

**CRISANTA GALAY, ET AL., PETITIONERS, VS. COURT OF APPEALS
AND VIRGINIA WONG, REPRESENTED BY HER ADMINISTRATOR,
ATTY REYNALDO B. HERNANDEZ, RESPONDENTS.**

G.R. No. 120132. December 04, 1995

Ponente: FRANCISCO, J.

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FRANCISCO, J.:

In an effort to uplift the living conditions in the poorer sections of the communities in urban areas, the legislature enacted Republic Act No. 7279 otherwise known as the "Urban Development and Housing Act of 1992", envisioned to be the antidote to the pernicious problem of squatting in the metropolis. Nevertheless, the courts continue to be swamped with cases arising from disputes in the proper implementation of the aforementioned legislation, particularly on matters involving the eviction, demolition and resettlement of squatters. The present suit is among such cases.

The instant petition for review on certiorari seeks to annul the decision of respondent Court of Appeals dated September 20, 1994 in CA-G.R. SP No. 33761 entitled "Crisanta Galay, et al. vs. Judge Mariano I. Bacalla and Virginia Wong, represented by her Administrator, Atty. Reynaldo B. Hernandez". Petitioners claim that the assailed decision was based on an unauthorized compromise agreement to which they never consented nor had any knowledge thereof.

Material hereto are the following antecedents:

Private respondent Virginia Wong, as represented by her Administrator and Attorney-in fact, Reynaldo B. Hernandez filed an ejectment suit (Civil Case No. 38-5830) against herein petitioners, who were alleged to have been illegally occupying private respondents' 405 square meter lot located in Quezon City which is covered by Transfer Certificate of Title No. 51589 of the Registry of Deeds of Quezon City.

Although petitioners do not claim ownership over the subject premises, they however disputed private respondents' claim of ownership and alleged that they have been in possession of the property in question since 1972 by virtue of the tolerance and permission of the alleged real owner, Dr. Alejo Lopez.

On August 3, 1992, judgment was rendered by the Metropolitan Trial Court of Quezon City, Branch 38, ordering the ejectment of the petitioners from the disputed premises.[1]

Upon appeal to the Regional Trial Court of Quezon City, Branch 83, the decision of the Metropolitan Trial Court was affirmed in toto.[2]

Still not satisfied, petitioners proceeded to the Court of Appeals and filed a petition for review, but the petition was dismissed outright for failure to state the material dates to show that the petition was filed on time and for not being accompanied by certified true copies of the disputed decision.[3]

No further appeal was interposed by petitioner, hence, the judgment became final. This prompted private

respondent to file a Motion for Issuance of an Alias Writ of Execution which was granted by the Metropolitan Trial Court in its order dated March 25, 1994,[4] taking into account that the judgment has already become final and executory.

In an attempt to prevent the execution of the judgment and their consequent eviction, petitioners filed a complaint for Injunction with Preliminary Injunction and Temporary Restraining Order before the Regional Trial Court of Quezon City, Branch 216,[5] alleging that herein private respondent must first comply with the mandatory requirements of Section 28(c) of R.A. 7279 regarding eviction and demolition by court order.

In its order dated April 5, 1994,[6] the lower court denied the prayer for the issuance of a restraining order as the act sought to be enjoined was pursuant to a lawful order of the court.

Thereafter, petitioners again sought recourse from the Court of Appeals via Petition for Certiorari with Preliminary Injunction and Temporary Restraining Order, claiming that the latter order was tainted with grave abuse of discretion for being arbitrary, unjust and oppressive, and reiterating that they cannot be evicted unless there is compliance with Section 28(c) of R.A. 7279.[7]

On April 28, 1994, respondent Court of Appeals gave due course to the petition and granted petitioners' prayer for preliminary injunction, enjoining the ejection of petitioners until further orders from the court.[8]

On July 18, 1994, counsel for private respondent filed a Motion To Lift And/Or Dissolve Preliminary Injunction, contending among others that the Urban Poor Affairs Office [People's Bureau] has already been notified, as mandated by RA 7279, and that more than 45 days had already lapsed since the notice was made in April, 1994. Thus, private respondent has substantially complied with the requirements of RA 7279 and therefore the enforcement of the final judgment and ejection of petitioners is in order.[9] Objecting to private respondent's motion, petitioners argued that RA 7279 requires not only the 45-day notice, but also the relocation of petitioners and the grant of financial assistance to them prior to their relocation. Furthermore petitioners maintain that there is no extreme urgency for petitioners' eviction on account of private respondent's affluence.[10]

The case was subsequently set for hearing and oral argument, after which, respondent court rendered the assailed decision on September 20, 1994 ordering as follows:

"WHEREFORE, pursuant to RA 7279, the People's Bureau is hereby ordered to relocate the herein petitioners from subject lot of private respondent not later than October 30, 1994. Should the relocation of petitioners be not finished on or before October 30, 1994, the People's Bureau shall pay petitioners a daily allowance of P145.00 for every day of delay of relocation but in no case shall such allowance last for more than sixty (60) days.

