



Republic of the Philippines  
 Supreme Court  
 Baguio City

SUPREME COURT OF THE PHILIPPINES  
 PUBLIC INFORMATION OFFICE  
**RECORDED**  
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FIRST DIVISION

**SPOUSES GODFREY and  
 MA. TERESA TEVES,**  
*Petitioners,*

G.R. No. 216714

Present:

- versus -

SERENO,\* C.J.,  
 LEONARDO-DE CASTRO,\*\*  
 DEL CASTILLO,  
 JARDELEZA, and  
 TIJAM, JJ.

**INTEGRATED CREDIT &  
 CORPORATE SERVICES, CO.**  
 (now CAROL AQUÍ),  
*Respondent.*

Promulgated:  
**APR 04 2018**

*[Signature]*

X ----- X

DECISION

**DEL CASTILLO, J.:**

This Petition for Review<sup>1</sup> on *Certiorari* assails the March 28, 2014 Decision<sup>2</sup> of the Court of Appeals (CA) dismissing the Petition for *Certiorari* in CA-G.R. SP. No. 05483, as well as its January 7, 2015 Resolution<sup>3</sup> denying herein petitioners' Motion for Reconsideration.<sup>4</sup>

*Factual Antecedents*

Sometime in 1996, Standard Chartered Bank (Standard) extended various loans to petitioners Godfrey and Ma. Teresa Teves. As security, petitioners mortgaged their property covered by Transfer Certificate of Title No. 107520<sup>5</sup> (the subject property).

Petitioners defaulted in their loan payments. Standard extrajudicially foreclosed on the mortgage, and the property was sold to Integrated Credit and Corporate Services Co. (ICCS). A new certificate of title - Transfer Certificate of

*[Signature]*

\* On leave.

\*\* Designated as Acting Chairperson pursuant to Special order No. 2540 dated February 28, 2018. *Rollo*, pp. 11-25.

<sup>2</sup> Id. at 116-121; penned by Associate Justice Marilyn B. Lagura-Yap and concurred in by Associate Justices Gabriel T. Ingles and Ma. Luisa C. Quijano-Padilla.

<sup>3</sup> Id. at 124-136.

<sup>4</sup> Id. at 123-128.

<sup>5</sup> Id. at 63-68.

Title No. T-188758 - was issued in favor of ICCS after petitioners failed to redeem the subject property upon the expiration of the redemption period on May 23, 2007.<sup>6</sup>

ICCS filed a petition for the issuance of a writ of possession, docketed as L.R.C. Rec. No. 9468 Case No. 12 Lot No. 32 Blk. 3 and assigned to Branch 16 of the Regional Trial Court (RTC) of Cebu City. During the proceedings, or in May, 2010, ICCS was substituted by respondent Carol Aqui (Aqui),<sup>7</sup> who appears to have acquired the property from ICCS, and a new certificate of title - Transfer Certificate of Title No. 107-2010001206 - was issued in Aqui's favor.<sup>8</sup>

On September 7, 2009, the RTC issued a Decision<sup>9</sup> in LRC Rec. No. 9468 Case No. 12 Lot No. 32 Blk. 3 ordering the issuance of a writ of possession over the subject property in favor of ICCS.

On July 14, 2010, the RTC issued two Orders. The first (First Order<sup>10</sup>) declared in part, thus:


To repeat, the duty of the court to grant a writ of possession is ministerial. Any question regarding the regularity and validity of the sale as well as the consequent cancellation of the writ is to be determined in a subsequent proceeding as outlined in Section 8 of Act No. 3135.

In the case of *Philippine National Bank vs. Court of Appeals*, the Supreme Court said:

**'An ex-parte petition for issuance of a possessory writ under Section 7 of Act No. 3135 is not, strictly speaking, a 'judicial process' as contemplated above.'**

X X X                      X X X                      X X X

**'It should be emphasized that an ex-parte petition for issuance of a writ of possession is a non-litigious proceeding authorized in an extrajudicial foreclosure proceeding pursuant to Act 3135 as amended. Unlike a judicial foreclosure of real estate mortgage under Rule 68 of the Rules of Court, any property brought within the ambit of the act is foreclosed by the filing of a petition, not with any court of justice, but with the office of the sheriff of the province where sale is to be made.'**



<sup>6</sup> Id. at 52.

