

Republic of the Philippines Supreme Court Manila

THIRD DIVISION

APR 10 2015

SUPPREME COURT OF THE PHILIPPRIES

NOTICE

Sirs/Mesdames:

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

"G.R. No. 211322 (Spouses Roberto and Loreto Morales vs. Ester G Arboleda). – This is a petition for review on certiorari¹ under Rule 45 of the Rules of Court filed by the spouses Roberto and Loreto Morales (petitioners) seeking to annul and set aside the Decision² dated August 30, 2013 and Resolution³ dated December 2, 2013 issued by the Court of Appeals (CA) in CA-GR. SP No. 122817.

On July 1, 2005, Ester G. Arboleda (respondent) filed a complaint for unlawful detainer, docketed as Civil Case No. 4104, with the Municipal Trial Court in Cities (MTCC) of San Fernando City, La Union, Branch 1, against the petitioners. The respondent alleged that the petitioners, who have been leasing her residential house in Barangay Pagudpud, San Fernando City, La Union since March 2000, suddenly stopped paying rent in April 2001.

In their defense, the petitioners averred that they have already acquired ownership of the subject property from the Rural Bank of Luna, Inc. (Bank). They claimed that the subject property was mortgaged by the respondent to the Bank. That when the respondent was unable to pay her debt, the petitioners transacted with the Bank for the acquisition of the subject property.

On May 14, 2008, the MTCC rendered a Decision, in favor of the respondent. Thus, the MTCC directed the petitioners to vacate the subject property and pay the respondent back rentals from April 2001 until the finality of its decision and attorney's fees. On appeal, the Regional Trial Court (RTC) of San Fernando City, La Union, Branch 26, affirmed *in toto* the MTCC Decision dated May 14, 2008. The RTC decision attained finality on October 18, 2010. A writ of execution was thereafter issued by the MTCC.

Id. at 34-35.

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Rollo, pp. 9-22.

Penned by Associate Justice Ramon M. Bato, Jr., with Presiding Justice Andres B. Reyes, Jr. and Associate Justice Rodil V. Zalameda concurring; id. at 26-32.

In the meantime, the petitioners filed a complaint for specific performance and/or sum of money with the RTC, docketed as Civil Case No. 7403, against the respondent and the Bank. The petitioners alleged that the respondent failed to redeem the subject property, which she mortgaged to the Bank as security for her loan. Thereafter, they claimed that they acquired the subject property from the Bank, paying the amount equivalent to the respondent's outstanding obligation. The petitioners prayed for the issuance of a temporary restraining order and/or a writ of preliminary injunction as there is a possibility that they would be evicted from the subject property.

On June 19, 2008, the RTC issued an Order, which granted the petitioners' application for the issuance of a writ of preliminary injunction. Accordingly, the respondent and the Bank were directed to cease and desist from doing any acts alienating, assigning, or encumbering the subject property and to refrain from disturbing the status *quo*.

The respondent filed a motion to lift injunction, which was denied by the RTC in its Order⁴ dated August 8, 2011. The respondent's motion for reconsideration was denied by the RTC in its Order⁵ dated October 17, 2011.

The respondent then filed a petition for *certiorari* with the CA, alleging that the RTC gravely abused its discretion in issuing a writ of preliminary injunction. The respondent averred that a writ of preliminary injunction will not lie to enjoin the decision in the unlawful detainer case, which had already become final.

On August 30, 2013, the CA rendered the herein assailed Decision,⁶ which set aside the RTC Orders dated August 8, 2011 and October 17, 2011 and nullified the writ of preliminary injunction issued by the RTC. The CA opined that the petitioners do not possess any existing right or actual interest over the subject property that would have justified the issuance of the writ of preliminary injunction.⁷ Further, the CA ruled that the finality of the decision in the unlawful detainer case cannot be affected by the pendency of the specific performance case.⁸

The petitioners sought a reconsideration of the Decision dated August 30, 2013, but it was denied by the CA in its Resolution⁹ dated December 2, 2013.

Issued by Presiding Judge Victor O. Concepcion; id. at 23-24.

⁵ Id. at 25.

d. at 26-32.

⁷ Id. at 31.

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⁹ Id. at 34-35.

Essentially, the issue to be resolved is whether the CA committed reversible error in ruling that the RTC gravely abused its discretion in issuing a writ of preliminary injunction, which enjoined the respondent and the Bank from doing any acts alienating, assigning, or encumbering the subject property and to refrain from disturbing the status quo.