"Petitioners are hereby ordered to vacate the premises in question not later than October 30, 1994, on which date the private respondent shall have the right to take over possession thereof and, if necessary, to ask for a writ of execution for the implementation of this disposition. No pronouncement as to costs.

SO ORDERED."[11]

On October 25, 1994, a new counsel entered his appearance for petitioners and filed a motion to set aside the aforequoted decision.[12] As initially mentioned, petitioners assert that the assailed decision was rendered based on a compromise agreement to which they never gave their consent nor authorized their former counsel to enter into, and for which reason said former counsel has withdrawn his appearance as counsel of record.

Petitioners contend that the judgment of respondent Court of Appeals was indeed based on a compromise agreement which is evident from the following portions of the decision:

"xxx xxx xxx.

"When the case was called for hearing on September 14, 1994, as scheduled, both parties were represented. Atty. Rogelio Directo stood up for the People's Bureau (Urban Poor Affairs Office). And the parties, including the said representative of the People's Bureau, agreed that petitioners herein are all qualified to avail of the protection and benefits under RA 7279 and through counsel, manifested their willingness and readiness to be relocated in accordance with said law. It was likewise agreed by all concerned that should petitioners be not relocated within the period of 45 days, from September 15 to October 30, 1994, the People's Bureau shall pay them an allowance of P145.00, equivalent to the minimum wage, per day of delay of relocation, until their actual transfer to the relocation site to be designated for them. It is understood, however, that the daily allowance for petitioners shall be for a period not exceeding sixty (60) days, starting October 31, 1994. In other words, should the delay of relocation of petitioners be for more than sixty (60) days, they shall only be entitled to the daily allowance of P145.00 per day of delay of relocation for not more than sixty (60) days.

"It was likewise agreed that on October 31, 1994, whether petitioners shall have been relocated or not, the private respondent shall then be entitled to the execution and implementation of this judgment, and to cause the ejectment of petitioners from subject property litigated upon. (Italics supplied)."[13]

In its Resolution dated May 4, 1995, respondent Court of Appeals denied petitioners' Motion to Set Aside Decision[14] and reiterated that the assailed decision dated September 20, 1994 was a decision based on the merits and not upon a compromise agreement.

Hence, the instant petition.

Petitioners adamantly argue that the decision of respondent court dated September 20, 1994 was based on an unauthorized compromise agreement, sans their knowledge, consent and authority. Additionally, petitioners interpose the following issues: 1) whether there can be eviction and demolition without actual relocation; 2) can the petitioners be considered as homeless and underprivileged?; and 3) whose duty is it to relocate them?

A compromise is a bilateral act or transaction that is expressly acknowledged as a juridical agreement by the Civil Code. It is defined in Article 2208 of the Code as "a contract whereby the parties by making reciprocal concessions, avoid a litigation or put an end to one already commenced".[15] Thus, a judgment upon a compromise is a judgment embodying a compromise agreement entered into by the parties in which they make reciprocal concessions in order to terminate a litigation already instituted.[16]

In the present suit, the assailed decision, far from being a judgment based on a compromise agreement, is undoubtedly a decision rendered entirely on the merits. Contrary to petitioners' assertion, the dispositive portion of the decision is very explicit in exclusively adverting to RA 7279 as the basis for the judgment. Nowhere did it appear nor can it be inferred therefrom that respondent court's disposition took into account any agreement or concessions made by the parties that is indicative of a judgment on a compromise. A scrutiny of the assailed portions of the decision allegedly embodying the compromise agreement revealed that the same are nothing but admissions made by the parties intended to clarify the applicable provisions of RA 7279. In fact the said admissions are expressly laid out in Section 28(c) (8) of RA 7279 and thus could not have been the subject of any compromise agreement as the same are already provided in the law.

Further negating petitioners' contention are the following ratiocinations made by respondent court in denying the Motion to Set Aside Decision, with which we are in complete accord:

"After a careful study, We find movant's stance barren of merit. Our Decision promulgated on September 20, 1994 in this case was not rendered as a Judgment by Compromise. It resolved the petition on the merits, after the lawyers of the parties and the representative of the Urban Poor Affairs Office agreed on the applicability of

Rep. Act No. 7279 to petitioner's situation. As a result of such development of the case, Our judgment granted petitioners more than what they have come here for. All they prayed for was to hold in abeyance execution of subject final and executory Decision of the Quezon Metropolitan Trial Court, ordering their ejectment, until after the expiration of forty-five (45) days from date of notice of their ejectment to the Urban Poor Affairs Office. But the judgment in question has recognized not only petitioners' right not to be ejected sans the 45-day notice to the Urban Poor Affairs Office, but also the right to a daily allowance of P145.00 for each day of delay or relocation, for a period of not more than sixty (60) days, should there be a delay in their relocation, as mandated by law.[17]

Finally, in a desperate move to prolong the execution of the decision ordering their eviction, petitioners invoke the principle of social justice and plead that as underprivileged and homeless citizen, their eviction and demolition of their homes cannot be effected unless there is adequate relocation. Moreover, petitioners maintain that private respondent is also duty bound to share in the task of relocating them.

