

Republic of the Philippines
Supreme Court
 Manila

FIRST DIVISION

TERESITA TAN,

Petitioner,

- versus -

JOVENCIO F. CINCO, SIMON LORI HOLDINGS, INC., PENTACAPITAL INVESTMENT CORPORATION, FORTUNATO G. PE, RAYMUNDO G. PE, JOSE REVILLA REYES, JR., AND DEPUTY SHERIFF ROMMEL IGNACIO,

Respondents.

G.R. No. 213054

Present:

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

Promulgated:
JUN 15 2016

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DECISION

PERLAS-BERNABE, J.:

Assailed in this petition for review on *certiorari*¹ are the Decision² dated January 22, 2013 and the Resolution³ dated June 11, 2014 rendered by the Court of Appeals (CA) in CA-G.R. SP No. 122492, which reversed and set aside the Orders dated August 5, 2011⁴ and October 17, 2011⁵ of the Regional Trial Court of Parañaque City, Branch 257 (Parañaque RTC) and directed the allowance and approval of respondents' Notice of Appeal⁶ filed on June 17, 2011.

¹ *Rollo*, pp. 10-46.

² *Id.* at 51-63. Penned by Associate Justice Ramon A. Cruz, with Associate Justices Noel G. Tijam and Romeo F. Barza concurring.

³ *Id.* at 65-66.

⁴ *Id.* at 190-193. Penned by Judge Rolando G. How.

⁵ *Id.* at 194.

⁶ *Id.* at 181-182. See also p. 55.

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The Facts

In 2001, respondents Simon Lori Holdings, Inc. (SLHI), Fortunato G. Pe, Raymundo G. Pe, Jovencio F. Cinco, and Jose Revilla Reyes, Jr. (individual lenders) extended a loan to one Dante Tan (Dante) in the amount of ₱50,000,000.00. The loan was facilitated by PentaCapital Investment Corporation (PentaCapital) and was secured by Dante's shares in Best World Resources Corporation (BWRC).⁷ When Dante failed to pay the loan upon maturity and despite demands, he proposed to settle the same by selling his shares in BWRC and assigning the proceeds to SLHI, the individual lenders, and PentaCapital (respondents).⁸

However, when he was due to execute the corresponding deeds of assignment, Dante disappeared, leaving his obligations unpaid.⁹ Hence, respondents filed an action for sum of money against him before the Regional Trial Court of Makati City, Branch 146 (Makati RTC), docketed as Civil Case No. 01-357 (collection case).¹⁰ After due proceedings, the Makati RTC rendered judgment¹¹ on May 21, 2002 ordering Dante to pay respondents the sum of ₱100,100,000.00 with legal interest from June 26, 2000 until the principal amount is fully paid, plus attorney's fees and costs. Dante's attempts to reverse the decision on appeal proved futile, thus, a Writ of Execution¹² (writ) was issued on February 16, 2005.

In order to enforce the writ, Deputy Sheriff Rommel Ignacio (Sheriff Ignacio) levied on a property covered by Transfer Certificate of Title (TCT) No. 126981¹³ registered in Dante's name (subject property). An auction sale was then conducted on March 29, 2005.¹⁴ Consequently, Dante sought the quashal of the writ by presenting an affidavit executed by his wife, herein petitioner Teresita Tan (Teresita) attesting to the conjugal nature of the subject property. Meanwhile, the period to redeem the subject property lapsed without redemption having been made; hence, a Sheriff's Final Deed of Sale¹⁵ was issued in favor of respondents.¹⁶

Undeterred, Dante filed an Omnibus Motion¹⁷ alleging that the subject property was a family home and therefore, exempt from execution, and that being a conjugal property, it cannot be made to answer for his personal obligations without any showing that it had redounded to the benefit of the

⁷ Id. at 52.

⁸ Id. See also pp. 93-95.

⁹ Id. See also p. 95.

¹⁰ Id.

¹¹ Id. at 92-99. Penned by Pairing Judge Cesar D. Santamaria.

¹² Id. at 84-86.

¹³ Id. at 79-83.

¹⁴ Id. at 53.

¹⁵ Id. at 89-90.

¹⁶ Id. at 53.

