VICENTA G. BUNDA, CECILIA C. RUDINAS, DANILO GIL BUNDA, JR. SIMEONA B. SOBERANO, AMELIA O. TRIANO, ELENA CRUZ TEVEZ, GEORGE M. CASTRO, MARLYN BASA, CANDIDA CARINO, JOSELITO GIL,...

Ponente: TIJAM, J.

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TIJAM, J.:

This is a petition for certiorari assailing the twin Orders dated November 10, 2005 and February 16, 2006,[1] of the Regional Trial Court (RTC) of Manila, Branch 26, in Civil Case No. 05-113552, an action for Interpleader filed by herein petitioners Vicenta Bunda, et. al. against herein private respondents Go Hoc & Sons, Inc. and Pinagcamaligan Indo-Agro Development Corporation (PIADECO). Petitioners ascribe grave abuse of discretion upon the RTC in issuing the Orders denying petitioners' prayer for the issuance of a preliminary injunction and their motion for reconsideration thereof.

The antecedent facts are as follows:

Private respondent Go Hoc & Sons, Inc. (Go Hoc) leased to petitioners respective units on the subject property located at 839 S. Loyola St., Sampaloc, Manila, and covered by TCT No. 40426 under Go Hoc's name. The lease agreements were embodied in separate Contracts of Lease.[2] The Contracts similarly provided, among others, that the lease period was for 1 year; that if the lease is not renewed in writing by both parties upon the automatic expiration of the term, and if the lessee continues to occupy the premises, the lease shall be understood as running from month-to-month under the same terms of the Contract, subject to termination by either party upon a 30-day prior written notice to the other party; and that the lessor cannot sublease the premises, or any part thereof, for any purpose.

Except for petitioner Borlasa, petitioners' lease contracts are presently on a month-to month basis.

On March 10, 2005, private respondent PIADECO sent Go Hoc a letter[3] informing the latter that the subject premises is a portion of the land owned by PIADECO by virtue of the Decision dated December 29, 1964 of the Court of First Instance of Malolos, Bulacan, which has been affirmed by the Supreme Court on June 28, 1968. Said Decision declared PIADECO the owner of the land in question. On March 21, 2005, PIADECO sent Go Hoc's tenants similar letters[4] likewise informing them of PIADECO's claim of ownership and demanding that the tenants vacate within 30 days. On April 25, 2005 and May 24, 2005, PIADECO sent the tenants 2 more demand letters reiterating its previous demand to vacate but to no avail.

Meanwhile, due to breach of contract committed by the tenants, including petitioners herein, Go Hoc instituted unlawful detainer cases after the requisite demands to vacate went unheeded. Go Hoc alleged in the respective ejectment cases that the tenants failed to pay rent for several months and, except for petitioner Borlasa, even subleased the premises in violation of the lease contract. The ejectment cases against petitioners were instituted separately from April to July, 2005 and on March, 2006.

On the other hand, petitioners filed against Go Hoc and PIADECO an Interpleader case on September 26, 2005, also praying for the issuance of a temporary restraining order and/or preliminary injunction to abate the ejectment proceedings. Petitioners alleged that they “have no means of knowing definitely as to who is the legal owner of the said property and who are legally entitled to receive rents” because both Go Hoc and PIADECO claim ownership over the subject property.

In an Order dated October 13, 2005, the RTC issued a TRO against Go Hoc, PIADECO, and the MTC enjoining the courts from conducting further proceedings in the ejectment cases involving petitioners and Go Hoc. However, on November 10, 2005, the RTC denied petitioners’ application for preliminary injunction. The RTC declared that “although the applicants are entitled to the (TRO), the issuance or continuance thereof, as in this case, would cause irreparable damage to defendant (Go Hoc) and to the lower courts enjoined.” The RTC likewise denied petitioners’ motion for reconsideration thereof.

Consequently, petitioners filed this petition for certiorari with prayer for TRO and/or preliminary injunction.

Petitioners argue that the RTC acted with grave abuse of discretion when it denied the issuance of the writ of preliminary injunction despite its earlier issuance of a TRO.

