

MAYON ESTATE CORPORATION AND EARTHLAND DEVELOPERS CORPORATION, PETITIONERS, VS. LUALHATI BELTRAN, RESPONDENT.

G.R. No. 165387. December 18, 2009

Ponente: CARPIO, J.

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CARPIO, J.:

The Case

This petition for review[1] assails the 22 July 2004 Decision[2] and 22 September 2004 Resolution[3] of the Court of Appeals in CA-G.R. SP No. 80036. The Court of Appeals annulled the 28 February 2003 Order[4] and 24 September 2003 Decision[5] of the Housing and Land Use Regulatory Board (HLURB) Board of Commissioners, and denied the motion for reconsideration filed by petitioners Mayon Estate Corporation (Mayon) and Earthland Developers Corporation (Earthland).

The Antecedents

The present controversy originated from two complaints filed by respondent Lualhati Beltran (Beltran) before the HLURB. Beltran filed the first case, docketed as HLURB Case No. REM-071597-9831, against Mayon and Earthland.

On 25 January 2002, Arbiter Balasolla rendered a Decision[6] in HLURB Case No. REM-071597-9831 (25 January 2002 Decision), the dispositive portion of which reads:

WHEREFORE, PREMISES CONSIDERED, judgment is hereby rendered as follows:

- Ordering respondents to immediately complete development of Peñafrancia Hills in accordance with the approved subdivision plan.
- Ordering respondents/or any person acting for and in its behalf to surrender the possession of Lot 1, Block 43 and Lot 27, Block 49 Annex II Peñafrancia Hills Subdivision in favor of the complainant by removing whatever structure illegally constructed thereon;
- Ordering respondents to permanently desist from any act of harassment and/or dispossession against the complainant or any person acting for and in her behalf in the aforementioned properties.
- Ordering complainant to pay respondents P13,379.34 as full payment for Lot 1, Block 43 and P10,663.68 as full payment for Lot 27, Block 47 and thereafter for respondents to execute the Deeds of Sale thereto and deliver the corresponding titles free from all liens and encumbrances.
- Ordering respondents to pay jointly and severally, the complainant the following sums:
 - a) The amount of P200,000.00 with legal interest computed from the time of the demolition of the houses until fully paid;

b) Moral damages of P100,000.00;

c) Exemplary damages of P100,000.00;

d) Attorneys fees of P100,000.00;

- Ordering respondents to pay this Office an administrative fine of P10,000.00 for violation of Section 20 in relation to Section 38 of PD 957.

IT IS SO ORDERED.[7]

On 21 March 2002, the last day for the filing of the appeal, the petitioners filed a petition for review. Since the petition was neither verified nor certified for non-forum shopping by the authorized corporate officer, Beltran moved for the execution of the 25 January 2002 Decision on 23 May 2002, claiming that the 25 January 2002 Decision became final on 22 March 2002 for failure of the petitioners to perfect an appeal.

On 21 August 2002, Arbiter Balasolla issued an Order denying the petition for review and granting Beltran's motion for execution, thus:

ORDER

Respondents' Petition For Review is hereby denied for failure to comply with Section 3 Rule XII of The 1996 Revised Rules of Procedure of HLURB as amended by Resolution No. R-655 S. 1999, to wit:

"Section 3. Contents of the Petition for Review. - The petition for review shall contain the grounds relied upon and the arguments in support thereof, the relief prayed for and a statement of the date when the petitioner received a copy of the Decision.

In addition the petitioner shall attach to the petition, the following:

x x x.

b. A verified certification jointly executed by the petitioner and his counsel in accord with Supreme Court Circular No. 28-91 as amended, attesting that they have not commenced a similar, related or any other proceeding involving the same subject matter or causes of action before any other court or administrative tribunal in the Philippines.

x x x."[8]

On 19 September 2002, petitioners filed an Omnibus Motion (1) For Reconsideration of Order Dated August 21, 2002; (2) To Inhibit HUL Arbiter Rowena C. Balasolla; and (3) To Order HUL Arbiter Rowena C. Balasolla to Cease and Desist From Further Hearing Illegal Execution Proceedings.[9]

On 14 October 2002, petitioners filed an amended petition for review,[10] which on 18 November 2002 Arbiter Balasolla denied with finality, to wit:

ORDER

For resolution is respondent's Omnibus Motion (1) For Reconsideration on the Order dated August 21, 2002 denying their Petition For Review on the Decision in the instant case (2) To Inhibit the undersigned (3) To Order the undersigned to Cease and Desist from further hearing Illegal Execution Proceedings. On October 16, 2002, respondents filed a Manifestation and Motion withdrawing their Omnibus Motion. However, respondents filed at the same time, an Amended Petition for Review on the Decision dated January 25, 2002.