¹⁷ Id. at 137-144.

family.¹⁸ The Makati RTC denied¹⁹ Dante's Omnibus Motion, ruling that Dante had belatedly raised the issues respecting the conjugal nature of the subject property, and besides, the issue on whether the subject property was a family home had already been previously resolved.²⁰ Moreover, he had contracted the obligation while engaged in his business; hence, it can be presumed that the conjugal partnership was benefited.²¹ Finally, the Makati RTC held that attachment and levy on the subject property had been validly done.²² Consequently, it directed the issuance of a writ of possession in favor of respondents and ordered Dante and all persons claiming rights under him to vacate the subject property.²³ Dante's motion for reconsideration was denied, and there being no appeal taken therefrom, the Makati RTC's disposition of the case became final.²⁴

On May 2, 2007, Teresita – Dante's wife – filed before the Parañaque RTC a complaint²⁵ against respondents, respondent Sheriff Ignacio, and the Register of Deeds of Parañaque City, docketed as Civil Case No. 07-0134, for the nullification of the auction sale and the cancellation of the certificate of sale issued in favor of respondents (nullification case).²⁶

The Proceedings Before the Parañaque RTC

After due proceedings, the Parañaque RTC initially dismissed²⁷ the nullification case on the ground of *res judicata*, ruling that the issues raised therein had already been passed upon by the Makati RTC with Teresita's active and voluntary participation.²⁸ However, upon Teresita's motion for reconsideration,²⁹ the Parañaque RTC, in an Order³⁰ dated January 6, 2011, reversed its initial disposition and instead, nullified the auction sale, the certificate of sale, and the Final Deed of Sale in favor of respondents.³¹ It held that Teresita was considered a third party in the collection case before the Makati RTC, not having been impleaded therein together with her husband Dante, and that the submission of her Affidavit before the Makati RTC did not make her a party to the said case.³² Moreover, she had not waived her right to institute a separate action to recover the subject property, and the nullification case was not, after all, barred by *res judicata*.³³

¹⁸ Id. at 53.

¹⁹ See Order dated January 8, 2007; id. at 272-277. Penned by Presiding Judge Encarnacion Jaja G. Moya.

²⁰ Id. at 53.

²¹ Id.

²² Id.

²³ Id.

²⁴ Id. at 54.

²⁵ Id. at 109-120.

²⁶ Id. at 54.

²⁷ See Order dated July 8, 2010; id. at 153-162. Penned by Judge Rolando G. How.

²⁸ Id. at 54.

²⁹ Id. at 163-174.

³⁰ Id. at 100-108.

³¹ Id. at 54. See also pp. 107-108.

³² Id. at 55.

³³ Id.

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Respondents' motion for reconsideration³⁴ was denied in an Order³⁵ dated April 27, 2011, which they received on May 23, 2011.³⁶ Intending to file a petition for *certiorari* before the CA, they filed a Motion for Extension of Time³⁷ on June 2, 2011. Eventually realizing their error, and apparently unaware that the CA had already denied their motion for extension in an Order dated June 13, 2011, respondents withdrew their motion for extension before the CA on June 17, 2011 and instead, simultaneously filed a Notice of Appeal³⁸ before the Parañaque RTC. Unfortunately, it was filed ten (10) days late.³⁹

In an Order⁴⁰ dated August 5, 2011, the Parañaque RTC denied the Notice of Appeal for having been filed out of time. Respondents' motion for reconsideration was likewise denied in an Order⁴¹ dated October 17, 2011.⁴² Aggrieved, respondents filed a petition for *certiorari*⁴³ before the CA, arguing, *inter alia*, that the Parañaque RTC had no jurisdiction and power to review the proceedings of a co-equal court.

The CA Ruling

In a Decision⁴⁴ dated January 22, 2013, the CA granted the petition and directed the Parañaque RTC to allow respondents' Notice of Appeal. While conceding that the perfection of an appeal within the reglementary period is mandatory and jurisdictional, the CA nonetheless found meritorious and sound reasons for the exceptional allowance of respondents' appeal.⁴⁵ It held that it was a more prudent course of action for the Parañaque RTC to excuse respondents' technical lapse in order to afford the parties a review of the case on appeal instead of disposing the case based on technicality.⁴⁶ Citing the *doctrine of judicial stability* or non-interference in the regular orders or judgments of a co-equal court, it found that the affirmance of the Parañaque RTC's assailed issuances would allow Teresita's husband, Dante, to continue to evade his obligations which was already finally adjudicated by the Makati RTC, a co-equal court and the first one to take cognizance of the controversy, on the basis of technicality.⁴⁷

³⁴ Id. at 175-179.

³⁵ Id. at 180.

³⁶ Id. at 181.

³⁷ Id. at 184-185.

³⁸ Id. at 181-182.

³⁹ Id. at 55.

⁴⁰ Id. at 190-193.

⁴¹ Id. at 194.

⁴² Id. at 55.

⁴³ Id. at 202-223.

⁴⁴ Id. at 51-63.

⁴⁵ Id. at 57-58.

⁴⁶ Id. at 58.

⁴⁷ Id.

Teresita's motion for reconsideration was denied in the Resolution⁴⁸ dated June 11, 2014; hence, this petition.

