



# Republic of the Philippines Supreme Court Manila

## FIRST DIVISION

ELDEFONSO G. DEL ROSARIO and JOSEFINO R. ORTIZ, G.R. No. 215348

Present:

- versus -

CRISTINA OCAMPO-FERRER,

Respondent.

Petitioners.

SERENO, C.J., Chairperson, LEONARDO-DE CASTRO, BERSAMIN, PERLAS-BERNABE, and CAGUIOA, JJ.

Promulgated:

JUN 2 0 2016

RESOLUTION

## PERLAS-BERNABE, J.:

Assailed in this petition for review on *certiorari*<sup>1</sup> are the Decision<sup>2</sup> dated May 27, 2014 and the Resolution<sup>3</sup> dated November 10, 2014 of the Court of Appeals (CA) in CA-G.R. CV No. 100487, holding, *inter alia*, that the levy on and sale of the real property owned by respondent Cristina Ocampo-Ferrer (Ocampo-Ferrer) was procedurally defective, thereby nullifying the Certificate of Sale in favor of petitioner Eldefonso G. Del Rosario (Del Rosario), the annotation thereof on Transfer Certificate of Title (TCT) No. 30480, and the Officer's Deed of Final Sale.

<sup>&</sup>lt;sup>1</sup> *Rollo*, pp. 10-18.

<sup>&</sup>lt;sup>2</sup> Id. at 20-27. Penned by Associate Justice Jose C. Reyes, Jr. with Associate Justices Mario V. Lopez and Socorro B. Inting concurring.

<sup>&</sup>lt;sup>3</sup> Id. at 75.

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The Facts

Sometime in February 2001, Ocampo-Ferrer obtained a loan in the amount of  $\mathbb{P}850,000.00$  from Del Rosario, secured by a parcel of land<sup>4</sup> situated in Calauan, Laguna and covered by TCT No. T-165897. After Ocampo-Ferrer defaulted on said loan, Del Rosario filed a complaint<sup>5</sup> for sum of money against her before the Regional Trial Court of Las Piñas City (RTC-Las Piñas), Branch 275<sup>6</sup> (RTC-Las Piñas Br. 275), docketed as Civil Case No. LP-03-0088. On December 8, 2004, Ocampo-Ferrer and Del Rosario entered into a Compromise Agreement<sup>7</sup> whereby Ocampo-Ferrer bound herself to pay Del Rosario the amount of  $\mathbb{P}1,200,000.00$  on or before June 19, 2005, and that upon receipt of payment, Del Rosario shall return the owner's duplicate copy of TCT No. T-165897. Accordingly, the RTC-Las Piñas Br. 275 issued an Order<sup>8</sup> dated December 10, 2004, adopting and approving the said Agreement as the Decision in Civil Case No. LP-03-0088.<sup>9</sup>

Despite the foregoing, Ocampo-Ferrer still failed to comply with her obligation, thus, compelling Del Rosario to move for execution,<sup>10</sup> which was granted by the RTC-Las Piñas Br. 275 in an Order<sup>11</sup> dated December 16, 2005. After the issuance of the Writ of Execution, <sup>12</sup> petitioner Sheriff Josefino Ortiz (Sheriff Ortiz) of RTC-Las Piñas Br. 275 issued a Demand/Notice to Pay<sup>13</sup> to Ocampo-Ferrer, which the latter failed to act upon. This prompted Sheriff Ortiz to levy Ocampo-Ferrer's parcel of land located in Las Piñas, covered by TCT No. 30480,14 and to schedule the public auction of said land. At the auction sale, Del Rosario came out as the sole and highest bidder, and consequently, a Certificate of Sale<sup>15</sup> dated February 20, 2006 was issued in his favor.<sup>16</sup> In view of the foregoing, Ocampo-Ferrer filed a complaint<sup>17</sup> before the RTC-Las Piñas, Branch 198 (RTC-Las Piñas Br. 198) seeking the annulment of the sheriff's sale, as well as payment of damages, docketed as Civil Case No. LP-07-0037. In her complaint, Ocampo-Ferrer claimed that Del Rosario and Sheriff Ortiz committed unlawful acts in enforcing the writ of execution in Civil Case No. LP-03-0088.<sup>18</sup>

Resolution

<sup>&</sup>lt;sup>4</sup> Records (Civil Case No. LP-03-0088), pp. 14-15.