The petition is denied.

It is undisputed that the decision in the unlawful detainer case, which directed the petitioners *inter alia* to vacate the subject property, had already attained finality. Nothing is more settled in law than that once a judgment attains finality it thereby becomes immutable and unalterable. Once a judgment attains finality, the implementation and execution thereof are already ministerial on the courts.

The pendency of the specific performance case will not operate to bar the execution of the judgment in the unlawful detainer case. The judgment in the unlawful detainer case is conclusive on the issue of *de facto* possession over the subject property, adjudged therein in favor of the respondent, but not on issues of title and ownership. Being entirely distinct and separate actions, the action for specific performance pending before the RTC should neither affect nor be affected by the judgment in the unlawful detainer case.

Suits involving ownership may not be successfully pleaded in abatement of the enforcement of the final decision in an ejectment suit. This rule is not without good reason. If the rule were otherwise, ejectment cases could easily be frustrated through the simple expedient of filing an action contesting the ownership over the property subject of the controversy. This would render nugatory the underlying philosophy of the summary remedy of ejectment which is to prevent criminal disorder and breaches of the peace and to discourage those who, believing themselves entitled to the possession of the property, resort to force rather than some appropriate action in court to assert their claims. 12

The petitioners' claim that the writ of preliminary injunction issued by the RTC does not abate the execution of the judgment in the unlawful detainer case, as it merely enjoined the respondent and the Bank from alienating, assigning or encumbering the subject property, is untenable. The RTC Order dated June 19, 2008 enjoined the respondent and the Bank, *inter alia*, to refrain from disturbing the status *quo*. The status *quo* that the writ of preliminary injunction is trying to preserve is the petitioners' possession of the subject property. Indeed, the petitioners' justification in their prayer for

Salting v. Velez, et al., 654 Phil. 117, 124 (2011).
 Id., citing Samonte v. Century Savings Bank, G.R. No. 176413, November 25, 2009, 605 SCRA 478, 485-486.



Montemayor v. Millora, G.R. No. 168251, July 27, 2011, 654 SCRA 580, 587.

the issuance of a writ of preliminary injunction is that there is a possibility that they will be evicted from the subject property. Clearly, the RTC's injunction order abated the enforcement of the judgment in the unlawful detainer case.

Further, the Court agrees with the CA that there was no basis for the RTC's issuance of the writ of preliminary injunction. In *Ocampo v. Vda. de Fernandez*, ¹³ the Court stressed that:

To be entitled to the injunctive writ, the applicant must show that there exists a right to be protected which is directly threatened by an act sought to be enjoined. Furthermore, there must be a showing that the invasion of the right is material and substantial and that there is an urgent and paramount necessity for the writ to prevent serious damage. The applicant's right must be clear and unmistakable. In the absence of a clear legal right, the issuance of the writ constitutes grave abuse of discretion. Where the applicant's right or title is doubtful or disputed, injunction is not proper. The possibility of irreparable damage without proof of an actual existing right is not a ground for injunction. (Citation omitted and emphasis ours)

A clear legal right means one clearly founded in or granted by law or is enforceable as a matter of law. The petitioners miserably failed to establish such a clear and positive right that would have entitled them to the issuance of the injunctive writ prayed for.

Their supposed ownership of the subject property is based on their claim that they redeemed the subject property after the respondent failed to satisfy her loan obligation to the Bank. However, the petitioners' claim is still being disputed before the RTC. Moreover, the petitioners' right to possess the subject property had already been declared inferior, in relation to the respondent, in the decision in the unlawful detainer case, which had already become final and executory. Accordingly, the petitioners have no clear and unmistakable right over the subject property as would justify the issuance of the injunctive writ.

WHEREFORE, in consideration of the foregoing disquisitions, the petition is **DENIED**."

Very truly yours,

WILFRESO V. LAPFYA Division Clerk of Court

¹³ 552 Phil. 166 (2007).

¹⁴ Id. at 182.

Soriano v. People, et al., 625 Phil. 33, 56 (2010).

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Judgment Division
JUDICIAL RECORDS OFFICE
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The Presiding Judge REGIONAL TRIAL COURT Branch 66, San Fernando City La Union (Civil Case No. 7403)

The Presiding Judge MUNICIPAL TRIAL COURT IN CITIES Branch 1, San Fernando City La Union (Civil Case No. 4104)

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