

SECOND DIVISION

[G.R. No. 208205, June 01, 2016]

ATTY. ROMEO G. ROXAS, PETITIONER, VS. REPUBLIC REAL ESTATE CORPORATION, RESPONDENT.

[G.R. No. 208212]

REPUBLIC REAL ESTATE CORPORATION, PETITIONER, VS. REPUBLIC OF THE PHILIPPINES, RESPONDENT.

DECISION

LEONEN, J.:

Upon execution, this Court's decision cannot be amended by the trial court or the sheriff. Absent an order of remand, we cannot allow attempts to substantially or materially alter the terms of our final and executory judgment.

This resolves the consolidated Petitions for Review under Rule 45 of the Rules of Court. The Petitions are an offshoot of the Court of Appeals Decision in CA-G.R. SP No. 102750.

On April 24, 1959, Republic Real Estate Corporation (RREC) entered into an agreement with Pasay City for the reclamation of the foreshore lands along Manila Bay.^[1] The agreement was made on the strength of Pasay City Council Ordinance No. 121, as amended by Ordinance No. 158, which authorized RREC to reclaim 300 hectares of foreshore lands in the city.^[2]

On December 19, 1961, the Republic of the Philippines (Republic) sued for recovery of possession and damages with writ of preliminary injunction.^[3] The Republic questioned the agreement on three (3) grounds. First, the subject of the contract is outside the commerce of man^[4] as the reclaimed area is a national park that the Republic owns.^[5] Second, Pasay City Ordinance No. 121, as amended, in including the reclaimed area, went beyond^[6] Republic Act No. 1899,^[7] which allows municipalities and chartered cities to reclaim only "foreshore lands," not "submerged lands."^[8] Lastly, the agreement was executed without approval from national government and without public bidding.^[9]

This case entitled *Republic v. Court of Appeals*^[10] eventually reached this Court via two (2) consolidated Petitions for Review,^[11] docketed as G.R. Nos. 103882 and 105276.^[12]

This Court upheld the Republic's arguments.^[13] Both the agreement and Ordinance No. 121, as amended, were declared null and void for being ultra vires and contrary to Republic Act No. 1899.^[14]

This Court ruled that "RREC had no authority to resume its reclamation work"^[15] and that it failed to reclaim any area within the reclamation project.^[16] Nevertheless, it recognized that RREC undertook partial work by using the dredge fill of 1,558,395 cubic meters^[17] and mobilizing its equipment,^[18] for which it incurred expenses.

Thus, despite the nullity of the agreement and RREC's failure to reclaim any land, this Court awarded RREC compensation for the work it had actually done^[19] based on *quantum meruit*.^[20] It pegged the reasonable value of RREC's services at P10,926,071.29, plus interest at the rate of 6% per annum from 1962 until fully paid.^[21] The amount was awarded to prevent the Republic's unjust enrichment at RREC and Pasay City's expense.^[22] Thus:

Although Pasay City and RREC did *not succeed in their undertaking to reclaim any area within subject reclamation project*, it appearing that something compensable was accomplished by them, following the applicable provision of law and hearkening to the dictates of equity, that no one, not even the government, shall unjustly enrich oneself/itself at the expense of another, we believe; and so hold, that Pasay City and RREC should be paid for the said actual work done and dredge-fill poured in, worth P10,926,071.29, as verified by the former Ministry of Public Highways, and as claimed by RREC itself in its aforementioned letter dated June 25, 1981.^[23] (Emphasis supplied, citations omitted)

This Court also rejected RREC and Pasay City's claims of ownership over the lands in the reclamation area^[24] and reiterated that the Cultural Center of the Philippines and the Government Service Insurance System were the rightful title holders of these lands.

In his Separate Opinion, then Associate Justice Artemio Panganiban stated that the case must be remanded for the determination of the peso value of RREC's work.^[25] However, the majority did not adopt this view. The dispositive portion of this Court's Decision dated November 25, 1998 reads:

In G.R. No. 103882, the Petition is *GRANTED*; the Decision, dated January 28, 1992, and Amended Decision, dated April 28, 1992, of the Court of Appeals, are both *SET ASIDE*; and Pasay City Ordinance No. 121, dated May 6, 1958, and Ordinance No. 158, dated April 21, 1959, as well as the Reclamation Agreements entered into by Pasay City and Republic Real Estate Corporation (RREC) as authorized by said city ordinances, are declared *NULL* and *VOID* for being *ultra vires*, and contrary to Rep. Act 1899.

The writ of preliminary injunction issued on April 26, 1962 by the trial court a quo in Civil Case No. 2229-P is made permanent, and the notice of *lis pendens* issued by the Court of Appeals in CA G.R. CV No. 51349 ordered *CANCELLED*. The Register of Deeds of Pasay City is directed to take note of and annotate on the certificates of title involved, the cancellation of subject notice of *lis pendens*.

