

SECOND DIVISION

[G.R. No. 193828, March 27, 2017]

REPUBLIC OF THE PHILIPPINES, REPRESENTED BY THE MANILA INTERNATIONAL AIRPORT AUTHORITY (MIAA), PETITIONER, VS. HEIRS OF ELADIO SANTIAGO C/O SABAS SANTIAGO AND JERRY T. YAO, RESPONDENTS.

DECISION

PERALTA, J.:

Before the Court is a petition for review on *certiorari* under Rule 45 of the Rules of Court seeking the reversal and setting aside of the Decision^[1] and Resolution^[2] of the Court of Appeals (CA), dated April 27, 2010 and September 15, 2010, respectively, in CA-G.R. CV No. 89842. The assailed Decision dismissed the appeal; filed by herein petitioner and affirmed the September 28, 2006 Order^[3] of the Regional Trial Court (RTC) of Parañaque City, Branch 257, in Civil Case No. 02-0041 which fixed the just compensation for the properties of herein respondents that were actually expropriated by petitioner for the installation of MIAA's runway approach lights.

The pertinent factual and procedural antecedents of the case are as follows:

On January 30, 2002, herein petitioner filed with the RTC of Parañaque City a Complaint^[4] for the expropriation of fragments of two parcels of land in Parañaque City for the purpose of installing runway approach lights spanning nine hundred (900) meters. The properties sought to be expropriated are: (1) a 180-square-meter portion of Lot 4174 located at Barangay San Dionisio which has an aggregate area of 2,151 square meters, covered by Original Certificate of Title (OCT) No. 189 registered in the name of a certain Eladio Santiago but is now owned by herein respondents who are his heirs (*heirs of Santiago*), and (2) a 540-square-meter portion of Lot No. 5012 located at Barangay La Huerta, with a total area of 68,778 square meters, covered by Transfer Certificate of Title (TCT) No. D-005-01300 registered in the names Antonio, Patricio and Cecilia, all surnamed Bernabe, but was subsequently sold to and now owned by Titan Construction Corporation, represented by herein respondent Jerry Yao (*Yao*).

In its Complaint, petitioner contended that it was compelled to institute the action for expropriation because several meetings were held between the parties concerning the proposed acquisition of the needed areas but no agreement was reached because respondents wanted petitioner to buy their entire properties; however, the total areas of which are beyond what were needed for the project. Petitioner also alleged that under Ordinance No. 96-16 of Parañaque City, the zonal value of the subject lots is fixed at P3,000.00 per square meter.

In their Answer,^[5] respondents heirs of Santiago aver that: they are willing to sell

provided the entire lot covered by OCT No. 189 be expropriated because the remaining portion shall be rendered useless after the completion of the project; the zonal valuation of the property by the Bureau of Internal Revenue (*BIR*) per Department Order No. 16-98, dated February 2, 1998, is not less than P30,000.00 per square meter, and petitioner should also be made to pay consequential damages, interest, attorney's fees and costs of suit.

On his part, respondent Yao, in his Answer,^[6] asserted that the expropriation sought by petitioner is improper, invalid and inappropriate as there are still other probable and better properties which can serve the purpose alleged in the complaint; assuming the expropriation will push through, respondent should be made to pay not only the 540-square meter portion sought to be expropriated but also the Northwest and Southeast areas lying on both sides of the strip which would be rendered useless because of the risk caused by departing and landing aircrafts as well as the danger produced by the noise and air pressure generated by the aircrafts; the fair market value of the area to be expropriated, including the other affected areas, should not be less than P10,000.00 per square meter. Yao also interposed a counterclaim contending that since the expropriation sought will divide the entire property into separate areas, petitioner should be compelled to pay an amount of P35,000,000.00 for building a bridge over the Parañaque River to serve as the only means of going into and coming out of the Northwest area of the property; Yao also asked for the payment of moral and temperate damages, attorney's fees and litigation expenses.