<sup>7</sup> Id. at 52-53; "Manifestation and Ex-Parte Motion" for substitution of parties.

<sup>8</sup> Id. at 75, 146.

<sup>9</sup> Id. at 110-112; penned by Presiding Judge Sylva G. Aguirre-Paderanga.

<sup>10</sup> Id. at 48-51.

This Court having found that the procedural requirements of law anent the ex-parte motion for issuance of writ of possession have been dutifully complied [with] and the documents in support thereof in order, the writ of possession was accordingly issued.

**WHEREFORE**, for lack of merit, the respondents' instant Motion for Reconsideration of this Court's Decision (should be ORDER) dated 07 September 2009 is hereby **DENIED**.

**SO ORDERED.**<sup>11</sup> (Emphasis in the original)

The second Order<sup>12</sup> (Second Order) contained the following pronouncement:

The petitioner through counsel filed a MOTION praying that respondents spouses Godfrey and Teresa Teves be ordered to deliver to petitioner and/or deposit with the Honorable Court the monthly rentals in the amount of ₱50,000.00 covering the period from May 24, 2007 up to the time respondents surrender the possession of the subject property to herein petitioner.

It is the stand of petitioner that the grant of possession in its favor does not only cover the physical surrender and/or turn over of the premises of the subject property but also includes the surrender of whatever fruits and/or rentals realized or accruing from the subject property reckoned from the time the redemption period to redeem the same has lapsed; that based on the Sheriff's Initial Report dated October 22, 2008, the subject property is being leased to Ms. Sarah Park for monthly rental of ₱50,000.00 and it is respondent Mr. Godfrey Teves who collects the monthly rental; that Mr. Teves has no more right to collect the monthly rental as his right ceased from the time the right of redemption lapsed relative to the Petition for Extrajudicial Foreclosure filed before the proper court of justice consistent with the provision of Art. 544 of the Civil Code; and that accordingly, respondents should turn over to petitioner and/or deposit with the Court the monthly rentals in the amount of ₱50,000.00 they have collected from May 24, 2007 up to the time of respondents' surrender of possession of the subject property.

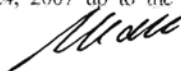
By [express] provision of the law, particularly Article 544 of the Civil Code, petitioner is entitled to the monthly rentals of the subject property which were collected by the respondents who have no more right over the same after the lapse of the period for them to redeem the subject property.

Finding impressed with merit the instant motion of petitioner, the same should be granted.

**WHEREFORE**, the foregoing considered, Sps. Godfrey Teves and Teresa Teves are hereby ordered to deliver to petitioner and/or deposit with the Court the monthly rentals of the subject property in the amount of ₱50,000.00 covering the period from May 24, 2007 up to the time they surrender the possession thereof to the petitioner.

<sup>11</sup> Id. at 50-51.

<sup>12</sup> Id. at 43-44.



**SO ORDERED.**<sup>13</sup> (Emphasis in the original)

Petitioners filed a Partial Motion for Reconsideration<sup>14</sup> of the Second Order, but in a September 2, 2010 Order,<sup>15</sup> the RTC denied the same, ruling thus:

Respondents/Movants aver that the Notice of *Lis Pendens* of the case of Annulment of Contract in Makati, RTC, Br. 149 annotated in the Title of the subject property binds the subsequent buyer, Ms. Carol Aqui, giving emphasis on the fact of termination of the Makati case by the execution of the parties, the Sps. Godfrey and Teresa Teves as plaintiffs and the Standard Chartered Bank as defendant, of a Compromise Agreement wherein the Standard Chartered Bank specifically waived its right to claim for deficiency and to settle the case or anything arising from it; that as a successor in-interest, her right cannot rise above the rights of Standard Chartered Bank which specifically waived its right to claim for deficiency or anything arising from it.