Petitioners allege that, during the hearing on the preliminary injunction, Go Hoc merely submitted evidence pertinent to the Interpleader case, and not on the propriety of the issuance of a preliminary injunction. Go Hoc’s evidence pertained to the issue as to the rightful ownership of the subject land. Petitioners added that petitioners were able to present “overwhelming” evidence in support of their prayer for the issuance of a writ of preliminary injunction. Although these pieces of evidence were uncontroverted, the RTC still refused to issue the writ of preliminary injunction without legal justification despite the fact that it earlier issued a TRO. Thus, the RTC acted with grave abuse of discretion.

To support their prayer for a TRO with this Court, Petitioners allege that, any time soon, they may be ordered to vacate the subject premises due to their failure to pay rents. Petitioners admit that they deliberately refused to pay rent pending the determination of who is legally entitled to receive the same. Petitioners maintain that they are entitled to the issuance of a TRO because the MTC, in some of the ejectment cases is posed to issue writs of execution pending appeal to the RTC to their damage and prejudice. In fact, in the ejectment case against petitioner herein Danilo Bunda, the MTC has ordered the issuance of a writ of execution pending appeal to the RTC.[5]

In its Comment, private respondent Go Hoc avers that it is the lawful, registered owner of the subject property designated as #839 S.H. Loyola Street, Sampaloc, Manila and covered by TCT No. 40246 where several apartment units have been leased to herein petitioners who individually entered into lease agreements with Go Hoc. Go Hoc contends that petitioner failed to show how the RTC gravely abused its discretion in denying their prayer for the issuance of a writ of preliminary injunction, considering Petitioners’ failure to show entitlement thereto. Go Hoc argues that, during the hearing on petitioners’ prayer for preliminary injunction, it sufficiently established that the parties executed written lease agreements and that it filed ejectment cases against petitioners because of their non- payment of monthly rental dues, despite repeated demands. Contrary to Petitioners’ allegation, the pieces of evidence that Go Hoc presented were pertinent to the Interpleader case because they establish the parties’ lessor-lessee relationship. Indeed, Petitioners’ wanton breach of their contractual obligations under the lease contract violated and prejudiced Go Hoc’s rights. As such, Petitioners were clearly not entitled to the writ of preliminary injunction. Therefore, the RTC did not act with grave abuse of discretion when it refused to grant the injunction.

The petition has no merit. We find no grave abuse of discretion on the part of public respondent when it refused to

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issue the writ of preliminary injunction.

Petitioner prayed before the RTC that it issue an order to abate the ejectment proceedings, pending the resolution of the Interpleader case. In support thereof, Petitioners alleged that the MTC can only decide the unlawful detainer cases after the issue of ownership has been resolved. Moreover, according to Petitioners, said issue of ownership should first be determined in the Interpleader case where PIADECO is a party.

However, the issue of ownership is not essential to an action for unlawful detainer. The fact of lease and the expiration of its term (in this case, due to violations of the lease agreement) are the only elements of the action.[6]

Unlawful detainer and forcible entry suits under Rule 70 are designed to summarily restore physical possession of a piece of land or building to one who has been illegally or forcibly deprived thereof, without prejudice to the settlement of the parties' opposing claims of juridical possession in appropriate proceedings.[7]

Considering that the subject unlawful detainer cases merely involve the questions of possession and entitlement to the rents due, We find that the same can proceed despite the pendency of the action for interpleader. In actions for unlawful detainer, the main issue is possession de facto, independently of any claim of ownership or possession de jure that either party may set forth in his pleadings.[8] Consequently, an adjudication made in an ejectment proceeding regarding the issue of ownership should be regarded as merely provisional and, therefore, would not bar or prejudice an action between the same parties involving title to land.[9]

Furthermore, We find that PIADECO was not a party to the unlawful detainer cases simply because it has not demanded rental payments from the Petitioners.

Indeed, Petitioners filed the action for interpleader to determine who between Go Hoc and PIADECO is the real owner of the subject property and is, thus, entitled to the rental payments. However, in its letters to Petitioners, PIADECO, claiming ownership over the subject property, merely demanded that Petitioners vacate the subject property. In fact, in filing the subject unlawful detainer cases against the petitioners, only the lessor Go Hoc is seeking to collect the rents due. Furthermore, the ejectment cases were filed by Go Hoc because Petitioners failed to meet their obligations under the contract and not because of the fact that another entity is claiming ownership over the subject property.