Pursuant to the provisions of Section 2, Rule 67 of the Rules of Court, the RTC issued an Order^[7], dated May 7, 2002, directing petitioner to deposit the amount of P2,160,000.00 with the Land Bank of the Philippines, Sucat Branch as payment for the provisional value of the property which is a prerequisite to the issuance of a writ of possession in its favor.

After petitioner's compliance with the above Order, the RTC issued another Order,^[8] dated May 24, 2002, directing the court's Deputy Sheriff to place petitioner in possession of the subject properties.

In its Orders dated June 11, 2002^[9] and June 14, 2002,^[10] the RTC allowed respondent Yao to withdraw the total amount of P1,620,000.00, which corresponds to its share in the deposit made by petitioner.

In the same manner, the RTC, in its Order^[11] dated August 29, 2002, allowed respondents heirs of Santiago to withdraw their share of P540,000.00 from the same deposit made by petitioner.

Meanwhile, in compliance with the Order^[12] of the RTC dated August 19, 2002, the parties submitted the names of the commissioners of their choice for the purpose of determining the just compensation for the property sought to be expropriated. In the same Order, the RTC designated the City Assessor of Parañaque as Chairman of the commissioners.

Thereafter, the commissioners submitted their respective appraisal reports indicating therein the amounts which were suggested as just compensation for the subject properties, to wit:

Royal Asia Appraisal Corporation (RAAC), chosen by herein petitioner - PhP2,500.00 per square meter for both properties;

Justiniano C. Montano IV, chosen by respondent Yao - PhP15,000.00 per square meter;

Vic. T. Salinas Realty and Consultancy Services, chosen by respondents heirs of Santiago - PhP12,500.00 per square meter; and

City Assessor of Parañaque - PhP5,900.00 per square meter for both properties.

However, the group of commissioners failed to reach a consensus as to the amount of just compensation for the subject properties. Thus, this issue was submitted for resolution to the RTC.

On September 28, 2006, the RTC issued its subject Order disposing as follows:

WHEREFORE, for the payment of just compensation on the properties actually expropriated, the Republic of the Philippines, represented by the Manila International Airport Authority (MIAA), is held liable to the heirs of Eladio Santiago the amount of P4,500.00 per square meter multiplied by the expropriated area of 180 square meters and to Jerry Yao the amount of P5,900.00 per square meter multiplied by the expropriated area of 540 square meters. Since the heirs of Eladio Santiago had already received the sum of P540,000.00 and Jerry Yao the sum of P1,287,360.00 from the Republic of the Philippines, represented by MIAA, the said amounts shall be deducted from the payments.

SO ORDERED.^[13]

Petitioner filed a Motion for Reconsideration^[14] of the above Order, but the RTC denied it in its Order^[15] dated March 28, 2007.

Petitioner, then, filed an appeal with the CA. Subsequently, on April 27, 2010, the CA rendered its assailed Decision dismissing petitioner's appeal and affirming the September 28, 2006 Order of the RTC.

Petitioner's subsequent Motion for Reconsideration was denied by the CA in its Resolution dated September 15, 2010.

Hence, the instant petition for review on *certiorari* based on the following grounds:

I

The Court of Appeals committed serious error of law in affirming the findings of the expropriation court relative to the latter's determination of just compensation for the properties of respondents, thereby ignoring the standards provided under Section 5 of RA 8974 for the determination of just compensation

II

The Court of Appeals committed serious error of law in sustaining the ruling of the expropriation court that the recommendation of petitioner's appraiser, Royal Asia Appraisal Corporation, lacks sufficient basis to support its conclusion.^[16]

The petition lacks merit.

At the outset, the Court deems it proper to dispose of the factual matters raised in the instant petition as they call for a recalibration or reevaluation of the evidence submitted by the parties.

