

SECOND DIVISION

[G.R. No. 121810, December 07, 2001]

**SPOUSES INOCENCIO AND ADORACION SAN ANTONIO,
PETITIONERS, VS. COURT OF APPEALS AND SPOUSES MARIO
AND GREGORIA GERONIMO, RESPONDENTS.**

DECISION

QUISUMBING, J.:

This is a petition for review seeking the reversal of the decision^[1] dated April 28, 1995, of the Court of Appeals in CA-G.R. SP No. 35271 affirming the orders dated May 5, 1994,^[2] July 12, 1994^[3] and September 1, 1994,^[4] respectively, of the Regional Trial Court of Malolos Bulacan, Branch 22, granting the motion for execution of compromise judgment dated September 22, 1993 in Civil Case No. 233-M-92.

The facts, as culled from the records, are as follows:

Private respondents spouses Mario and Gregoria Geronimo obtained a loan in the amount of One Million Twenty Eight Thousand Pesos (P1,028,000) from petitioners, the spouses Inocencio and Adoracion San Antonio. To secure the loan, private respondents mortgaged two parcels of land covered by TCT No. RT-6653 with an area of 10,390 square meters and TCT No. RT-6652 with an area of 2,556 square meters, both situated in Barrio Tabe, Guiguinto, Bulacan. Subsequently, private respondents obtained an additional loan of Nine Hundred Ninety One Thousand Eight Hundred Fifty Nine Pesos (P991,859) with an interest of 3.33% per month, thus making their total obligation in the amount of Two Million Nineteen Thousand Eight Hundred Fifty Nine Pesos (P2,019,859), payable on or before February 15, 1991. Private respondents failed to pay the loan and the interest on the due date, hence, the mortgage was extrajudicially foreclosed. During the auction sale, petitioners, being the highest bidder bought the two parcels of land.

Before the one-year redemption period expired, private respondents filed a complaint for annulment of extrajudicial foreclosure with preliminary mandatory injunction, docketed as Civil Case No. 233-M-92, with the Regional Trial Court of Bulacan, Branch 22. After the parties presented their respective evidence, they submitted to the court on September 16, 1993, a compromise agreement dated August 25, 1993, the terms and conditions of which are quoted as follows:

COME NOW parties assisted by their respective counsels and before the Honorable Court most respectfully submit this compromise agreement, the terms and conditions of which are:

1. For a consideration of TWO MILLION PESOS (P2,000,000.00), Philippine Currency, in hand received today by the defendants

spouses Inocencio and Adoracion San Antonio from the plaintiffs, defendants San Antonio will execute a deed of resale/reconveyance/redemption of that subject property covered by TCT No. RT-6653 (T-209250) of the Registry of Deeds of Bulacan including its improvements;

2. For the release/resale/reconveyance of the other property involved in the case described in TCT No. RT-6652 (T-296744) of the Registry of Deeds of Bulacan together with its improvements, plaintiffs obligate themselves to transfer the ownership of the following to the defendants San Antonio.
 - a. That lot including its improvements situated in Brgy. Tuctucan, Municipality of Guiguinto, Bulacan, covered by TCT No. 29832, Blk. 4, Lot No. 3 consisting of 135 square meters;
 - b. That lot situated in Brgy. Tuctucan, Municipality of Guiguinto, Bulacan covered by TCT No. 30078, Blk. 9, Lot 27 consisting of 78 square meters;
 - c. Another lot situated in Brgy. Tuctucan, Municipality of Guiguinto, Bulacan, covered by TCT No. 30079, Blk. No. 38 consisting of 75 square meters.

within six (6) months from signing of this compromise agreement simultaneous to which delivery of the title to the afore-mentioned properties in the names of the defendants San Antonio, the defendants San Antonio will execute the corresponding instrument of resale/reconveyance/redemption over that property together with its improvements covered by TCT No. RT-6652 (T-296744), for the purpose of the cancellation of the annulment of the sale in the title subject to the condition that should plaintiffs fail to deliver the titles to the three lots heretofore mentioned to the defendants San Antonio, the said plaintiffs shall be deemed to have waived and renounced any all rights, claims and demands whatsoever they may have over that property covered by TCT No. RT-6652 (T-296744) including its improvements and thenceforth bind themselves to respect the right of ownership, and possession of the defendants San Antonio over said property, or to pay Two Million Pesos (P2,000,000.00) within the same period;

3. That the parties further agree to set aside any claim, damages and counter-claims they may have against each other;
4. That in the meantime, the possession of the plaintiffs of the subject property covering TCT No. 6652 (T-296744) and TCT No. RT-6653 (T-209250) shall it be respect; (SIC)
5. This compromise agreement shall be in full settlement of the obligations of the plaintiffs with respect to Kasulatan ng Sanglaan dated February 14, 1989 and the Susog ng Kasulatan ng Sanglaan dated July 16, 1990, subject matter of the complaint, and those

related therein;

6. This compromise agreement is immediately executory.
(underscoring supplied).^[5]

Finding the above to be in order, the trial court approved the same in its order dated September 22, 1993, thus:

A careful perusal of the Compromise Agreement dated August 25, 1993 reveals that the terms and conditions thereof are not contrary to law, morals and public policy.

ACCORDINGLY, the compromise agreement dated August 25, 1993 is hereby APPROVED. The parties are enjoined to comply faithfully with their obligation under said agreement.

SO ORDERED.^[6]

In accordance with the stipulations in paragraph 1 of the Compromise Agreement, petitioners executed a Certificate of Redemption and Cancellation of Sale covering TCT No. RT-6653 after private respondents paid them Two Million Pesos (P2,000,000). Private respondents, however, failed to transfer the ownership and deliver the titles of the three parcels of land described in paragraph 2 of the agreement or to pay 2 Million Pesos within the six-month period from August 25, 1993. It was only on March 4, 1994, after the lapse of six months that private respondents delivered the three titles to petitioners. As the delivery was beyond the agreed six-month period, petitioners refused to accept the same or execute an instrument for the resale, reconveyance or redemption of the property covered by TCT No. RT-6652. Consequently, TCT No. RT-6652 was cancelled and in lieu thereof, TCT No. T-47229 was issued in the names of petitioners.

Private respondents filed a motion for execution of the September 22, 1993 order with the trial court. This was granted on May 5, 1994. Petitioners filed a motion for reconsideration but this was denied on July 12, 1994. A second motion for reconsideration by petitioners was likewise denied in an order dated September 1, 1994.

Petitioners filed a Petition for *Certiorari* with application for a Temporary Restraining Order and/or Writ of Preliminary Injunction with the Court of Appeals. As said earlier, the Court of Appeals denied the petition on April 28, 1995, thus:

WHEREFORE, the petition for certiorari is hereby DENIED DUE COURSE, and is DISMISSED. The Orders of respondent court dated May 15, July 12, and September 1, 1994 are AFFIRMED.

SO ORDERED.^[7]

Hence this petition for review wherein petitioners aver that the Court of Appeals erred in:

I. ... RULING THAT THE ORDER DATED MAY 5, 1994 DID NOT SUBSTANTIALLY AMEND THE FINAL AND EXECUTORY JUDGMENT