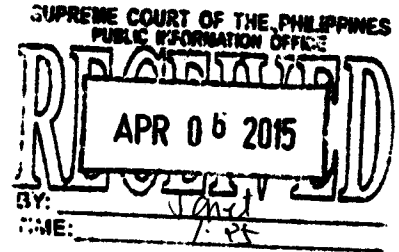




Republic of the Philippines  
Supreme Court  
Manila

FIRST DIVISION

NOTICE



Sirs/Mesdames:

*Please take notice that the Court, First Division, issued a Resolution dated March 18, 2015 which reads as follows:*

**“G.R. No. 194219 (HEIRS OF MANUEL SEPULVEDA and ATILLANA SEPULVEDA, herein represented by their Attorney-in-Fact FELIX S. SAJOT v. ADORA ABESTILLA FONTANOZA, ET AL).** - Assailed in this petition for review on *certiorari*<sup>1</sup> are the Resolutions dated August 2, 2010<sup>2</sup> and October 22, 2010<sup>3</sup> of the Court of Appeals (CA) in CA-G.R. SP No. 114941 which denied petitioners heirs of Manuel Sepulveda and Atillana Sepulveda’s (petitioners) appeal from the Orders<sup>4</sup> dated January 27, 2010 and April 29, 2010 of the Regional Trial Court of Quezon City, Branch 80 (RTC) in Civil Case No. Q-09-65260, and dismissed their complaint on the ground of lack of jurisdiction.

**The Facts**

This case essentially stems from petitioners’ complaint for recovery of possession of real properties covering a total area of 382,847,855 square meters, against respondents Adora Abestilla Fontanoza and others (Fontanoza, et al.), filed before the RTC, docketed as Civil Case No. Q-09-65260. As may be gathered from the records, petitioners do not dispute that the said complaint does not allege the assessed value of the real properties sought to be recovered.

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<sup>1</sup> *Rollo*, pp. 14-29.

<sup>2</sup> *Id.* at 35-40. Penned by Associate Justice Rosmari D. Carandang with Associate Justices Ramon R. Garcia and Manuel M. Barrios, concurring.

<sup>3</sup> *Id.* at 32-33.

<sup>4</sup> Not attached to the petition.

Accordingly, Fontanoza, et al. filed separate responses to the complaint either in the form of a Motion to Dismiss or an Answer with Counterclaim.<sup>5</sup>

In an Order dated January 27, 2010, the RTC dismissed the case for lack of jurisdiction due to petitioners' failure to allege the assessed value of the properties subject of the complaint. It reasoned that, in an action for recovery of possession, it is necessary to allege the value of the subject property in order to determine which court has jurisdiction over the real action. It also held that courts cannot take judicial notice of the assessed or market value of real property.<sup>6</sup>

Dissatisfied, petitioners filed a motion for reconsideration attaching therewith a tax declaration showing that the properties are worth more than ₱50,000.00.<sup>7</sup> The same was, however, denied by the RTC in an Order dated April 29, 2010,<sup>8</sup> prompting petitioners to file a petition for *certiorari* before the CA, docketed as CA-G.R. SP No. 114941.

In a Resolution<sup>9</sup> dated August 2, 2010, the CA dismissed petitioners' appeal. It held that the RTC did not acquire jurisdiction over the case due to the non-payment of the appropriate docket fees based on the assessed or estimated value of the litigated property.

Unfazed, petitioners filed a motion for reconsideration which was, however, denied in a Resolution<sup>10</sup> dated October 22, 2010; hence, this petition.

### **The Issue Before the Court**

The sole issue for the Court's resolution is whether or not the RTC acquired jurisdiction over the case.

### **The Court's Ruling**

The petition lacks merit.

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<sup>5</sup> *Rollo*, p. 18.

<sup>6</sup> See CA Resolution dated August 2, 2010; *id.* at 37.

<sup>7</sup> *Id.* at 20, 37

<sup>8</sup> *Id.* at 18.

<sup>9</sup> *Id.* at 35-40.

<sup>10</sup> *Id.* at 32-33.

It is an elementary procedural law postulate that the **nature of the action and which court has original and exclusive jurisdiction over the same is determined by the material allegations of the complaint**, the type of relief prayed for by the plaintiff and the law in effect when the action is filed, irrespective of whether the plaintiffs are entitled to some or all of the claims asserted therein.<sup>11</sup>

It is undisputed that the complaint filed by petitioners is one for recovery of possession of real property. The jurisdiction over such cases is particularly governed by the following provisions of Batas Pambansa Bilang 129,<sup>12</sup> as amended by Republic Act No. 7691:<sup>13</sup>

*Sec. 33. Jurisdiction of Metropolitan Trial Courts, Municipal Trial Courts and Municipal Circuit Trial Courts in Civil Cases. – Metropolitan Trial Courts, Municipal Trial Courts and Municipal Circuit Trial Courts shall exercise:*

x x x x

(3) Exclusive original jurisdiction in all civil actions which involve title to, or possession of, real property, or any interest therein where the assessed value of the property or interest therein does not exceed Twenty Thousand Pesos (P20,000.00) or, in civil actions in Metro Manila, where such assessed value does not exceed Fifty Thousand Pesos (P50,000.00) exclusive of interest, damages of whatever kind, attorney's fees, litigation expenses and costs: Provided, That in cases of land not declared for taxation purposes, the value of such property shall be determined by the assessed value of the adjacent lots.

