

95 Phil. 402

[G.R. No. L-7325. July 16, 1954]

MACARIO ENRIQUEZ, ET AL., PETITIONERS, VS. HON. ALEJANDRO PANLILIO, IN HIS CAPACITY AS THE PRESIDING JUDGE OF BRANCH A, COURT OF FIRST INSTANCE OF MANILA, THE SHERIFF OF MANILA, DEE C. CHUAN CO. INC. AND STANDARD VACUUM OIL CO., RESPONDENTS.

D E C I S I O N

MONTEMAYOR, J.:

This is a petition for certiorari with preliminary injunction. From the allegations of said petition and its annexes as well as of the answer filed by respondents, we gather the following:

Respondent Dee C. Chuan Co. (to be later referred to as Chuan Co.) is the owner of quite a large parcel of land situated in the City of Manila and adjoining the Juan Luna Sub-division and the North Bay Boulevard. A portion of the same of about 1,000 square meters was leased to respondent Standard Vacuum Oil Co. (to be later referred to as Oil Co.). Sometime prior to 1947, without the knowledge and consent of Chuan Co. (owner) and the Oil Co. (lessee), a number of people including the petitioners entered the parcel, particularly that portion under lease, and erected thereon temporary houses (barong-barong), and thereafter refused to leave the same despite repeated demands made upon them by the owner and lessee. The oil company filed a suit in ejectment in the Municipal Court of Manila against the petitioners and obtained a favorable judgment ordering petitioners to vacate the portion occupied by them and denying their counterclaim. Petitioners as defendants appealed to the Court of First Instance of Manila which rendered judgment against them on December 27, 1949. For purposes of reference particularly as to the facts of the case, we are reproducing said

decision, to wit:

“This is an ejectment case appealed from the Municipal Court.

The lower court in its decision ordered the defendants to vacate the premises in question and denied defendants’ counter-claim. Hence the appeal of the defendants to this Court. While the case was pending trial, Dee C. Chuan prays the defendants be ejected from the premises and to pay jointly and severally a monthly rental of P90 from May 5, 1947 to October 5, 1949. Subsequently, counsel for the defendants filed a motion asking for the suspension of the trial of the case on the ground that the government was negotiating for the purchase of the land in question from the plaintiff-intervenor, Dee C. Chuan & Sons, Inc. Because the hearing of the case had been postponed already several times on the same ground, without any positive results having come out from said supposed negotiations, the petition was denied, and trial was then commenced. After the plaintiff has presented their evidence, counsel for the defendants asked for postponement alleging, as their reason, that not all the defendants were present in Court. To give the defendants their day in court, the case was then postponed to an agreed date among the parties. But on the said date, counsel for the defendants failed to appear on the unverified ground that he was indisposed. Further postponement of the case was objected to by the other parties, and the case was then submitted for decision.

“It appears that the plaintiff is the lessee of a parcel of land, as evidenced by a contract of lease (Exhibit “A”) between plaintiff and the owner, who is the plaintiff-intervenor herein; that the defendants, prior to February, 1947, without the knowledge and consent of the owner or plaintiff-intervenor, illegally entered and occupied the premises in question and erected barong-barong therein; that, in spite of repeated demands of the plaintiff-intervenor, as well as the plaintiff (Exhibits B, B-1, B-2, C, C-1 to C-5), the defendants refused to vacate the property.

“Wherefore, in view of the foregoing, judgment is hereby rendered ordering all the defendants to vacate the premises in question, and each of them to pay the plaintiff-intervenor a monthly rental of P5 from May 1947 to October 1949. Defendants are further ordered to pay the costs in both instances.

“So ordered.

The judgment above reproduced apparently became final and executory. Why it was not then executed, the record does not show. In July, 1950, the Republic of the Philippines instituted expropriations proceedings, Civil Case No. 11525, concerning a portion of the parcel belonging to Chuan Co., including that portion leased to the Oil Company, under the provisions of Commonwealth Act No. 538. By reason of said expropriation proceedings, the Court of First Instance of Manila, deciding the ejectment case against petitioners, suspended execution of its judgment by order dated April 17, 1951. Early in 1953, Chuan Co. moved to lift the order staying execution. We quote the order dated February 21, 1953 granting the motion:

“After a careful consideration of the grounds advanced by Counsel for Intervenor Dee C. Chuan & Sons, Inc., in support of the motion to lift order staying execution, the Court has reached the conclusion that said motion is well taken and meritorious, and hereby grants same.

