁶³ *Heirs of Dragon v. The Manila Banking Corp.*, *supra* note 58.

⁶⁴ *Amoguis v. Ballado*, G.R. No. 189626, August 20, 2018.

default, that they filed a Motion to Admit Answer with an attached Answer with Compulsory Counterclaim and Opposition to the Application for Preliminary Attachment.⁶⁵

The liberality accorded to Spouses Descallar did not end there. After they elevated the case questioning the RTC's order declaring them in default, the CA, in CA-G.R. SP No. 103213, expressly ordered petitioners to file an answer within ten days from receipt of the Amended Complaint of Belen *et al.* Instead of complying, petitioners filed a motion to dismiss insisting that they already filed an answer before the RTC and that the same shall stand as their answer to the Amended Complaint.

Petitioners argue that because they filed their answer to the original Complaint before they were declared in default for the first time, their answer to the original Complaint should be considered as their answer to the Amended Complaint following Section 3 of Rule 11 of the Rules of Court⁶⁶ which states: “[w]hen the plaintiff files an amended complaint...[a]n answer earlier filed may serve as the answer to the amended complaint if no new answer is filed.”⁶⁷

The Court agrees with the CA that the answer which petitioners invoke did not become part of the records due to its belated filing and the RTC's denial of its admission that ultimately led to their earlier declaration of default.⁶⁸

As a consequence of the declaration of default, defendants lose the right to expect that the courts would act upon their pleadings or that they may oppose motions filed against them. They lose their standing in court and are deprived of the right to take part in the trial. They lose the right to present evidence supporting their allegations and have no right to control the proceedings or cross-examine the witnesses.⁶⁹

⁶⁵ *Rollo*, pp. 153-154, 273-284.

⁶⁶ Section 3, Rule 11 of the Rules of Court provides:

Sec. 3. *Answer to amended complaint.* --- When the plaintiff files an amended complaint as a matter of right, the defendant shall answer the same within fifteen (15) days after being served with a copy thereof.

Where its filing is not a matter of right, the defendant shall answer the amended complaint within ten (10) days from notice of the order admitting the same. An answer earlier filed may serve as the answer to the amended complaint if no new answer is filed.

⁶⁷ *Rollo*, p. 62.

⁶⁸ *Id.* at 92.

⁶⁹ *Lui Enterprises, Inc. v. Zuellig Pharma Corp., et al.*, 729 Phil. 440, 468 (2014).

The rules provide that a defendant in default may, at any time after discovery thereof, and before judgment, file a motion, under oath, to set aside the order of default on the ground that his failure to answer was due to fraud, accident, mistake or excusable neglect, and that he has meritorious defenses.⁷⁰

In their Relief from Order of Default, petitioners did not offer any explanation, but only apologies for their failure to timely file their answer to the Complaint. The RTC, therefore, denied the motion for lack of merit.⁷¹

It has been held that there is no error on the part of the court to refuse to set aside an order of default and to refuse to accept the answer where it finds no justifiable reason for the delay in the filing of the answer.⁷²

Nevertheless, parties declared in default still have the right to appeal from the judgment by default and assail said judgment on the ground, *inter alia*, that the amount of the judgment is excessive or different in kind from that prayed for, or that the plaintiffs failed to prove the material allegations of their complaint, or that the decision is contrary to law.⁷³

Sufficiency of the Complaint.

It should be mentioned that a judgment by default against a defendant does not imply a waiver of rights, except that of being heard and of presenting evidence in one's favor. It does not imply admission by the defendants of the facts and causes of action of the plaintiffs who are still required to adduce evidence in support of their allegations as an indispensable condition before final judgment could be given in plaintiffs' favor. Favorable relief may be granted only after the court has ascertained that the relief is warranted by the evidence offered and the facts proven by the presenting parties.⁷⁴

⁷⁰ *Arquero v. Court of Appeals (Former 13th Div.), et al.*, 673 Phil. 545, 556 (2011), citing *Martinez v. Republic of the Phils.*, 536 Phil. 868, 879 (2006), further citing *Lina v. CA, et al.*, 220 Phil. 311, 316 (1985). See also Sec. 3(b), Rule 9 of the 1997 Rules of Civil Procedure.

⁷¹ *Rollo*, pp. 289-291.

⁷² *Commissioner of Internal Revenue v. Court of Tax Appeals-Third Division*, G.R. No. 238094 (Notice), June 3, 2019.

⁷³ *Arquero v. Court of Appeals*, *supra* note 70.

⁷⁴ *Heirs of De Guzman v. Perona, et al.*, 636 Phil. 663, 673 (2010), citing *Pascua v. Hon. Florendo, etc., et al.*, 220 Phil. 588 (1985).

Accion reivindicatoria or *accion de reivindicacion* or reivindicatory action is an action for recovery of ownership, the cause of action of which is to recover possession by virtue of the plaintiffs' ownership of the land subject of the dispute. In an action for reconveyance, the free patent and the Torrens or certificate of title are respected as incontrovertible and what is sought instead is the transfer of the property which has been wrongfully or erroneously registered in the defendants' name. All that the plaintiffs must allege in the complaint are two facts, which, admitting them to be true, would entitle the plaintiffs to recover title to the disputed land. These are: (1) that the plaintiffs were the owners of the land, and (2) that the defendants had illegally dispossessed them of the same. The action for reconveyance can be based on implied trust where the defendants acquire the disputed property through mistake or fraud so that they would be bound to hold the property for the benefit of the persons who are truly entitled to it and reconvey the same to them.⁷⁵

In the case, the CA agreed with the RTC that Belen *et al.* have sufficiently proved by preponderance of evidence the material allegations of their Complaint against petitioners. This is notwithstanding the CA's finding that Belen's testimony was hearsay, hence, should be deemed inadmissible.

