

****Title:**** Enrique Abrigo vs. Hon. Judge Union C. Kayanan and Others: A Case on the Misapplication of Receivership

****Facts:****

In Civil Case No. 178-G, later numbered as No. 07, before the defunct Court of First Instance of Quezon, plaintiffs, including Antonia Abas and others from the Abrigo family, initiated proceedings for the partition of seven parcels of land, alleging co-ownership with the defendants, who were also members of the Abrigo family. The contention centered around the possession and ownership of these lands, with the plaintiffs claiming co-ownership and the defendants asserting full ownership through hereditary succession.

On October 21, 1967, plaintiffs moved for the appointment of a receiver for one of the parcels due to the alleged invasion by squatters, which they argued caused them damage and prejudice. Despite the defendants' request for a rescheduling due to counsel's unavailability, the hearing proceeded on November 3, 1967. Judge Union C. Kayanan appointed Atty. Pedro S. Nantes as receiver that day, and later, on November 8, added Mr. Benjamin M. Santiago as an assistant to the receiver.

Defendants opposed the motion for receivership on November 15, but by then, the orders for receivership had been made. Subsequent motions for reconsideration were denied, although a bond was later required from the receiver to address concerns of mismanagement.

The defendants, particularly petitioner Enrique Abrigo, escalated the matter to the Supreme Court, arguing grave abuse of discretion by Judge Kayanan in the appointment of the receiver and the issuance of related orders, including one that mandated Abrigo to reimburse plaintiffs P300 for witness expenses, which was made in his absence and without notice.

****Issues:****

1. Whether the appointment of a receiver for the disputed lands constituted grave abuse of discretion by the trial court.
2. Whether the subsequent orders related to the receivership, including the imposition of costs and operational directives, were issued in excess of jurisdiction or with abuse of discretion.
3. The validity of the order requiring the petitioner to reimburse the plaintiffs P300 for

witness expenses incurred.

****Court's Decision:****

The Supreme Court found merit in the petition, holding that Judge Kayanan committed grave abuse of discretion in appointing a receiver and in his subsequent orders. The Court deemed the appointment of a receiver inappropriate, given that the condition of the land being invaded by squatters did not justify such an appointment. Moreover, it faulted the judge for not considering the defendants' offer to post a bond as an alternative to receivership. Lastly, the Court nullified the order for reimbursement of witness expenses as it was issued without notice and in the absence of the affected party.

****Doctrine:****

The Supreme Court highlighted the principle that the appointment of a receiver in actions involving title to real property should be a remedy of last resort, employed only when there is clear evidence of its necessity to prevent grave and irremediable loss or damage. Additionally, it reiterated that any order issued without notice and in the absence of the party affected is void for lack of jurisdiction.

****Class Notes:****

- ****Receivership:**** A legal remedy of last resort in property disputes, justified only to prevent irremediable loss or damage. (Rule 59, Sec. 4, Rules of Court)
- ****Due Process:**** Orders affecting a party's rights must be issued with due notice and opportunity for the party to be heard.
- ****Judicial Discretion Abuse:**** Occurs when a court's decision is arbitrary, whimsical, or unjust, not based on sound legal principles.

****Historical Background:****

This case reflects the judicial standards and procedural expectations for the intervention in property disputes in the Philippine legal system. It underscores the judiciary's cautious approach towards appointing receivers, emphasizing the protection of property rights and ensuring due process. Through this decision, the Supreme Court reinforced the principle that judicial authority must be exercised within the confines of fairness and the law, especially in delicate matters involving co-ownership and property management.