

SECOND DIVISION

[G.R. No. 213192, July 12, 2017]

TERESA R. IGNACIO, PETITIONER, V. RAMON REYES, FLORENCIO REYES, JR., ROSARIO R. DU AND CARMELITA R. PASTOR, RESPONDENTS.

D E C I S I O N

PERALTA, J.:

Before this Court is a petition for review on certiorari filed by petitioner Teresa R. Ignacio (*Teresa*) challenging the Decision^[1] and Resolution,^[2] dated March 27, 2014 and June 27, 2014, respectively, of the Court of Appeals (CA), which annulled and set aside the Orders dated April 13, 2004 and June 14, 2012 of the Regional Trial Court (RTC) of Pasig City, Branch 151.

The facts follow:

On July 11, 1967, Angel Reyes (*Angel*) and Oliva^[3] R. Arevalo (*Oliva*) filed before the then Court of First Instance of Rizal (now RTC of Pasig City, Branch 151) (*intestate court*) a Petition^[4] for Letters of Administration of the Estate of their father Florencio Reyes, Sr. (*Florencio Sr.*) who died on June 23, 1967, and enumerated therein the surviving heirs, namely: Oliva, Francisca Vda. de Justiniani (*Francisca*), Angel, Amparo R. Avecilla (*Amparo*), Ramon Reyes (*Ramon*), Teresa, Rosario R. Du (*Rosario*), Jose Reyes (*Reyes*), Soledad Reyes (*Soledad*), Carmelita^[5] R. Pastor (*Carmelita*), and Florencio Reyes, Jr. (*Florencio Jr.*). On July 15, 1967, the intestate court appointed Oliva as the special administratrix of the estate of Florencio Sr. (*Florencio Sr. estate*), and then as the regular administratrix in an Order dated November 23, 1967.^[6] Florencio, Jr. replaced Oliva in 1982. Thereafter, Teresa became the administratrix of the Florencio Sr. estate on August 8, 1994.^[7]

On December 5, 1994, Teresa executed a lease contract over a 398 square meters (*sq. m.*) parcel of land located at Magsaysay Avenue, Baguio City covered by Transfer Certificate of Title (TCT) No. T-59201 (*Magsaysay property*) in favor of Gonzalo Ong, Virginia Lim, Nino Yu, Francisco Lim and Simona Go.^[8] In an Order^[9] dated July 15, 1996, the intestate court approved the lease contract upon Teresa's motion dated June 4, 1996.

Likewise, on September 26, 1996, the intestate court allowed Teresa to enter into a lease contract over the parcel of land located at Session Road, Baguio City with a total area of 646 sq. m. covered by TCT No. T-26769 (*Session Road property*) to Famous Realty Corporation (FRC).^[10] Thus, on October 29, 1996, Teresa leased the Session Road property to FRC for the period of July 1, 1996 to June 30, 2003, with a monthly rental of P135,000.00.^[11]

Sometime in January 1997, Teresa also leased the properties located at Loakan Road, Baguio City covered by TCT Nos. T-26770 and T-26772 (*Loakan and Military Cut-off properties*), in favor of ATC Wonderland, Inc. and, subsequently, to Gloria de Guzman and Sonshine Pre-School for a period often years, effective September 1, 1996 to August 31, 2006.^[12]

On September 25, 2001, herein respondents Ramon, Florencio Jr., Rosario and Carmelita, and the Heirs of Amparo, Intestate Estate of Soledad, Jose and Intestate Estate of Angel (*plaintiffs*) filed before the RTC of Baguio City, Branch 3 (*Baguio RTC*), three complaints for partition, annulment of lease contract, accounting and damages with prayer for the issuance of a writ of preliminary injunction against Teresa and the lessees of the subject Baguio properties.^[13]

The plaintiffs alleged in their Complaints^[14] that, with the exception of the lessees, the parties and the Florencio Sr. estate own one-tenth (1/10) of each of the Session Road, Loakan and Military Cut-off, and Magsaysay properties. They claimed that Teresa misrepresented that the Florencio Sr. estate is the sole owner of the properties and leased the same to the other parties without their conformity. They also asserted in one of their complaints that the Florencio Sr. estate is different from the Heirs of Florencio Sr. and Heirs of Salud.

They averred that, as co-owners, they have not received their share in the monthly rentals of the properties aforementioned due to Teresa's failure to duly account for the same. Thus, they are asking for the partition of the properties, for the accounting of all the rentals, income or profits derived, and deliver the same to the plaintiffs, for the annulment of the lease contracts and order the lessees to vacate the premises, and for the payment of damages.^[15]

Thereafter, the Baguio RTC directed and commissioned a team of auditors with Leticia Clemente as the head accountant to conduct an accounting of the properties. Based on the Report,^[16] Teresa, as administratrix of the Florencio Sr. estate, had a total cash accountability amounting to Fifteen Million Two Hundred Thirty-Eight Thousand Sixty-Six Pesos and Fifty-One Centavos (P15,238,066.51). In an Order^[17] dated August 27, 2003, the Baguio RTC manifested that it shall await a Request Order from the intestate court regarding the possible distribution of the subject properties.^[18]

Subsequently, on January 19, 2004, respondents and the others filed a motion^[19] before the intestate court praying for the issuance of an order allowing the distribution of the heirs' aliquot shares in the co-owned properties' net income, and the partition of the said properties by the Baguio RTC. However, the intestate court denied the motion in an Order^[20] dated April 13, 2004, a portion of which reads:

x x x This Court cannot allow the Baguio Court to partition the property of the estate because this Court already has jurisdiction over the matter. In fact, this Court is wondering why actions for partition are being entertained in other jurisdictions when such can be readily addressed by this Court as an estate court.