The Petitioner through counsel filed its OPPOSITION to respondents' instant Partial Motion for Reconsideration, contending that the Notice of *Lis Pendens* annotated on the subject title only involves the civil case filed with the RTC, Makati City, Br. 149, for annulment of contracts and damages, wherein the herein petitioner is not a party; that the Compromise Agreement entered into by and between Sps. Teves and the Standard Chartered Bank is limited only to the subject Makati case and has nothing to do with the petition for issuance of a writ of possession filed by herein petitioner who is not a party to the said Compromise Agreement; that the issue on possession cannot and can never be included in the Compromise Agreement inasmuch as the Standard Chartered Bank not being the highest and winning bidder in the auction sale has no authority, business or concern over the subject property; that as the highest and winning bidder, herein petitioner is entitled to the possession of the subject property including the right to receive the monthly rentals from respondents.

Contending positions of the parties considered, this Court finds the respondents' instant Partial Motion for Reconsideration to be devoid of merit.

In its Order dated July 14, 2010 which herein respondents seek to be reconsidered, this Court finds petitioner as entitled to the monthly rentals of the subject property which were collected by the respondents who are shown to have no more right over the same after the period for them to redeem the subject property had already lapsed.

[S]uch finding was based on the respondents' having no more right to collect the rentals upon the lapse of the period for them to redeem the property without redeeming the same, which gave way to the auction sale in the foreclosure proceeding of the subject property wherein the highest and winning bidder was the herein petitioner Integrated Credit & Corporate Services (ICCS for brevity). As such highest and winning bidder, the petitioner is entitled to the possession of the subject property and to collect the subject monthly rentals from

<sup>13</sup> Id.

<sup>14</sup> Id. at 56-59.

<sup>15</sup> Id. at 45-47; penned by Presiding Judge Sylvia G. Aguirre-Paderanga.



the respondents. The essence of a writ of possession is the right of petitioner to possess the subject property which has been duly established.

Moreover, it cannot be overemphasized that the Compromise Agreement executed by and between the parties in the Makati case cannot bind the herein petitioner, now by Ms. Carol Aqui as substituting petitioner, not being a party to the said case.

Finding no cogent reason to reconsider its Order dated July 14, 2010, this Court has to deny the respondents' instant Partial Motion for Reconsideration.

**WHEREFORE, THE FOREGOING CONSIDERED,** the respondents' PARTIAL MOTION FOR RECONSIDERATION of this Court's Order dated July 14, 2010 is hereby **DENIED** for lack of merit.

**SO ORDERED.**<sup>16</sup> (Emphasis in the original)

Previously, or in 2006, petitioners filed a case for annulment of contract against Standard before the Makati Regional Trial Court, docketed as Civil Case No. 06-227. The parties entered into a compromise agreement, after which the Makati trial court (Branch 149) issued a Judgment (Based on Compromise Agreement)<sup>17</sup> on July 23, 2010, declaring among others that petitioners shall drop Civil Case No. 06-227 and surrender possession of the subject property to Standard, in consideration of the latter's waiver of a deficiency claim against the former. Thus, in September, 2010, petitioners surrendered possession over the subject property to Aqui.

### *Ruling of the Court of Appeals*

Petitioners filed a Petition for *Certiorari*<sup>18</sup> before the CA, docketed as CA-G.R. SP. No. 05483, claiming that the RTC committed grave abuse of discretion in ordering them to turn over the back rentals to ICCS/Aqui in a petition for a writ of possession, and that the RTC erred in not considering the Judgment (Based on Compromise Agreement) in Civil Case No. 06-227 before the Makati trial court.

In the assailed March 28, 2014 Decision, the CA dismissed the Petition for *Certiorari*. It held:

In the instant case, the Petition filed under Rule 65 of the Rules of Court is clearly an improper remedy. The Orders [sic] subject of the petition partakes the nature of a judgment or final order which is appealable under Rule 41 of the Rules of Court, which states that:

<sup>16</sup> Id.

<sup>17</sup> Id. at 55; penned by Presiding Judge Cesar O. Untalan.