The contentions are without merit. It is beyond dispute that the ejectment suit against petitioners has already been resolved with finality way back on February 16, 1994 when the petitioners' appeal was dismissed outright by the Court of Appeals and they did not interpose any further appeal therefrom. The subsequent proceedings merely sought to enforce the decision ordering their ejectment from the disputed premises, which petitioners however, repeatedly tried to thwart by invoking non-compliance with Section 28(c) of RA 7279. Thus, upon compliance by private respondent with the requirements of the aforesaid law, particularly on the notice to the People's Bureau (Urban Poor Affairs Office) and the expiration of 45 days from said notice, petitioners' right to remain in the subject lot ceased. Resultingly, petitioners' eviction must now proceed in accordance with Section 28(c) (8), to wit:

"xxx xxx xxx: Provided, however, That in cases of eviction and demolition pursuant to a court order involving underprivileged and homeless citizens, relocation shall be undertaken by the local government unit concerned and the National Housing Authority with the assistance of other government agencies within forty-five (45) days from service of notice of final judgment by the court, after which period the said order shall be executed: Provided, further, That should relocation not be possible within the said period financial assistance in the amount equivalent to the prevailing minimum daily wage multiplied by sixty (60) day shall be extended to the affected families by the local government unit concerned."

Anent petitioners' claim that private respondent must also share the responsibility of relocating petitioners, the same is also without any basis. The aforesaid provision is very explicit that the task of relocating the homeless and the underprivileged shall be the responsibility of the local government unit concerned and the National Housing Authority with the assistance of the other government agencies. Although private individuals are not prohibited from taking part in the relocation, there is nothing in the law either that compels them to undertake such task on a mandatory basis, otherwise, such obligation should have been included in the provision, either expressly or impliedly. Thus, petitioners attempt to further burden private respondent with their relocation is unwarranted.

Equally unpersuasive is petitioners' plea for social justice. In previous cases, this Court has emphasized that "never is it justified to prefer the poor simply because they are poor, or to reject the rich simply because they are rich, for justice must always be served, for poor and rich alike, according to the mandate of the law." [18] In the same vein, it has been held that "the policy of social justice is not intended to countenance wrongdoing simply because it is committed by the underprivileged. At best it may mitigate the penalty but it certainly will not condone the offense. Compassion for the poor is an imperative of every humane society but only when the recipient is not a rascal claiming an undeserved privilege." [19]

Further militating against petitioners' appeal for compassion is the fact that only recently, President Ramos

himself, in the exercise of his veto power, vetoed a congress-approved measure[20] intended to extend the moratorium on the demolition of squatter colonies throughout the country. The President's action was intended to curtail the negative influences to general growth and development in urban areas brought about by the problem of squatting and to prevent the legitimate landowners from being unduly deprived of the immediate use of their properties.

In closing, we find it fitting to advert to the following pronouncements made in the case of *Martires vs. Court of Appeals*[21]:

"While we sympathize with the millions of our people who are unable to afford the basic necessity of shelter, let alone the comforts of a decent home, this sympathy cannot extend to squatting, which is a criminal offense. Social justice cannot condone the violation of law nor does it consider that very wrong to be a justification for priority in the enjoyment of a right. This is what the petitioner wants us to grant him. But we cannot heed his unjust plea because the rule of law rings louder in our ears."

WHEREFORE, in view of the foregoing considerations, the instant petition is hereby DENIED for lack of merit.

SO ORDERED.

Narvasa, C.J., (Chairman), Regalado, Puno, and Mendoza, JJ., concur.

[1] Rollo, p. 50, Annex D.

[2] Rollo, p. 62, Annex H.

[3] Rollo, p. 74, Annex J.

[4] Rollo, p. 75, Annex K.

[5] Rollo, p. 78, Annex L.

[6] Annex M.

[7] Rollo, p. 82, Annex O.

[8] Rollo, p. 87, Annex P.

[9] Rollo, p. 92.

[10] *Ibid.*

[11] Rollo, p. 91.

[12] Rollo, p. 108.

[13] Rollo, pp. 115-116.

[14] Rollo, p. 26, Annex A.

[15] *Osmeña vs. Commission on Audit*, 238 SCRA 463, 471 (1994).

[16] *United Housing Corporation vs. Dayrit*, 181 SCRA 285, 293 (1990) citing *Binamira vs. Ogan-Occena*, 148 SCRA 677 (1987).

[17] Rollo, p. 32.

[18] *Gelos vs. Court of Appeals*, 208 SCRA 608, 616 (1992).

[19] *Philippine Long Distance Telephone Co. vs. NLRC* 164 SCRA 671, 682-683 (1988); *Philippine National Construction Corporation vs. NLRC* 170 SCRA 207, 210 (1989).

[20] House Bill No. 13001.

[21] 188 SCRA 306, 312 (1990).

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