The petitioner, Republic of the Philippines, is hereby ordered to pay Pasay City and Republic Real Estate Corporation the sum of TEN MILLION NINE HUNDRED TWENTY-SIX THOUSAND SEVENTY-ONE AND TWENTY-NINE CENTAVOS (P10,926,071.29) PESOS, plus interest thereon of six (6%) percent per annum from May 1, 1962 until full payment, which amount shall be divided by Pasay City and RREC, share and share alike.

In G.R. No. 105276, the Petition is hereby *DENIED* for lack of merit.^[26] (Emphasis in the original)

Republic v. Court of Appeals became final and executory on July 27, 1999.^[27]

RJREC and Pasay City filed before this Court a Petition seeking to declare a mistrial.^[28] In the Resolution^[29] dated February 15, 2000, this Court denied the Petition, absent any procedural error or violation of RREC and Pasay City's right to due process.^[30] This Court added that:

This Resolution is final, and it is understood that *no further pleadings* shall be allowed. *Under pain of contempt*, petitioners and the other parties are hereby enjoined from filing any other petition or pleading in these cases[.]^[31] (Emphasis supplied)

RREC and Pasay City filed before this Court two (2) more pleadings: (1) a Motion for Clarification of this Court's November 25, 1998 Decision dated March 10, 2000;^[32] and (2) Motion for Execution dated June 6, 2000.^[33] In light of its February 15, 2000 Resolution,^[34] this Court expunged from the records the Motion for Clarification on June 20, 2000,^[35] and the Motion for Execution on July 11, 2000.^[36]

RREC and Pasay City filed a third pleading, moving for reconsideration of the July 11, 2000 Resolution.^[37] On October 17, 2000,^[38] this Court denied the Motion with finality and stated that this Court was not the proper forum for executing a final and executory judgment.^[39]

RREC and Pasay City were ordered, under pain of contempt,^[40] to abide by the provision on execution of judgments under Rule 39, Section 1^[41] of the Rules of Court. Once again, they were warned not to file further pleadings.^[42]

On October 24, 2000, an Entry of Judgment was issued declaring *Republic v. Court of Appeals* final and executory as of July 27, 1999.^[43]

Pasay City filed before the Regional Trial Court a Motion for Execution dated October 30, 2000^[44] and an Amended Motion dated November 6, 2000.^[45] On April 17, 2001, RREC joined Pasay City in filing a Motion for Execution (After Adjustment of Quantum Meruit Compensation).^[46] In their alternative mode of execution,^[47] RREC and Pasay City prayed for the issuance of a writ of execution for any^[48] of the following:

- (1) Delivery and transfer of titles of over 109 hectares of land at the Manila Bay reclamation site;
- (2) Payment of P54.5 million, reflecting the present value of 109 hectares of land at the Manila Bay reclamation site;
- (3) Delivery and transfer of titles of over 35 hectares of land where no building has been erected at the Manila Bay reclamation site;
- (4) Payment of P5 billion, equivalent to the offer of compromise; or
- (5) Payment of P596,053,484.00, as the present equivalent of the peso-to-dollar conversion rate.^[49]

The Republic opposed the Motion for Execution (After Adjustment of Quantum Meruit), arguing that RREC and Pasay City's Motion for Execution contravenes this Court's Decision in *Republic v. Court of Appeals*.^[50]

On November 22, 2002, the Regional Trial Court denied^[51] RREC and Pasay City's Motion for Execution for lack of merit.^[52] It found that the Motion merely repeated "similar arguments already disposed of by the Supreme Court."^[53] The trial court ruled that the writ of execution must conform to the judgment to be executed, thus:

[O]nce the Court (SC) . . . has rendered its final judgment, *all issues between or among the parties before it one deemed resolved* and its judicial functions as

regards any litigated matter related to the controversy litigated comes to an end.

[54] (Emphasis supplied)

RREC and Pasay City moved for reconsideration.^[55] On December 20, 2001, the Regional Trial Court held a clarificatory hearing^[56] on the Motion for Execution.^[57] It summoned Ludivinia Gador, Bank Officer VI of the Bangko Sentral ng Pilipinas,^[58] who testified that the peso value of P10,926,071.29 in 1962 was then equivalent to P563,566,742.18.^[59]

The trial court did not adopt this value.^[60] On March 21, 2003, it denied RREC and Pasay City's Motions for Reconsideration.^[61]

Aggrieved, RREC and Pasay City filed before this Court a Petition for Review on Certiorari, which this Court denied in the Resolution dated June 25, 2003.^[62] They moved for reconsideration, but the Motion was denied on August 20, 2003.^[63] On October 9, 2003, this Court issued an Entry of Judgment certifying that the Motion for Reconsideration is denied with finality.^[64]

RREC and Pasay City moved to set aside the resolution of finality and for adjustment of arbitration award, as well as to set the earlier Motion for oral argument.^[65] This Court expunged both Motions from the records in view of the Entry of Judgment having been made on September 11, 2003.^[66]

Despite this Court's Resolutions, RREC filed on May 16, 2006 a Motion for Leave to re-open the case.^[67] Again, this Court expunged the Motion from the records.^[68]

On November 21, 2006, RREC moved for the issuance of a writ of execution before the Regional Trial Court.^[69] On November 30, 2006, it filed another Motion for Execution, which the trial court heard on December 13, 2006.^[70]

On May 8, 2007, the Regional Trial Court issued the Writ of Execution,^[71] the dispositive portion of which reads:

NOW THEREFORE, you are hereby commanded to cause the implementation of the decision of this Court as modified by the Court of Appeals and the Supreme Court upon the plaintiff thru the National Treasurer.