<sup>18</sup> Id. at 26-42.

\*Section 1. Subject of appeal. - An appeal may be taken from a judgment or final order that completely disposes of the case, or of a particular matter therein when declared by these Rules to be appealable.

x x x x.

To justify the filing of the petition, Sps. Teves alleged that the assailed orders [were] interlocutory in nature[;] hence, reviewable by certiorari.

A judicious perusal of the challenged orders[;] however[;] [reveal] that they are final orders and not interlocutory. In *Jose v. Javellana*, the Supreme Court citing *Garrido v. Tortogo* distinguished between final and interlocutory orders, thus:

'The distinction between a final order and an interlocutory order is well known. The first disposes of the subject matter in its entirety or terminates a particular proceeding or action, leaving nothing more to be done except to enforce by execution what the court has determined, but the latter does not completely dispose of the case but leaves something else to be decided upon. An interlocutory order deals with preliminary matters and the trial on the merits is yet to be held and the judgment rendered. The test to ascertain whether or not an order or a judgment is interlocutory or final is: *does the order or judgment leave something to be done in the trial court with respect to the merits of the case?* If it does, the order or judgment is interlocutory; otherwise, it is final.'

In this case, the assailed orders [did] not refer to preliminary matters but rather they dispose[d of] the subject matter in its entirety, leaving nothing more to be done except to enforce it by execution. Clearly, it [was a] final order subject to appeal under Rule 41. Where appeal is available to the aggrieved party, the action for certiorari will not be entertained. Remedies of appeal (including petitions for review) and certiorari are mutually exclusive, not alternative or successive. Hence, certiorari is not and cannot be a substitute for an appeal, especially if one's own negligence or error in one's choice of remedy occasioned such loss or lapse. One of the requisites of certiorari is that there be no available appeal or any plain, speedy and adequate remedy. Where an appeal is available, certiorari will not prosper, even if the ground therefor is grave abuse of discretion.

Apropos thereto, the instant petition is dismissed because it is improperly brought before this Court.

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

**SO ORDERED.**<sup>19</sup> (Emphasis in the original; citations omitted)



<sup>19</sup> id. at 119-120.

Petitioners moved to reconsider, but in a January 7, 2015 Resolution, the CA held its ground. Hence, the present Petition.

### Issues

Petitioners submit –

CAN COLLECTION OF BACK RENTALS BE AWARDED IN AN *EX PARTE* APPLICATION FOR WRIT OF POSSESSION UNDER ACT 3135?

ARE THE ORDERS DATED JULY 14, 2010 AND SEPTEMBER 2, 2010 FINAL ORDERS AND NOT INTERLOCUTORY WHICH CAN BE SUBJECTED TO *CERTIORARI* UNDER RULE 65?<sup>20</sup>

### *Petitioners' Arguments*

Petitioners, praying that this Court set aside the July 14 and September 2, 2010 Orders of the RTC, argue that a petition for the issuance of a writ of possession is not an action as contemplated by the Rules of Court (Rules), but a mere motion whose sole issue to be resolved is whether the movant is entitled to the possession of real or personal property sought to be possessed; that such a petition is “not an ordinary suit filed in court, by which one party sues another for the enforcement of a wrong or protection of a right, or the prevention or redress of a wrong”;<sup>21</sup> and that to collect back rentals, Aqui should file an independent action - and not simply seek the same in her petition for issuance of a writ of possession, since (a) the RTC, sitting as a land registration court, does not have jurisdiction to award back rentals or grant relief which should otherwise be sought in an ordinary civil action; and (b) Act No. 3135,<sup>22</sup> as amended by Act No. 4118,<sup>23</sup> contains no provision authorizing the award of back rentals to the purchaser at auction.

### *Respondent's Arguments*

Respondent, in her Comment,<sup>24</sup> essentially submits that petitioners are guilty of delaying the proceedings precisely so that they may continue to unlawfully enjoy the use, fruits, and possession of the subject property; that the Petition for *Certiorari* before the CA was an improper remedy; and that what she is collecting from petitioners are not “back rentals” but rents collected by the latter

<sup>20</sup> Id. at 15.

