

Title:

Evy Construction and Development Corporation vs. Valiant Roll Forming Sales Corporation,
G.R. No. 197409, October 11, 2017

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Facts:

1. **Background**:

- Evy Construction purchased a parcel of land in Lipa, Batangas from Linda N. Ang and Senen T. Uyan on September 4, 2007. The deed of sale was notarized on September 11, 2007.
- At the time of purchase, only a notice of adverse claim by Ang was annotated on the title (TCT No. 134890).

2. **Annotations**:

- On September 18, 2007, a Notice of Levy on Attachment was filed on TCT No. 134890 due to a preliminary attachment in Civil Case No. 13442 (Valiant Roll Forming Sales Corporation vs. Angeli Lumber and Hardware, Inc., and Linda Ngo Ang).
- Additional encumbrances were noted on October 2, 2007, and November 8, 2007.

3. **Registration**:

- On November 20, 2007, Evy Construction registered the Deed of Absolute Sale, and TCT No. 168590 was issued in its name, incorporating the previous annotations.

4. **Litigation**:

- The Regional Trial Court decided in favor of Valiant in Civil Case No. 13442, issuing a Writ of Execution against the property, leading to the annotation of a Notice of Levy and subsequent issuance of a Certificate of Sale to Valiant as the winning bidder.

5. **Complaint for Quieting of Title**:

- Evy Construction filed a Complaint for Quieting of Title and Damages with application for a temporary restraining order (TRO) and/or preliminary injunction at the Regional Trial Court in Lipa City.

6. **TRO Application Denial**:

- The RTC denied Evy Construction's TRO application on November 9, 2009, a decision affirmed by the Court of Appeals on October 22, 2012, and further upheld upon

reconsideration on June 25, 2013.

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Issues:

1. **Due Process**:

- Was petitioner denied due process when the application for a writ of preliminary injunction was denied in the same summary proceeding as the application for a TRO?

2. **Grave Abuse of Discretion**:

- Did the trial court commit grave abuse of discretion in denying Evy Construction's application for injunctive relief?

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Court's Decision:

1. **Due Process**:

- The Supreme Court found that Evy Construction was not denied due process. The issue was legal rather than factual, and the petitioner's counsel accepted that there was no need to present a witness. The TRC recorded petitioner's submission without objection, fulfilling due process requirements.

2. **Grave Abuse of Discretion**:

- The court affirmed the denial of injunctive relief, finding no grave abuse of discretion by the RTC. The annotations in favor of Valiant were made before Evy Construction's registration. The petitioner failed to establish the urgency and irreparability of the alleged harm needed to justify injunctive relief.

- The matter of property rights over TCT No. 168590 was not yet resolved, making the issuance of an injunctive writ premature. Evy's proper remedy was to pursue the main case for Quieting of Title without a prejudgment through preliminary injunction.

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Doctrine:

1. **Injunctive Relief**:

- Injunctive relief requires the applicant to establish a clear right, which must be substantial

and existing, and the urgency of the prevention of grave and irreparable injury.

- Courts can deny preliminary injunctions without a separate summary hearing if the TRO application fails. Only the grant of preliminary injunction necessitates a hearing.

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Class Notes:

- **Key Elements for Injunctive Relief**:

1. **Clear Legal Right**: Must show actual and existing substantial rights.
2. **Urgency and Necessity**: Prove that injury is grave and not quantifiable monetarily.
3. **Balance of Conveniences**: Harm to applicant vs. harm to the other party.

- **Relevant Statutes/Provisions**:

- **Rule 58, Section 1, 2, 3 & 5 of the Rules of Court**: Discusses the procedures and requirements for granting preliminary injunctions and TROs.

- **Concepts Simplified**:

- **Injunctive Relief**: A pre-judgment order to do or not do something to preserve the status quo.

- **Due Process in Injunctions**: Completeness of process implies an opportunity to be heard and present evidence, not necessarily multiple hearings.

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Historical Background:

- The case epitomizes complexities in real estate transactions under the Torrens system in the Philippines, highlighting the need for due diligence and timely registration to safeguard property rights. It also contextualizes the legal balancing act between property rights and procedural safeguards in civil litigation.