Settled is the rule that this Court is not a trier of facts, and it is not its function to examine, review, or evaluate the evidence all over again.^[17] A petition for review on *certiorari* under Rule 45 of the Rules of Court should cover only questions of law.^[18] This rule equally applies in expropriation cases.^[19]

Moreover, the factual findings of the CA affirming those of the trial court are final and conclusive. They cannot be reviewed by this Court, save only in the following circumstances: (1) when the factual conclusion is a finding grounded entirely on speculations, surmises and conjectures; (2) when the inference is manifestly mistaken, absurd or impossible; (3) when there is a grave abuse of discretion; (4) when the judgment is based on a misapprehension of facts; (5) when the findings of fact are conflicting; (6) when the CA went beyond the issues of the case in making its findings, which are further contrary to the admissions of both the appellant and the appellee; (7) when the CA's findings are contrary to those of the trial court; (8) when the conclusions do not cite the specific evidence on which they are based; (9) when the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondents; and (10) when the CA's findings of fact, supposedly premised on the absence of evidence, are contradicted by the evidence on record.^[20] While petitioner contends that the CA "manifestly overlooked certain relevant and undisputed facts that, if properly considered, would justify a different conclusion," which is also a recognized exception, the Court finds that it (petitioner) failed to establish that the present case falls under the above-enumerated exceptions. Thus, absent competent proof that the RTC and the CA committed error in establishing the facts concerning the issue of just compensation and in drawing conclusions from them, the Court finds no cogent reason to deviate from such findings and conclusions.

Based on the above discussions alone, the Court finds that the instant petition is dismissible.

In the same manner, the Court finds that even the sole legal issue, which arises by reason of petitioner's averments in the instant petition, lacks merit for reasons similar to those discussed above.

In petitioner's first ground, the issue raised is whether or not the RTC and the CA took into consideration the standards provided under Republic Act No. 8974 (*RA 8974*), otherwise known as *An Act to Facilitate the Acquisition of Right-Of-Way, Site or Location For National Government Infrastructure Projects and For Other*

Purposes, in determining just compensation, particularly Section 5 thereof, which provides as follows:

SECTION 5. Standards for the Assessment of the Value of the Land Subject of Expropriation Proceedings or Negotiated Sale. - In order to facilitate the determination of just compensation, the court may consider, among other well-established factors, the following relevant standards:

- (a) The classification and use for which the property is suited;
- (b) The developmental costs for improving the land;
- (c) The value declared by the owners;
- (d) The current selling price of similar lands in the vicinity;
- (e) The reasonable disturbance compensation for the removal and/or demolition of certain improvements on the land and for the value of the improvements thereon;
- (f) The size, shape or location, tax declaration and zonal valuation of the land;
- (g) The price of the land as manifested in the ocular findings, oral as well as documentary evidence presented; and
- (h) Such facts and events as to enable the affected property owners to have sufficient funds to acquire similarly-situated lands of approximate areas as those required from them by the government, and thereby rehabilitate themselves as early as possible.

Consistent with the above standards set by law, it has been this Court's consistent ruling that just compensation cannot be arrived at arbitrarily.^[21] As enumerated above, several factors must be considered, such as, but not limited to, acquisition cost, current market value of like properties, tax value of the condemned property, its size, shape, and location.^[22]

In consonance with the above rule, it has also been repeatedly emphasized that the determination of just compensation in eminent domain cases is a judicial function and that any valuation for just compensation laid down in the statutes may serve only as a guiding principle or one of the factors in determining just compensation but it may not substitute the court's own judgment as to what amount should be awarded and how to arrive at such amount.^[23] Thus, this Court has held that the courts are not bound to consider the standards laid down under Section 5 of RA 8974 because the exact wording of the said provision is that "in order to facilitate the determination of just compensation, the courts may consider" them.^[24] The use of the word "may" in the provision is construed as permissive and operating to confer discretion.^[25] In the absence of a finding of arbitrariness, abuse or serious error, the exercise of such discretion may not be interfered with.^[26] In the present case, the Court finds no arbitrariness, abuse or serious error in the findings of the