<sup>21</sup> Citing *Espinoza v. United Overseas Bank Philippines*, 630 Phil. 342, 348 (2010).

<sup>22</sup> AN ACT TO REGULATE THE SALE OF PROPERTY UNDER SPECIAL POWERS INSERTED IN OR ANNEXED TO REAL ESTATE MORTGAGES. Approved March 6, 1924.

<sup>23</sup> AN ACT TO AMEND ACT NUMBERED THIRTY-ONE HUNDRED AND THIRTY-FIVE ENTITLED “AN ACT TO REGULATE THE SALE OF PROPERTY UNDER SPECIAL POWERS INSERTED IN OR ANNEXED TO REAL ESTATE MORTGAGES” Approved December 7, 1933.

<sup>24</sup> *Rollo*, pp. 146-159.


from tenants of the property, which she is entitled to as a matter of law - being the owner of the subject property. Respondent thus prays that the instant Petition be denied for lack of merit.

### Our Ruling

The Petition is denied.

When the redemption period expired on May 23, 2007, ICCS became the owner of the subject property and was, from then on, entitled to the fruits thereof. Petitioners ceased to be the owners of the subject property, and had no right to the same as well as to its fruits. Under Section 32, Rule 39 of the Rules,<sup>25</sup> on Execution, Satisfaction and Effect of Judgments, all rents, earnings and income derived from the property pending redemption shall belong to the judgment obligor, but only until the expiration of his period of redemption.

Thus, if petitioners leased out the property to third parties after their period for redemption expired, as was in fact the case here,<sup>26</sup> the rentals collected properly belonged to ICCS or Aqui, as the case may be. Petitioners had no right to collect them. Aqui acquired the subject property from ICCS only in 2010. Thus, Aqui cannot claim the subject rental collections from 2007, because she was not yet the owner of the subject property at the time; they belonged to ICCS. She is entitled to rentals collected only from the time she became the owner of the property. However, as the substituted party in these proceedings, this Court will allow her to collect the award of rentals collected by petitioners but which pertain to ICCS - with the obligation to remit the same to the latter. After all, she is merely ICCS's successor-in-interest. Procedurally, the RTC should not have allowed Aqui to substitute for ICCS, but should have simply ordered her to be impleaded as additional necessary party in the proceedings, since ICCS still had a claim for unremitted rentals that was pending resolution in the case. On the other hand, it cannot simply be ignored that petitioners unlawfully collected rentals from the property that did not belong to them, but to ICCS without doubt; between this substantive issue and the court and parties' procedural *faux pas*, the latter should be overlooked so that the former may be corrected. The parties' substantive rights weigh more than procedural technicalities. "In rendering justice, courts have always been, as they ought to be, conscientiously guided by the norm that on the balance, technicalities take a backseat against substantive rights, and not the other way around."<sup>27</sup>

  
<sup>25</sup> Section 32. *Rents, earnings and income of property pending redemption.* - The purchaser or a redemptioner shall not be entitled to receive the rents, earnings and income of the property sold on execution, or the value of the use and occupation thereof when such property is in the possession of a tenant. All rents, earnings and income derived from the property pending redemption shall belong to the judgment obligor until the expiration of his period of redemption.

<sup>26</sup> *Rollo*, pp. 69-73.

<sup>27</sup> *7107 Islands Publishing, Inc. v. The House Printers Corporation*, 771 Phil. 161, 168 (2015).



In *China Banking Corporation v. Spouses Lozada*,<sup>28</sup> this Court held that –

In *IFC Service Leasing and Acceptance Corporation v. Nera*, the Court reasoned that if under Section 7 of Act No. 3135, as amended, the RTC has the power during the period of redemption to issue a writ of possession on the ex parte application of the purchaser, there is no reason why it should not also have the same power after the expiration of the redemption period, especially where a new title has already been issued in the name of the purchaser. Hence, the procedure under Section 7 of Act No. 3135, as amended, may be availed of by a purchaser seeking possession of the foreclosed property he bought at the public auction sale after the redemption period has expired without redemption having been made.