The Issues Before the Court

At the core of the issues advanced for the Court's resolution is the question of whether or not the Parañaque RTC violated the doctrine of judicial stability when it took cognizance of the nullification case filed by Teresita and declared as null and void the auction sale, the certificate of sale, and the Final Deed of Sale in favor of respondents.

The Court's Ruling

The petition is devoid of merit.

In *Barroso v. Omelio*,⁴⁹ the Court explained the doctrine of judicial stability as follows:

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 its 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 the proceedings on the execution are still proceedings in the suit. A court which issued a 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.

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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

⁴⁸ Id. at 65-66.

⁴⁹ G.R. No. 194767, October 14, 2015, citing *Cabili v. Balindong*, 672 Phil. 398, 406-409 (2011).

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. (Emphases supplied; citations omitted)

To summarize, the various branches of the regional trial courts of a province or city, having as they do the same or equal authority and exercising as they do concurrent and coordinate jurisdiction, should not, cannot, and are not permitted to interfere with their respective cases, much less with their orders or judgments. A contrary rule would obviously lead to confusion and seriously hamper the administration of justice.⁵⁰

In this case, the Court finds that the Parañaque RTC violated the doctrine of judicial stability when it took cognizance of Teresita's nullification case despite the fact that the collection case from which it emanated falls within the jurisdiction of the Makati RTC. Verily, the nullification case ought to have been dismissed at the outset for lack of jurisdiction, as the Parañaque RTC is bereft of authority to nullify the levy and sale of the subject property that was legitimately ordered by the Makati RTC, a coordinate and co-equal court. In fact, the Parañaque RTC was already on the right track when it initially dismissed the nullification case in its Decision⁵¹ dated July 8, 2010. However, it changed its stance and reconsidered its disposition upon Teresita's motion for reconsideration, thereby committing reversible error. To reiterate, the determination of whether or not the levy and sale of a property in the execution of a judgment was valid properly falls within the jurisdiction of the court that rendered the judgment and issued the writ of execution.⁵²

Thus, Teresita's nullification case filed before the Parañaque RTC was improper and in glaring violation of the doctrine of judicial stability. The judgment rendered by the Makati RTC in the collection case, as well as the execution thereof, and all other incidents arising therefrom, may not be interfered with by the Parañaque RTC, a court of concurrent jurisdiction, for the simple reason that the power to open, modify, or vacate the said judgment or order is not only possessed but is restricted to the court in which the judgment or order is rendered or issued.⁵³ Consequently, the Parañaque RTC lacked jurisdiction over the same, rendering all the proceedings therein, as well as the Decision and other orders issued thereon, void for lack of jurisdiction.

A judgment rendered by a court without jurisdiction is null and void and may be attacked anytime. It creates no rights and produces no effect. It remains a basic fact in law that the choice of the proper forum is crucial, as

⁵⁰ *Spouses Ching v. CA*, 446 Phil. 121, 129 (2003); *Cojuangco v. Villegas*, 263 Phil. 291, 297 (1990).

⁵¹ *Rollo*, pp. 153-162.

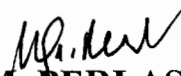
⁵² *Spouses Ching v. CA*, supra note 50, at 128-129.

⁵³ *Philippine Commercial International Bank v. CA*, 454 Phil. 338, 369 (2003).


the decision of a court or tribunal without jurisdiction is a total nullity. A void judgment for want of jurisdiction is no judgment at all. All acts performed pursuant to it and all claims emanating from it have no legal effect.⁵⁴


WHEREFORE, the petition is **DENIED**. The Order dated January 6, 2011 rendered by the Regional Trial Court of Parañaque City, Branch 257 in Civil Case No. 07-0134, the proceedings therein, as well as all orders issued thereafter are hereby declared **NULL** and **VOID** for lack of jurisdiction.

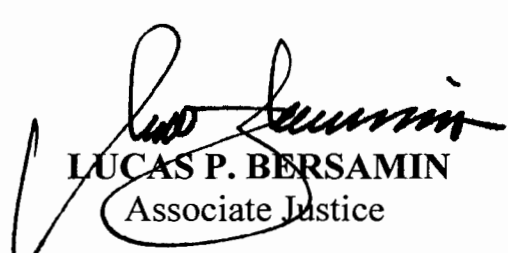
SO ORDERED.


ESTELA M. PERLAS-BERNABE
Associate Justice

WE CONCUR:


MARIA LOURDES P. A. SERENO
Chief Justice
Chairperson


TERESITA J. LEONARDO-DE CASTRO
Associate Justice


LUCAS P. BERSAMIN
Associate Justice


ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

⁵⁴ *Tiu v. First Plywood Corporation*, 629 Phil. 120, 133 (2010).

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.



MARIA LOURDES P. A. SERENO
Chief Justice