The CA gave credence to the notarized letter⁷⁶ of Cristeta addressed to the Register of Deeds of Mandaluyong City narrating the circumstances surrounding the deed of sale which resulted in the implied trust and that the ownership of the property remained with Cristeta. The other documentary evidence presented by Belen *et al.* are: (1) letters written by Cristeta to her tenants; (2) the letters of her tenants to the *barangay* captain recognizing Cristeta's ownership of the subject property; (3) the summons issued by the *barangay* captain to Cristeta and her tenants; (4) receipts issued by Cristeta to her tenants dated after the purported deed of sale between Cristeta and Joel; and (5) the testimonies of Tayag and Dalumpines, were also given weight by the CA.⁷⁷

Well-entrenched is the rule that the Court's role in a petition under Rule 45 is limited to reviewing or reversing errors of law allegedly committed by the CA. Equally settled is the rule that the Court is not a

⁷⁵ *Heirs of Cullado v. Gutierrez*, G.R. No. 212938, July 30, 2019.

⁷⁶ See Letter dated October 20, 1998, *id.* at 318.

⁷⁷ *Rollo*, p. 98.

trier of facts. The Court is not duty-bound to analyze and weigh again the evidence considered in the proceedings below, especially where the RTC's factual findings are adopted and affirmed by the CA. Factual findings of the RTC, affirmed by the CA, are generally final and conclusive and may not be reviewed on appeal.⁷⁸

Considering that the uniform findings of the CA and the RTC are supported by the evidence on record, the Court sees no reason to depart from the rule according finality and respect to the findings of the lower courts.

As a final word, petitioners should be reminded that procedural rules should be treated with the utmost respect and due regard. While there may be occasions when the Court recognizes exceptions to justify tempering the rigidity of procedural rules, such occasions should be only upon the most compelling reasons. Every plea for liberal construction of procedural rules must at least be accompanied by an explanation as to why the party-litigant has not complied with the rules and by a plausible justification for the liberal construction.⁷⁹ Procedural rules, like all rules, should be followed and observed, save for the most persuasive of reasons when they may be relaxed to relieve a litigant of an injustice not commensurate with the degree of his thoughtlessness in not complying with the procedure prescribed.⁸⁰

WHEREFORE, the petition is **DENIED** for lack of merit.

SO ORDERED.

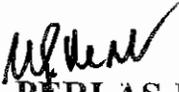

HENRI JEAN PAUL B. INTING
Associate Justice

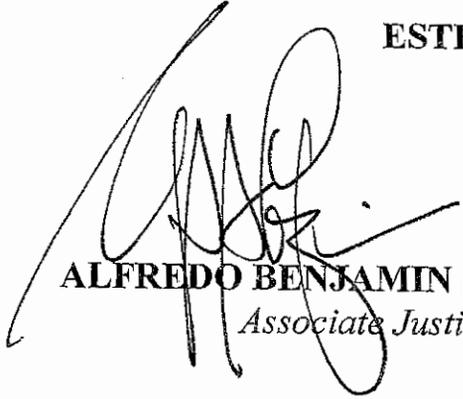
⁷⁸ *Almeda, et al. v. Heirs of Almeda, et al.*, 818 Phil. 239, 255-256 (2017), citing *Sps. Villaceran, et al. v. De Guzman*, 682 Phil. 426 (2012).

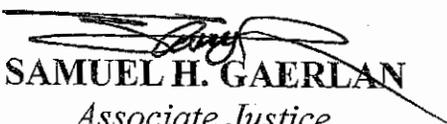
⁷⁹ *Yabut v. Villongco*, G.R. No. 226790 (Notice), September 12, 2018.

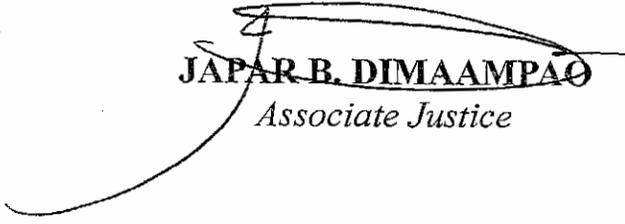
⁸⁰ *Lui Enterprises, Inc. v. Zuellig Pharma Corp.*, *supra* note 69, citing *SSS v. Hon Chaves*, 483 Phil. 292, 301 (2004).

WE CONCUR:


ESTELA M. PERLAS-BERNABE
Senior Associate Justice
Chairperson

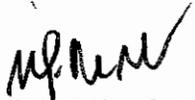

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice


SAMUEL H. GAERLAN
Associate Justice


JAPAR B. DIMAAMPAO
Associate Justice

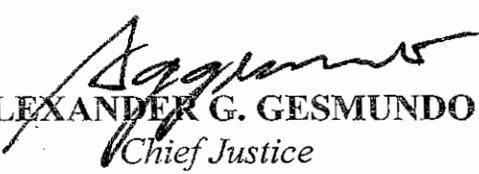
ATTESTATION

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.


ESTELA M. PERLAS-BERNABE
Senior 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.


ALEXANDER G. GESMUNDO
Chief Justice