The Court recognizes the **rights acquired by the purchaser of the foreclosed property at the public auction sale upon the consolidation of his title when no timely redemption of the property was made**, to wit:

It is settled that upon receipt of the definitive deed in an execution sale, legal title over the property sold is perfected (33 C. J. S. 554). And this court has also [said] and that the land bought by him and described in the deed deemed [sic] within the period allowed for that purpose, its ownership becomes consolidated in the purchaser, and **the latter, “as absolute owner . . . is entitled to its possession and to receive the rents and fruits thereof.”** (Powell v. Philippine National Bank, 54 Phil., 54, 63.) x x x.

**It is thus settled that the buyer in a foreclosure sale becomes the absolute owner of the property purchased if it is not redeemed during the period of one year after the registration of the sale.** As such, he is entitled to the possession of the said property and can demand it at any time following the consolidation of ownership in his name and the issuance to him of a new transfer certificate of title. The buyer can in fact demand possession of the land even during the redemption period except that he has to post a bond in accordance with Section 7 of Act No. 3135, as amended. No such bond is required after the redemption period if the property is not redeemed. Possession of the land then becomes an absolute right of the purchaser as confirmed owner. Upon proper application and proof of title, the issuance of the writ of possession becomes a ministerial duty of the court. (Emphasis supplied; citations omitted)

On the contention that the RTC - sitting as a land registration court - does not have jurisdiction to award back rentals or grant relief which should otherwise be sought in an ordinary civil action, this is no longer tenable. The distinction between the trial court acting as a land registration court with limited jurisdiction, on the one hand, and a trial court acting as an ordinary court exercising general jurisdiction, on the other, has already been removed with the effectivity of Presidential Decree No. 1529, or the Property Registration Decree. “The change has simplified registration proceedings by conferring upon the designated trial courts the authority to act not only on applications for ‘original registration’ but

<sup>28</sup> 579 Phil. 454, 472-473 (2008).

also 'over all petitions filed after original registration of title, with power to hear and determine all questions arising from such applications or petition.'"<sup>29</sup>

Moreover, under Section 6, Rule 135 of the Rules, on Powers and Duties of Courts and Judicial Officers, it is provided that –

Sec. 6. *Means to carry jurisdiction into effect.* - When by law, jurisdiction is conferred on a court or judicial officer, all auxiliary writs, processes and other means necessary to carry it into effect may be employed by such court or officer; and if the procedure to be followed in the exercise of such jurisdiction is not specifically pointed out by law or by these rules, any suitable process or mode of proceeding may be adopted which appears conformable to the spirit of said law or rules.

Given the above-cited rule and the pronouncement in *China Banking Corporation v. Spouses Lozada*,<sup>30</sup> it can be understood why the RTC issued the two separate Orders of July 14, 2010 - one on the issue covering the propriety of issuing the writ of possession sought, and another resolving the prayer for the surrender of rentals unlawfully collected by petitioners, who ceased to be the owners of the subject property and thus had no right to collect rent from the lessee of the property. The First Order was issued relative to the main remedy sought by ICCS - that is, for the court to issue a writ of possession. The Second Order was issued pursuant to the court's authority under Section 6 of Rule 135 of the Rules, to the end that a patent inequity may be immediately remedied and justice served in accordance with the objective of the Rules to secure a just, speedy and inexpensive disposition of every action and proceeding. In the eyes of the law, petitioners clearly had no right to collect rent from the lessee of the subject property; they were no longer the owners thereof, yet they continued to collect and appropriate for themselves the rentals on the property to which ICCS was entitled. This is a clear case of unjust enrichment that the courts may not simply ignore.