<sup>&</sup>lt;sup>5</sup> Id. at 1-5.

<sup>&</sup>lt;sup>6</sup> The case was originally raffled to RTC-Las Piñas Branch 200, but was re-raffled to Branch 275 because of the former's designation by the Supreme Court as a Special Court for Drug Cases. See id. at 127.

<sup>&</sup>lt;sup>7</sup> Id. at 265-266.

<sup>&</sup>lt;sup>8</sup> Rollo, pp. 28-29. Penned by Judge Bonifacio Sanz Maceda.

<sup>&</sup>lt;sup>9</sup> Id. at 20-21.

<sup>&</sup>lt;sup>10</sup> Records (Civil Case No. LP-03-0088), pp. 270-271.

Id. at 283.

<sup>&</sup>lt;sup>12</sup> Id. at 295-296.

<sup>&</sup>lt;sup>13</sup> Id. at 293.

<sup>&</sup>lt;sup>14</sup> Id. at 289-291.

<sup>&</sup>lt;sup>15</sup> Id. at 309.

Rollo, pp. 21-22.
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<sup>&</sup>lt;sup>17</sup> Records (Civil Case No. LP-07-0037), pp. 2-9.

<sup>&</sup>lt;sup>18</sup> See id. See also *rollo*, p. 22.

For their part,<sup>19</sup> petitioners vehemently denied the accusations against them. They likewise averred that: (a) the complaint was barred by prior judgment in Civil Case No. LP-03-0088 and that Ocampo-Ferrer never challenged the same; and (b) the subject matter of Civil Case No. LP-07-0037 is not within the jurisdiction of RTC-Las Piñas Br. 198 as it is a coequal court of RTC-Las Piñas Br. 275.<sup>20</sup>

## The RTC-Las Piñas Br. 198 Ruling

In a Decision<sup>21</sup> dated November 9, 2012, the RTC-Las Piñas Br. 198 dismissed the case for lack of merit and ordered Del Rosario to return the owner's duplicate copy of TCT No. T-165897 to Ocampo-Ferrer. It found that Ocampo-Ferrer failed to prove that the actions taken by Del Rosario and Sheriff Ortiz in enforcing the compromise judgment in Civil Case No. LP-03-0088 – by levying the property covered by TCT No. 30480 and its consequent auction sale – were unlawful and illegal. Since the levy and auction sale operated to extinguish Ocampo-Ferrer's obligation to Del Rosario, the RTC-Las Piñas Br. 198 ordered the latter to return to the former the owner's duplicate copy of TCT No. T-165897 in accordance with the aforesaid compromise judgment.<sup>22</sup>

Ocampo-Ferrer moved for reconsideration<sup>23</sup> but the same was denied in an Order<sup>24</sup> dated February 8, 2013. Aggrieved, she appealed to the CA.<sup>25</sup>

## The CA Ruling

In a Decision<sup>26</sup> dated May 27, 2014, the CA reversed and set aside the ruling of the RTC-Las Piñas Br. 198 and, accordingly, declared null and void the following: (*a*) the levy performed by Sheriff Ortiz on the property covered by TCT No. 30480 and the consequent auction sale of the same; and (*b*) the Certificate of Sale in favor of Del Rosario, the annotation thereof on TCT No. 30480, and the Officer's Deed of Final Sale.<sup>27</sup> Explaining the appropriate manner of enforcing judgments for money as laid down under Section 9, Rule 39 of the Rules of Court, the CA held that Sheriff Ortiz's levy on the property covered by TCT No. 30480 was procedurally defective as there was no showing that Sheriff Ortiz gave Ocampo-Ferrer the opportunity to exercise the option of immediately choosing which among her properties should be levied upon. In this regard, the CA even posited that

<sup>&</sup>lt;sup>19</sup> See Answer with Affirmative Defenses and Counterclaim dated March 26, 2007; records (Civil Case No. LP-07-0037), pp. 55-61.