WHEREFORE, finding no merit in the instant motion, the Court hereby DENIES the same.

SO ORDERED.^[21]

In an Order dated June 14, 2012, the intestate court denied respondents' motion for reconsideration dated May 12, 2004, thus:

Thus finding no sufficient reasons to reverse and set aside this court's Order dated April 13, 2004 considering the pendency before this court of the other incidents involving the Baguio properties including the sale of Session Road property covered by TCT No. 26769 and even the distribution of the proceeds of the sale thereof with hearings conducted on the Financial Report (Re: Proceeds of the Sale of the Property at Session Road in Baguio City), and recently with the filing of the Proposed Project of Partition/ Amended Proposed Project of Partition, as such, the Motion for Reconsideration dated May 12, 2004 is DENIED.

The continuation of presentation of evidence for the Heirs of Carmelita Clara Pastor et. (sic) al. re: Removal of Adminstratix/ Motion to Liquidate and Reimburse Cash Advances is previously set on August 15, 2012 at 1:30 in the afternoon.

SO ORDERED.^[22]

Thereafter, the respondents filed before the CA a petition for certiorari assailing the Orders dated April 13, 2004 and June 14, 2012 of the intestate court disallowing the partition of the Baguio properties.

In a Decision dated March 27, 2014, the CA granted the petition and annulled and set aside the assailed Orders of the intestate court. The dispositive portion of the Decision states:

WHEREFORE, the instant Petition is GRANTED. The Assailed Orders of the Regional Trial Court of Pasig City, Branch 151, dated April 13, 2004 and June 14, 2012 are ANNULLED and SET ASIDE. Petitioners' motion to allow partition and distribution of shares over properties Co-Owned by the Estate and the Heirs [l]ocated in Baguio City, is GRANTED.

On the other hand, the Regional Trial Court of Baguio City, Branch 3, before which court Special Civil Actions Nos. 5055-R, 5056-R, and 5057-R are pending, is DIRECTED to partition the Baguio Properties among the registered co-owners thereof.

SO ORDERED.^[23]

Upon denial of her motion for reconsideration, Teresa filed before this Court the instant petition raising the following issues:

- I. THERE IS AN APPEAL OR OTHER PLAIN, SPEEDY AND [ADEQUATE] REMEDY IN THE ORDINARY COURSE OF LAW [AVAILABLE] TO THE RESPONDENTS.
- II. RESPONDENTS ARE, IN EFFECT, ASKING THE TRIAL COURT TO VIOLATE THE RULES OF COURT.
- III. IN LEGAL CONTEMPLATION, THE CHALLENGED ORDERS WERE NOT ISSUED WITH GRAVE ABUSE OF DISCRETION.

The Court finds the instant petition without merit.

Teresa argues that there is an appeal or other plain, speedy and adequate remedy in the ordinary course of law available. She maintains that the intestate court asserted its jurisdiction and authority over the subject properties and proceeded to conduct hearings to resolve the issues of accounting, payment of advances, and distribution of assets and the proceeds of the sale of the estate properties. The Baguio RTC opted to defer and not to proceed with the cases. Thus, it is logical and proper that the respondents ask the Baguio RTC to proceed with the case and then appeal the same if denied.^[24] Teresa further avers that it is not disputed that the obligations enumerated in Section 1,^[25] Rule 90 of the Rules of Court has not yet been fully paid. Thus, it would be premature for the trial court to allow the advance distribution of the estate. A partial and premature distribution of the estate may only be done upon posting of a bond, conditioned upon the full payment of the obligations, which was not done in the present case.

We note, however, that in her Partial Motion to Dismiss^[26] dated July 1, 2016 before this Court, Teresa now agrees with the findings of the CA that the Magsaysay property is co-owned by the parties, and should not be covered by the estate proceedings.^[27]

As a rule, a petition for certiorari under Rule 65 of the Rules of Court is valid only when the question involved is an error of jurisdiction, or when there is grave abuse of discretion amounting to lack or excess of jurisdiction on the part of the court or tribunals exercising quasi-judicial functions.^[28] In this case, the propriety of the special civil action for certiorari as a remedy depended on whether the assailed orders of the RTC were final or interlocutory in nature.^[29] This Court has distinguished the interlocutory and final orders, as follows:

A "final" judgment or order is one that finally disposes of a case, leaving nothing more to be done by the Court in respect thereto, e.g., an adjudication on the merits which, on the basis of the evidence presented at the trial, declares categorically what the rights and obligations of the parties are and which party is in the right; or a judgment or order that dismisses an action on the ground, for instance, of res judicata or prescription. Once rendered, the task of the Court is ended, as far as deciding the controversy or determining the rights and liabilities of the litigants is concerned. Nothing more remains to be done by the Court except to await the parties' next move (which among others, may consist of the filing of a motion for new trial or reconsideration, or the taking of an appeal) and ultimately, of course, to cause the execution of the judgment once it becomes "final" or, to use the established and more distinctive term, "final and executory."

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Conversely, an order that does not finally dispose of the case, and does not end the Court's task of adjudicating the parties' contentions and determining their rights and liabilities as regards each other, but obviously indicates that other things remain to be done by the Court, is "interlocutory" e.g., an order denying a motion to dismiss under Rule 16 of the Rules, or granting a motion for extension of time to file a pleading, or authorizing amendment thereof, or granting or denying applications for postponement, or production or inspection of