Records reveal that this Office has already acted on and denied the previous Petition for Review of the Decision dated January 25, 2002. Hence, this Office has no other recourse but to deny with finality the

Amended Petition for Review. This Office having previously granted complainant's Motion for Execution, let a writ of execution be issued accordingly.

IT IS SO ORDERED.[11]

On 26 November 2002, petitioners filed a petition for injunction with the HLURB Board of Commissioners, docketed as HLURB Case No. REM-A-021122-0268, assailing the 21 August 2002 and 18 November 2002 Orders issued by Arbiter Balasolla.

On 28 February 2003, the HLURB Board of Commissioners[12] issued an Order disposing of the petition for injunction, thus:

Wherefore, the petition is granted. The orders dated August 21, 2002 and November 18, 2002, as well as the writ of execution dated (sic) are set aside. Complainant is directed to file her comment to the amended petition for review within 30 days after which the said petition shall be deemed submitted for resolution.

So ordered .[13]

On 31 March 2003, Beltran filed a motion for reconsideration.

On 8 May 2003, Beltran also filed her comment on the petition for injunction of the petitioners "without waiving her Motion for Reconsideration."

Meanwhile, Beltran filed a second case, docketed as HLURB Case No. REM-051702-11905, this time against NBC-Agro and its president, Atty. Romeo G. Roxas, after her lot was sold by the latter to Carmelita Cruz (Cruz) on 12 September 2001. Also impleaded as respondents were the Register of Deeds of Antipolo City, Earthland, and Insular Savings Bank, to whom Cruz mortgaged the lot as security for a loan of P6,000,000.

On 21 February 2002, Arbiter Balasolla rendered a Decision in HLURB Case No. REM-051702-11905 (21 February 2002 Decision), the dispositive portion of which reads:

WHEREFORE, premises considered, judgment is hereby rendered as follows:

- Declaring the sale of Lot 1, Block 43, Annex II of Penafrancia Hills to Carmelita Cruz null and void;
- Ordering respondent Register of Deeds of Antipolo City to cancel TCT No. R-2591 in the name of Carmelita Cruz, and reinstate TCT No. 35528, free from all liens and encumbrances and to annotate thereon the Contract to Sell of Patricia Caceres and the Transfer of Rights in favor of the complainant;
- Ordering respondent Carmelita Cruz, Romeo Roxas, NBC Agro Industrial and Development Corporation and Earthland Developers Corporation to immediately restore complainant to the peaceful and undisturbed possession of the subject lot;
- Ordering respondent Carmelita Cruz, Romeo Roxas and NBC Agro Industrial and Development Corporation to jointly and severally pay complainant the following:
 - a) Moral Damages of P100,000.00;
 - b) Exemplary Damages of P100,000.00; and
 - c) Attorney's Fees of P50,000.00.

All other claims and counterclaims are hereby dismissed for lack of merit.

IT IS SO ORDERED.[14]

NBC-Agro, Insular, and Cruz filed separate petitions for review of the 21 February 2002 Decision of Arbiter Balasolla. These petitions were docketed as HLURB Case No. REM-A-030428-0104.

The HLURB Board of Commissioners consolidated HLURB Case No. REM-A-021122-0268 with HLURB Case No. REM-A-030428-0104.

On 24 September 2003, the HLURB Board of Commissioners rendered a Decision^[15] in the consolidated cases (HLURB Case No. REM-A-021122-0268 and HLURB Case No. REM-A-030428-0104), the dispositive portion of which reads:

Wherefore, the motion for reconsideration of the complainant (Beltran) is denied while the respective petitions for review of respondents NBC/Roxas, Cruz and Insular are dismissed.