<sup>&</sup>lt;sup>20</sup> Id. See also *rollo*, p. 22.

<sup>&</sup>lt;sup>21</sup> Rollo, pp. 30-37. Penned by Judge Erlinda Nicolas-Alvaro.

<sup>&</sup>lt;sup>22</sup> Id. at 32-36.

<sup>&</sup>lt;sup>23</sup> Records (Civil Case No. LP+07-0037), pp. 1323-1331.

<sup>&</sup>lt;sup>24</sup> Id. at 1362-1363.

<sup>&</sup>lt;sup>25</sup> See Notice of Appeal dated March 11, 2013; CA *rollo*, pp. 48-49.

<sup>&</sup>lt;sup>26</sup> *Rollo*, pp. 20-27.

<sup>&</sup>lt;sup>27</sup> Id. at 26.

assuming arguendo that Ocampo-Ferrer was given said option but failed to exercise the same, Sheriff Ortiz should have first levied on her personal properties, and if the same were insufficient to answer for the money judgment, it is only then that he can levy on her real properties, such as the one covered by TCT No. 30480.<sup>28</sup>

Petitioners moved for reconsideration<sup>29</sup> which was, however, denied in the Resolution<sup>30</sup> dated November 10, 2014; hence, this petition.

## The Issue Before the Court

The issue for the Court's resolution is whether or not the CA correctly held that the levy and consequent sale of the property covered by TCT No. 30480 is null and void.

## The Ruling of the Court

The petition is meritorious.

At the outset, the Court emphasizes that under the doctrine of judicial stability or non-interference in the regular orders or judgments of a co-equal court, the various trial courts of a province or city, having the same equal authority, should not, cannot, and are not permitted to interfere with their respective cases, much less with their orders or judgments.<sup>31</sup> In Barroso v. Omelio,<sup>32</sup> the Court had the opportunity to thoroughly explain the said doctrine in this manner:

The doctrine of judicial stability or non-interference in the regular orders or judgments of a co-equal court is an elementary principle in the administration of justice: no court can interfere by injunction with the judgments or orders of another court of concurrent jurisdiction having the power to grant the relief sought by the injunction. The rationale for the rule is founded on the concept of jurisdiction: a court that acquires jurisdiction over the case and renders judgment therein has jurisdiction over its judgment, to the exclusion of all other coordinate courts, for its execution and over all incidents, and to control, in furtherance of justice, the conduct of ministerial officers acting in connection with this judgment.

Thus, we have repeatedly held that a case where an execution order has been issued is considered as still pending, so that all proceedings on the execution are still proceedings in the suit. A court which issued a

<sup>28</sup> Id. at 23-26.

<sup>29</sup> CA rollo, pp. 227-229.

<sup>30</sup> Rollo, p. 75.

<sup>31</sup> See Barroso v. Omelio, G.R. No. 194767, October 14, 2015, citing The Heirs of the Late Spouses Laura Yadno & Pugsong Mat-an v. The Heirs of the Late Spouses Anchales, 697 Phil. 390, 400 (2012). 32 See id.

writ of execution has the inherent power, for the advancement of justice, to correct errors of its ministerial officers and to control its own processes. To hold otherwise would be to divide the jurisdiction of the appropriate forum in the resolution of incidents arising in execution proceedings. Splitting of jurisdiction is obnoxious to the orderly administration of justice.