The action of interpleader is a remedy whereby a person who has property whether personal or real, in his possession, or an obligation to render wholly or partially, without claiming any right in both, or claims an interest which in whole or in part is not disputed by the conflicting claimants, comes to court and asks that the persons who claim the said property or who consider themselves entitled to demand compliance with the obligation, be required to litigate among themselves, in order to determine finally who is entitled to one or the other thing. The remedy is afforded not to protect a person against a double liability but to protect him against a double vexation in respect of one liability.[10]

The conflicting claims of Go Hoc and PIADECO refer to ownership of the property and not to material possession and entitlement to the rents due.

Clearly, the ejectment proceedings sought to be abated are distinct from and not prejudicial to the interpleader case. Evidently, PIADECO has not exposed Petitioners to a double vexation of paying said rents.

Likewise, We cannot accept Petitioners’ argument that the earlier issuance of a TRO in their favor entitles them to a subsequent issuance of a preliminary injunction. The reasons for their separate consideration are clearly distinct and dissimilar. Certainly, the law requires the concurrence of the elements for the grant of an application for injunction. And, a hearing must be held on the application for injunction for purposes of determining the

existence of these elements before injunction may be issued. Unfortunately, the Trial Court has concluded correctly that Petitioners have failed to satisfy these mandatory requirements.

There are three requisites for the grant of a writ of preliminary injunction: 1) The invasion of the right is material and substantial; 2) The right of complainant is clear and unmistakable; 3) There is an urgent and paramount necessity for the writ to prevent serious damage. Petitioners merely alleged the presence of these elements, but did not substantiate the same with convincing evidence.[11] We agree with Go Hoc that Petitioners failed to show that they are entitled to a preliminary injunction to abate the ejectment proceedings.

Petitioners did not show that they have a clear legal right to the injunction. The undisputed fact that Petitioners defaulted in the payment of lease rentals, breached their lease contracts and failed to consign payment in court negate their claim of a clear legal right to an injunction. There is no invasion of Petitioners' right and there is no injury or damage to the petitioners that need to be avoided through the issuance of an injunction. On the contrary, greater prejudice and detriment would have been caused to the Private Respondents if the injunction were granted.

We have repeatedly held that there is grave abuse of discretion justifying the issuance of the writ of certiorari when there is a capricious and whimsical exercise of judgment as is equivalent to lack of jurisdiction, as where the power is exercised in an arbitrary or despotic manner by reason of passion, prejudice, or personal hostility amounting to an evasion of positive duty or to a virtual refusal to perform the duty enjoined, or to act at all in contemplation of law. Clearly, the RTC's challenged Orders were not issued with such abuse of discretion. On the contrary, its denial of Petitioners' application for injunction exhibited the exercise of its sound discretion. Injunction is the strong arm of equity which must be issued with great caution and deliberation, and only in cases of great injury where there is no commensurate remedy in damages.[12]

Considering the foregoing, there is no need to delve into the issue of Petitioners' prayer for a TRO before Us.

WHEREFORE, this petition is DISMISSED for lack of merit.

SO ORDERED.

Salazar-Fernando, (Chairperson), and Dimaampao, JJ., concur.

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[1] Rollo, pages 24 and 27.

[2] Rollo, pages 64, 91, 160, 179, 200 and 248.

[3] Rollo at 30.

[4] Rollo at 271.

[5] Rollo at 306, Order dated April 18, 2006.

[6] Ocampo vs. Tirona, 455 SCRA 62 (2005).

[7] Palattao vs. The Court of Appeals, et. al., 381 SCRA 681 (2002).

[8] Supra, note 6.

[9] Ross Rica Sales Center, Inc., et. al. vs. Ong, 467 SCRA 35 (2005).

[10] Supra, note 6, citing Oscar M. Herrera, III REMEDIAL LAW 182 (1999) citing Alvarez, et. al. vs. Commonwealth, et. al., 65 Phil. 302 (1938), emphasis supplied.

[11] Valencia vs. Court of Appeals, et. al., 352 SCRA 72 (2001).

[12] Philippine Ports Authority vs. Pier 8 Arrastre and Stevedoring Services, Inc., 475 SCRA 426 (2005).

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