In case sufficient personal property/ies of plaintiff cannot be found to satisfy the amount of the said judgment, costs, interest and your fees thereon, then you are hereby directed to levy the real property/ies of the said plaintiff and to sell the same or so much thereof in the manner provided for by law for the satisfaction of said judgment and that you make a return of your proceedings thereon within thirty (30) days from date.^[72]

On May 11, 2007,^[73] Sheriff IV Reyner S. De Jesus (Sheriff De Jesus) issued a Notice of Execution and Notice to Pay^[74] against the Republic for P49,173,064,201.17 instead of the P10.9 million^[75] ordered by this Court, to be divided between RREC and Pasay City.^[76]

Sheriff De Jesus based his computation on a formula^[77] that set the Philippine peso today at P51.58 for every one (1) peso in 1962, with compounding interests.^[78] He did not attach his source for the alleged real value. The Notice of Execution and Notice to Pay reads:

Please be informed that on May 8, 2007, a Writ of Execution was issued in the above-entitled case by HON. TINGARAAN U. GUILING, Presiding Judge of this

Court, copy of which is hereto attached for your reference.

By virtue of the said Writ of Execution, notice/request is hereby given for you *to pay the principal money judgment and interest compounded annually in the total amount of **Php49,173,064,201.17*** immediately upon receipt hereof which amount shall be divided by defendants Pasay City and Republic Real Estate Corporation, share and share alike.^[79] (Emphasis supplied)

The Republic filed before the Regional Trial Court a Very Urgent Motion to Quash the Writ of Execution and the Notice of Execution and Notice to Pay,^[80] but it was denied on July 3, 2007.^[81] The trial court likewise denied the Republic's Motion for Reconsideration on February 28, 2008.^[82]

The Republic filed before the Court of Appeals a Petition for Certiorari^[83] assailing the trial court's July 3, 2007 and February 28, 2008 Orders and seeking injunction against the writ of execution.^[84]

The Court of Appeals granted^[85] the Petition. It ruled that Sheriff De Jesus' Notice of Execution and Notice to Pay cannot go beyond this Court's judgment in *Republic v. Court of Appeals*,^[86] thus:

The assailed Sheriffs Notice of Execution and Notice to Pay is *palpably at variance* with what was embodied in the November 25, 1998 decision of the Supreme Court. The dispositive portion of the said decision is *categorical and unequivocal in its language* that the amount to be paid by [the Republic] to [RREC and Pasay City] is only Php10,926,071.29, plus interest at 6% per annum from May 1, 1962 until full payment. Thus, *there is no justification for the adjustment of the judgment award to its present day value*. Indubitably, the assailed Sheriffs Notice of Execution and Notice to Pay is null and void as it *does not conform to the tenor of the November 25, 1998 decision which it purports to implement*.^[87] (Emphasis supplied)

The Court of Appeals held that Sheriff De Jesus' "issuances wantonly disregarded and grossly violated [Supreme Court Administrative Circular] No. 10-2000 dated October 25, 2000 . . . [and] [Commission on Audit] Circular No. 2001-002 dated July 31, 2001,"^[88] which govern the execution of government funds or properties.^[89] Thus, the Notice of Execution and Notice to Pay is "patently null and void."^[90]

The dispositive portion of the Court of Appeals Decision reads:

WHEREFORE, premises considered, the petition is hereby **GRANTED**. The assailed Writ of Execution dated May 8, 2007 issued by the Regional Trial Court, Branch 109 of Pasay City and the Sheriffs Notice of Execution and Notice of Sale dated May 11, 2007 are hereby declared **NULL** and **VOID**. The Writ of Preliminary Injunction issued by this Court on August 20, 2008 is hereby made permanent.

SO ORDERED.^[91] (Emphasis in the original)

Atty. Romeo G. Roxas (Atty. Roxas) of RGR & Associates, counsel for RREC since August 6, 1990,^[92] filed before this Court a Complaint^[93] against the three (3) Court of Appeals Justices^[94] who nullified the Writ of Execution and Sheriff De Jesus' Notice.^[95] The Complaint was for the Justices' alleged misconduct and violation of Section 3(e)^[96] of Republic Act No. 3019 in relation to Article 204^[97] of the Revised Penal Code, and it prayed