“The defendants, not being bona-fide tenants or occupants of the land in question, and having failed, on the other hand, to pay to the land owner, or to deposit in Court, the current reasonable rental for the land they illegally occupy, can not avail themselves of the provision of Commonwealth Act No.538.

“Accordingly, the Order of April 17, 1951, suspending the execution of the Judgment rendered in the case, is hereby lifted and set aside.

“So ordered.

Manila, Philippines, February 21, 1953.

(Sgd.) ALEJANDRO J. PANLILIO
Judge

A copy of said order was duly served on counsel for the defendants in said Civil Case No. 5654 (now petitioners herein). It was only on November 23, 1953, that defendants-petitioner filed a motion for reconsideration of the order of February 21, 1953, which was denied by order dated November 26, 1953. Claiming that in issuing the orders of February 21, 1953 and November 28, 1953, the trial court acted with grave abuse of discretion, amounting to excess of jurisdiction, petitioners have filed the present petition for certiorari with preliminary injunction.

We are reproducing section 1 of Commonwealth Act No. 538 by virtue of which the expropriation proceedings, as already stated, was initiated by the Government.

“SECTION 1. When the Government seeks to acquire, through purchase or expropriation proceedings, lands belonging to any estate or chaplaincy (capellania), any action for ejectment against the tenants occupying said lands shall be automatically suspended, for such time as may be required by the expropriation proceedings or the necessary negotiations for the purchase of the lands, in which latter case, the period of suspension shall not exceed one year.

“To avail himself of the benefits of the suspension, the tenant shall pay to the landowner the current rents as they become due or deposit the same with the court where the action for ejectment has been instituted.”

We agree with the trial court and the herein respondents that petitioners are in no position to invoke the benefits of Commonwealth

Act No. 538, particularly section 1 there- of. As found by the trial court in the ejectment case, they are not bona fide occupants or tenants because they entered the land without the knowledge and consent of the owner and lessee thereof. The relationship of landlord and tenant has not been established; on the contrary, as soon as their illegal occupation of the land was noted the owner and lessee made demands upon them to vacate the premises, which demands were ignored. Petitioners have not paid anything for their occupation. Even after judgment was rendered by the Court of First Instance against them ordering them to vacate the land illegally occupied by them and ordering them to pay a reasonable amount for their occupation, fixed by the Court, up to this time they have paid nothing. Commonwealth Act No. 538 contemplates the expropriation of lands lawfully occupied, where said occupancy is known and permitted by the owner under an agreement, express or implied, of tenancy, and where the tenants and occupants are observing the terms of the agreement by paying the rentals agreed upon, or, a reasonable amount ascertained by the court for the use and occupation of the premises. The purpose of the law is to aid and benefit the lawful occupants and tenants, by making their occupancy permanent and giving them an opportunity to become owners of their holdings. This is not the case with respect to petitioners.

Petitioners annexed to their petition a copy of an alleged agreement (Exhibit "E") between Chuan Co; the Oil Co., and the Rural Progress Administration to the effect that the land subject of expropriation would be leased to the owners of the houses standing thereon on a monthly rental not to exceed 1 per cent of the assessed value of the land for the current year. Respondents in their answer explained that this agreement was made the basis of the motion for dismissal of the expropriation case, resulting in the dismissal of the same. However, with the abolition of the Rural Progress Administration and the taking over of its functions by the Bureau of Lands, the latter upon the instigation of the petitioners themselves, impugned the validity of the agreement, thus resulting in the lifting of the order of dismissal in the expropriation case. Moreover, the agreement itself excludes from its operation a portion of about 900 square meters which is apparently

the portion involved in the ejectment (now occupied by the petitioners), the agreement providing for the removal from said portion of the houses and other improvements made by the petitioners.

In conclusion, we find that the respondent court did not commit any abuse of discretion, much less did exceed its jurisdiction in issuing its order of February 21, 1953 and in denying the motion for its reconsideration. The present petition for certiorari with preliminary injunction is hereby denied, with costs against petitioners. The writ of preliminary injunction heretofore issued, is hereby dissolved.

Paras, C. J., Bengzon, Padilla, Reyes, A., Jugo, Bautista Angelo, Labrador, Concepcion, and Reyes, J. B. L., JJ., concur.