*Sec. 19. Jurisdiction in civil cases. – The Regional Trial Court shall exercise exclusive original jurisdiction:*

x x x x

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

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<sup>11</sup> *Hilario v. Salvador*, 497 Phil. 327, 334 (2005); citation omitted.

<sup>12</sup> Otherwise known as the "Judiciary Reorganization Act of 1980."

<sup>13</sup> "AN ACT EXPANDING THE JURISDICTION OF THE METROPOLITAN TRIAL COURTS, MUNICIPAL TRIAL COURTS, AND MUNICIPAL CIRCUIT TRIAL COURTS, AMENDING FOR THE PURPOSE BATAS PAMBANSA BLG. 129, OTHERWISE KNOWN AS THE 'JUDICIARY REORGANIZATION ACT OF 1980.'"

Based on the foregoing, it has thus been held that **the jurisdiction of the court over an action involving title to, or possession of, land is determined by the assessed value of the said property** (and not the market value thereof). The assessed value of real property is the fair market value of the real property multiplied by the assessment level. It is synonymous to taxable value. On the other hand, the fair market value is the price at which a property may be sold by a seller, who is not compelled to sell, and bought by a buyer, who is not compelled to buy.<sup>14</sup>

In this case, petitioners' complaint in Civil Case No. Q-09-65260 admittedly contained no allegation regarding the assessed value of the real property sought to be recovered. As such, the RTC could not determine if it has jurisdiction over the same. Hence, its dismissal was in order.

Petitioners insist that the RTC should have taken judicial notice of the fact that the recitals of the complaint evidently show that the assessed value of the land exceeds the ₱50,000.00 threshold, and thus, this was already sufficient for the lower court to acquire jurisdiction over the case.

The contention is untenable.

Squarely, the Court has already debunked a similar insinuation in *Hilario v. Salvador*,<sup>15</sup> wherein it was ruled that **the court cannot take judicial notice of the assessed or market value of lands**. Hence, **absent any allegation in the complaint of the assessed value of the property, it cannot thus be determined whether the RTC or the Municipal Trial Court had original and exclusive jurisdiction over the petitioners' action**, as in this case.

Note that this fatal defect cannot be cured by alleging the value of the properties in a motion for reconsideration. Again, jurisdiction is determined by the allegations in the **complaint**, and the filing of a motion for reconsideration does not have the effect of amending the complaint.

Also, as the CA correctly pointed out, the rules on the payment of legal fees require parties to allege the value of the properties subject of a case,<sup>16</sup> absent which, the amount of docket fees required for the RTC to

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<sup>14</sup> Supra note 11 at 336.

<sup>15</sup> Id.

<sup>16</sup> See Section 7(a), Rule 141 of the Rules of Court, as revised by A.M. No. 04-2-04 SC effective August 16, 2004.

properly acquire jurisdiction over the case cannot even be determined. As held in the landmark case of *Manchester Development, Corp. v. CA*,<sup>17</sup> the general rule is that jurisdiction over any case is acquired only upon the payment of the prescribed docket fees which is both mandatory and jurisdictional.

To compound petitioners' error, they even failed to attach, among others, the RTC Orders dated January 27, 2010 and April 29, 2010, which constitute material portions of the record required under Section 4(d) in relation to Section 5, Rule 45 of the Rules of Court. Aside from its lack of merit, such omission therefore gives the Court more reason to deny the present petition.

All told, petitioners' Complaint in Civil Case No. Q-09-65260 is hereby dismissed. Notably, such dismissal is without prejudice to the filing of the proper complaint containing, among others, the assessed value of the real properties sought to be recovered.

**WHEREFORE**, the petition is **DENIED**. The Resolutions dated August 2, 2010 and October 22, 2010 of the Court of Appeals in CA-G.R. SP No. 114941 are **AFFIRMED**. The Complaint in Civil Case No. Q-09-65260 is **DISMISSED**, without prejudice.

**SO ORDERED.** SERENO, C.J., on official travel. JARDALEZA, J., designated acting member per S.O. No. 1952 dated March 18, 2015.

Very truly yours,



**LIBRADA C. BUENA**  
Deputy Division Clerk of Court  
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<sup>17</sup> 233 Phil. 579, 585 (1987).

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The Hon. Presiding Judge  
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