However, the decision of the Office below in REM-A-021122-0268 dated January 25, 2003 is modified; hence, its dispositive portion shall read as follows:

"WHEREFORE, premises considered, judgment is hereby rendered as follows:

- Ordering respondents to immediately complete the development of Peñafrancia Hills in accordance with the approved subdivision plan;
- Ordering respondents and/or any person acting for and in its behalf to surrender the possession of Lot 1, Block 43 and Lot 27, Block 49, Annex II, Peñafrancia Hills Subdivision in favor of the complainant by removing whatever structure illegality constructed thereon;
- Ordering respondents to permanently desist from any act of harassment and/or dispossession against the complainant or any person acting for and in her behalf in the aforementioned properties;
- Ordering complainant to pay respondents P13,379.34 as full payment for Lot 1, Block 43 and P10,663.68 as full payment for Lot 27, Block 47, both with legal interest reckoned from the date the complainant effected unilateral suspension.

The Office below is directed to determine the date when the above-mentioned suspension was effected;

- Ordering respondent Earthland to pay the complainant the following sums:

- a. The amount of P100,000.00 with legal interest computed from the time of the demolition of the houses until fully paid;
- b. Moral damages of P20,000.00;
- c. Exemplary damages of P20,000.00; and
- d. Attorney's fees of P20,000.00;

- Ordering respondents to pay this Office and Administrative Fine of P10,000.00 for violation of Section 20 in relation to Section 38 of P.D. 957."

Moreover, the decision of the Office below in REM-A-030428-0104 is likewise modified, and its dispositive portion shall read as follows:

"WHEREFORE, premises considered, judgment is hereby rendered:

- Declaring the sale of Lot 1, Block 43, Annex II of Peñafrancia Hills to Carmelita Cruz null and void;
- Ordering respondent Register of Deeds of Antipolo City to cancel TCT No. R-2591 in the name of Carmelita Cruz, and reinstate TCT No. 35528, free from all liens and encumbrances and to annotate thereon the Contract to Sell of Patricia Caceres and the Transfer of Rights in favor of the complainant;
- Ordering respondent Carmelita Cruz, Romeo Roxas, NBC Agro Industrial and Development Corporation and

Earthland Developers Corporation to immediately restore complainant to the peaceful and undisturbed possession of the subject lot;

- Ordering respondent Carmelita Cruz, Romeo Roxas and NBC Agro Industrial and Development Corporation to jointly and severally pay complainant the following:

- a. Moral damages of P20,000.00;
- b. Exemplary Damages of P20,000.00; and
- c. Attorney's Fees of P20,000.00.

All other claims and counterclaims are hereby dismissed for lack of merit.

SO ORDERED.[16]

On 3 November 2003, Beltran filed a petition for certiorari[17] with the Court of Appeals, docketed as CA-G.R. SP No. 80036 (the subject of the present petition), assailing the 24 September 2003 Decision of the HLURB Board of Commissioners for having been issued with grave abuse of discretion.

Meanwhile, Cruz, Mayon, Earthland, and NBC-Agro moved for reconsideration of the 24 September 2003 Decision of the HLURB Board of Commissioners.[18]

On 24 June 2004, the HLURB Board of Commissioners issued a Resolution dismissing the joint motion for reconsideration of Mayon, Earthland, and NBC-Agro while partially granting the motion for reconsideration of Cruz.[19]

Thereafter, Cruz, on one hand, and Mayon, Earthland, NBC-Agro, and Atty. Romeo G. Roxas, on the other, filed separate appeals to the Office of the President, which consolidated the appeals and docketed them as O.P. Case No. 04-G-326. The appeals essentially challenged the 24 September 2003 Decision and 24 June 2004 Resolution of the HLURB Board of Commissioners.

While the appeals of Cruz, Mayon, Earthland, NBC-Agro, and Atty. Romeo G. Roxas were pending before the Office of the President, the Court of Appeals rendered a Decision in CA-G.R. SP No. 80036, which is the subject of the instant petition for review.

In CA-G.R. SP No. 80036, the Court of Appeals held that petitioners violated the rule on the execution of the certificate against forum shopping, resulting in the non-perfection of the appeal. Consequently, the duty to elevate the records to the HLURB Board of Commissioners on the part of Arbiter Balasolla did not arise. The Court of Appeals ruled that since the appeal with the HLURB Board of Commissioners was not perfected in the manner and within the period prescribed by law, the 25 January 2002 and 21 February 2002 Decisions of Arbiter Balasolla became final.