To be sure, the law and the rules are not unaware that an issuing court may violate the law in issuing a writ of execution and have recognized that there should be a remedy against this violation. The remedy, however, is not the resort to another co-equal body but to a higher court with authority to nullify the action of the issuing court. This is precisely the judicial power that the 1987 Constitution, under Article VIII, Section 1, paragraph 2, speaks of and which this Court has operationalized through a petition for *certiorari*, under Rule 65 of the Rules of Court.

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It is not a viable legal position to claim that a TRO against a writ of execution is issued against an erring sheriff, not against the issuing Judge. A TRO enjoining the enforceability of a writ addresses the writ itself, not merely the executing sheriff. x x x As already mentioned above, the appropriate action is to assail the implementation of the writ before the issuing court in whose behalf the sheriff acts, and, upon failure, to seek redress through a higher judicial body.<sup>33</sup> (Emphases and underscoring supplied)

In the case at bar, the Court notes that in performing a levy on and subsequent auction sale of the property covered by TCT No. 30480, Sheriff Ortiz was merely enforcing the writ of execution issued by the RTC-Las Piñas Br. 275 pursuant to its ruling in Civil Case No. LP-03-0088. Since said writ of execution emanated from the RTC-Las Piñas Br. 275, its enforcement cannot be assailed in a co-equal court such as the RTC-Las Piñas Br. 198, as it would violate the doctrine of judicial stability or non-interference in the regular orders or judgments of a co-equal court. Unfortunately, Ocampo-Ferrer still chose to assail the enforcement of said writ by filing a case before the RTC-Las Piñas Br. 198. Worse, the RTC-Las Piñas Br. 198 – and even the CA on appeal – chose to resolve the case on the merits instead of simply dismissing the same in deference to the aforesaid doctrine.

As correctly pointed out by petitioners at the earliest opportunity in their Answer with Affirmative Defenses and Counterclaim,<sup>34</sup> the RTC-Las Piñas Br. 198 has no jurisdiction to annul actions emanating from a lawful order of a co-equal court such as the RTC-Las Piñas Br. 275.<sup>35</sup> In other

<sup>35</sup> Id. at 59.

<sup>&</sup>lt;sup>33</sup> See id., citing *Cabili v. Balindong*, 672 Phil. 398, 406-411 (2011).

<sup>&</sup>lt;sup>34</sup> Dated March 26, 2007; records (Civil Case No. LP-07-0037), pp. 55-61.

words, when the RTC-Las Piñas Br. 275 took cognizance of Civil Case No. LP-03-0088, it acquired full jurisdiction over the matters at hand, to the exclusion of all other coordinate courts. Thus, in consonance with the aforediscussed doctrine, the proper remedy to assail orders originating from the RTC-Las Piñas Br. 275 is to file an action before a higher court with authority to nullify such orders and not before a co-equal body. Hence, the RTC-Las Piñas Br. 198 erred in taking cognizance of Civil Case No. LP-07-0037 as this case sought to annul an order coming from a co-equal court. Verily, the RTC-Las Piñas Br. 198 should have dismissed Civil Case No. LP-07-0037 on the ground of lack of jurisdiction, without prejudice to its refiling in the appropriate court.

WHEREFORE, the petition is GRANTED. The Decision dated May 27, 2014, and the Resolution dated November 10, 2014 of the Court of Appeals in CA-G.R. CV No. 100487 are hereby SET ASIDE. Civil Case No. LP-07-0037, originally pending before the Regional Trial Court of Las Piñas City, Branch 198, is **DISMISSED** on the ground of lack of jurisdiction.

#### SO ORDERED.

-BERNABE **ESTELA M** Associate Justice

WE CONCUR:

cond.

**MARIA LOURDES P. A. SERENO Chief Justice** Chairperson

Castro ITA J. LEONARDO-DE CASTRO

Associate Justice

Associate-Justice

**BENJAMIN S. CAGUIOA** FREDO ice

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# CERTIFICATION

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

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MARIA LOURDES P. A. SERENO Chief Justice