Indeed, to deprive a court of power to give substantial justice is to render the administration thereof impotent and ineffectual. The prevailing precept is currently embodied in Section 6, Rule 135 of the Rules of Court, which categorically provides:

Sec. 6. *Means to carry jurisdiction into effect.* - When by law, jurisdiction is conferred on a court or judicial officer, all auxiliary writs, processes and other means necessary to carry it into effect may be employed by such court or officer; and if the procedure to be followed in the exercise of such jurisdiction is not specifically pointed out by law or by these rules, any suitable process or mode of proceeding may be adopted which appears conformable to the spirit of said law or rules.<sup>31</sup>

<sup>29</sup> *Durisol Philippines, Inc. v. Court of Appeals*, 427 Phil. 604, 615 (2002).

<sup>30</sup> *Supra* note 28.

<sup>31</sup> *Go Lea Chu v. Gonzales*, 130 Phil. 767, 777 (1968).

In a manner of speaking, courts have not only the power to maintain their life, but they have also the power to make that existence effective for the purpose for which the judiciary was created. They can, by appropriate means, do all things necessary to preserve and maintain every quality needful to make the judiciary an effective institution of Government. Courts have therefore inherent power to preserve their integrity, maintain their dignity and to insure effectiveness in the administration of justice.<sup>32</sup>

Besides, the matter of remitting collected rentals to ICCS and Aqui does not involve the litigation and resolution of a complex legal issue. It proceeds from the simple fact that after the redemption period expired without petitioners redeeming the subject property, ICCS became the absolute owner thereof, and petitioners lost all their rights thereto, including the right to lease out the same and collect rentals on said lease. And when Aqui acquired the property and became the owner thereof, she as well became entitled to the said rentals that petitioners unduly collected. Petitioners simply hold the amounts collected in trust - with the obligation to return the same to their rightful owners. These amounts and the periods during which they were collected also appear on record - as shown by the lease agreement presented and the respective admissions of the parties - and are thus liquidated and determinable, without need of further litigation or proof.

Contrary to petitioners' stance, the compromise agreement they executed together with Standard before the Makati trial court in Civil Case No. 06-227 did not cover the subject rentals collected from leasing the subject property; it referred only to a waiver of deficiency claims rooted in the original loan transaction between them.<sup>33</sup> As owner of the subject property, ICCS is entitled to the fruits thereof - the rentals - which were wrongly collected by petitioners after losing their ownership; this has nothing to do with the previous loan transaction between petitioners and Standard, to which ICCS was a complete stranger.

Finally, the Court deems it unnecessary to resolve the other issues raised by the parties. They are irrelevant in the context of the foregoing disquisition; their resolution contributes nothing to the validity and integrity of the Court's opinion.

**WHEREFORE, the Petition is DENIED.**



<sup>32</sup> *The Province of Bataan v. Hon. Villafuerte, Jr.*, 419 Phil. 907, 916 (2001), citing *People v. Hon. Gutierrez*, 146 Phil. 761 (1970).

<sup>33</sup> *Rollo*, p. 55. The Makati trial court's July 23, 2010 Judgment (Based on Compromise Agreement) declares, among others:

Acting on the Motion (Judgment be rendered based on the Compromise Agreement) dated July 22, 2010 filed by the defendant through counsel, the following terms and conditions of the Compromise Agreement are hereunder quoted as follows:

x x x x

3. That the Second party shall absolutely waive its claim for deficiency against First parties relative to the contracts of loan executed on November 21 & 28, 1996, respectively;

**SO ORDERED.**

  
**MARIANO C. DEL CASTILLO**  
*Associate Justice*

WE CONCUR:

*(On leave)*  
**MARIA LOURDES P. A. SERENO**  
*Chief Justice*

  
**TERESITA J. LEONARDO-DE CASTRO**  
*Associate Justice*

  
**FRANCIS H. JARDELEZA**  
*Associate Justice*

  
**NOEL GIMENEZ TIJAM**  
*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.

  
**TERESITA J. LEONARDO-DE CASTRO**  
*Associate Justice*  
*Acting Chairperson*

**CERTIFICATION**

Pursuant to Section 13, Article VIII of the Constitution and the Division Acting 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.



**ANTONIO T. CARPIO**  
*Acting Chief Justice\**



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\* Pursuant to Special Order No. 2539 dated February 28, 2018.