The dispositive portion of the Court of Appeals' decision reads:

WHEREFORE, judgment is rendered ANNULING the order dated February 28, 2003 and the decision dated September 24, 2003 issued by the respondent HLURB Board of Commissioners; and DECLARING that there is now no legal obstacle to the execution of the final and executory decision dated January 25, 2002 in HLURB Case No. REM-071597-9831 (REM-A-021122-0268) and the decision dated February 21, 2002 in HLURB Case No. REM-051702-11905 (REM-A-030428-0104).

SO ORDERED.[20]

Relying on the Court of Appeals' Decision in CA-G.R. SP No. 80036, the Office of the President set aside the 24 September 2003 Decision and 24 June 2004 Resolution of the HLURB Board of Commissioners. The Office of

the President reasoned that the Court of Appeals in CA-G.R. SP No. 80036 had already declared final and executory the 25 January 2002 and 21 February 2002 Decisions of Arbiter Balasolla. Hence, the Office of the President was left with no other recourse but to reiterate the finality of the assailed decisions of Arbiter Balasolla.

In its Resolution of 28 January 2005, the Office of the President disposed of the appeals, as follows:

WHEREFORE, premises considered, the appeals are hereby DISMISSED. The Decision and Resolution of the HLURB Board of Commissioners dated September 24, 2003 and June 24, 2004, respectively, are SET ASIDE and the Decisions of the Housing Arbiter dated January 25, 2002 and February 21, 2002 are REINSTATED and declared final and executory.

SO ORDERED.[21] (Emphasis supplied)

The Office of the President denied with finality the motion for reconsideration jointly filed by Mayon, Earthland, Atty. Romeo G. Roxas, and NBC-Agro.[22]

Cruz then filed an appeal with the Court of Appeals, docketed as CA-G.R. SP No. 88815. In its Decision of 20 April 2007, the Court of Appeals affirmed the 28 January 2005 Resolution of the Office of the President.

Undaunted, Cruz filed a petition for review with this Court, docketed as G.R. No. 177543. In a Resolution dated 9 July 2007, the Court's Third Division denied the petition for failure to sufficiently show that the Court of Appeals committed any reversible error warranting the exercise by this Court of its discretionary appellate jurisdiction.

The Issue

The issue in this case is whether the 25 January 2002 Decision of the HLURB Arbiter in HLURB Case No. REM-071597-9831 and the 21 February 2002 Decision in HLURB Case No. REM-051702 are already final and executory.

The Ruling of this Court

We deny the petition.

In HLURB Case No. REM-071597-9831, petitioners failed to perfect the appeal from the 25 January 2002 Decision of Arbiter Balasolla in the manner prescribed by the HLURB 1996 Rules of Procedure (HLURB Rules). Petitioners admittedly failed to comply with Section 3(b), Rule XII[23] of the HLURB Rules, which specifically requires the attachment to the petition for review of a verified certification against forum shopping jointly executed by the petitioner and his counsel. The absence of such joint verified certification shall result in the dismissal of the petition for review, pursuant to Section 1, Rule XIV of the HLURB Rules.[24] Considering that the petition for review filed by petitioners lacks the required verified certification against forum shopping, the petition for review was correctly dismissed for failure to comply with the requirements of the HLURB Rules. Hence, the 25 January 2002 Decision of Arbiter Balasolla became final for non-perfection of the appeal.

At any rate, the Court notes that while the present petition for review was pending, Cruz filed with this Court a petition for review,[25] docketed as G.R. No. 177543. In the minute Resolution of 9 July 2007, the Court's Third Division denied the petition for lack of any reversible error in the challenged decision.[26] The Resolution in G.R. No. 177543 became final and executory on 3 January 2008.

Essentially, the Court's Third Division agreed with the Court of Appeals' finding that the 25 January 2002 and 21 February 2002 Decisions of Arbiter Balasolla are already final and executory. This Court, in effect, upheld the following conclusions of the Court of Appeals:

It must be remembered that the thrust of the Decision of September 24, 2003 which was rendered in HLURB Case No. REM-071597-9831 entitled "Lualhati Beltran vs. Mayon Estate and Earthland Developers Corp." is for Mayon Estate and Earthland Developers to complete the development of Peñafrancia Hills Subdivision and to surrender the possession of Lot 1, Block 43 and Lot 27 Block 49 to LUALHATI. This decision had been declared final and executory by the Court of Appeals because the petition for review filed by the respondents in that case, Mayon Estate and Earthland Developers, failed to comply with the requirement of Section 1, Rule XII of the HLURB Revised Rules of Procedure. Hence, the filing of the petition for review did not perfect their appeal. This means that the decision of the Housing Arbiter in favor of LUALHATI had thereby become final and executory.

Undoubtedly, CARMELITA was not a party to this case. However, this does not mean that she can now ask the Court to set aside the said decision via the present petition, moreso that the said decision had long become final and executory and declared to be so by the Court of Appeals. The records disclose that in fact on November 19, 2002 the HLURB had already issued a writ of execution to implement its decisions of January 25, 2002. For this reason, the Office of the President has no authority to modify, annul, or set aside such final order, and had correctly relied on the decision rendered by the Court of Appeals. To ask this Court to set aside the September 24, 2003 of the HLURB Board will in effect, task the Court not only to set aside the decision dated July 22, 2004 rendered by this same Court, but to set aside the already final order dated January 25, 2002. This cannot be done. Judgments of the courts must become final at some definite time. To allow CARMELITA to be exempted from the legal effects of a final judgment just because she was not a party to the case in which it was rendered will result in endless litigation. Neither appeal nor this petition for review may relieve CARMELITA of the effects of the January 25, 2002 judgment.

x x x x [27]

Clearly, the Court of Appeals passed upon the issue of whether the 25 January 2002 and 21 February 2002 Decisions of Arbiter Balasolla were already final and executory, which is the sole issue in this case. Indisputably, G.R. No. 177543 is intimately related to the present case. Hence, when the Court's Third Division affirmed the decision of the Court of Appeals in CA-G.R. SP No. 88815, this Court in effect ruled on the issue of the finality of the 25 January 2002 and 21 February 2002 Decisions of Arbiter Balasolla. Since the Resolution in G.R. No. 177543, affirming the finality of the 25 January 2002 and 21 February 2002 Decisions of Arbiter Balasolla, has long become final and executory, the present petition is already moot.

WHEREFORE, we DENY the petition.

SO ORDERED.

Leonardo-De Castro[*], Brion, Del Castillo, and Abad, JJ., concur.

[*] Designated additional member per Special Order No. 776.

[1] Under Rule 45 of the Rules of Court.

[2] Rollo, pp. 30-42. Penned by Associate Justice Lucas P. Bersamin (now a member of this Court) with Associate Justices Josefina Guevara-Salonga and Celia C. Librea-Leagogo.

[3] Id. at 44-45.

[4] Id. at 138-141. Signed by Commissioner and Chief Executive Officer Romulo Q. Fabul, Commissioners Teresita A. Desierto and Francisco L. Dagnalan.

[5] Id. at 199-207.

[6] Id. at 47-51.

[7] Id. at 50-51.

[8] Id. at 78.

[9] Id. at 79-98.

[10] Id. at 99-124.

[11] Id. at 125.

[12] Composed of Commissioner and Chief Executive Officer Romulo Q. Fabul, Commissioners Teresita A. Desierto and Francisco L. Dagnalan.

[13] Id. at 141.

[14] Id. at 177-178.

[15] Id. at 199-207.

[16] Id. at 206-207.

[17] CA rollo, pp. 5-34.

[18] Rollo, p. 424.

[19] Id.

[20] Id. at 42.

[21] Id. at 428.

[22] Id. at 429-430.

[23] Section 3(b), Rule XII states:

b. A verified certification jointly executed by the petitioner and his counsel in accord with Supreme Court Circular No. 28-91 as amended, attesting that they have not commenced a similar, related or any other proceeding involving the same subject matter or causes of action before any other court or administrative tribunal in the Philippines.

[24] Section 1, Rule XIV states:

The petition for review shall be dismissed on any of the following grounds:

- . Joint motion of the parties to dismiss the petition;
- Withdrawal of the petition;
- Failure to pay review fees;
- Failure to comply with the orders of the Board and/or the requirements of these Rules; and
- Failure to post an appeal bond, as required in Section 3 of Rule XII.

x x x x

[25] Rollo (G.R. No. 177543), pp. 10-44.

[26] Rollo, p. 541.

[27] Id. at 537-538.

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