

SPOUSES ERNESTO F. CURATA AND LOURDES M. CURATA, EDUARDO M. MONTALBO, SPOUSES MARCELINO DALANGIN AND VITALIANA DALANGIN, PABLO SUMANGA, HEIRS OF MATEO MACARAIG, HEIRS OF PAULINA...*G.R. Nos. 154211-12. June 22, 2009*

Ponente: VELASCO JR., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-nos-154211-12/>**VELASCO JR., J.:****The Cases**

Before the Court are six petitions and a motion for reconsideration of our Decision dated August 24, 2007,[1] all offshoots of various orders, writs, and processes issued by the Regional Trial Court (RTC), Branch 84 in Batangas City in Civil Case No. 5447, a suit for expropriation initiated on October 14, 1999 by the Philippine Ports Authority (PPA), entitled *Philippine Ports Authority v. Felipa Acosta, et al.*

While procedural and collateral issues abound, central to these petitions, however, is the matter of just compensation for the lots sought to be expropriated by PPA for the Batangas Port Zone (BPZ) project (Phase II) subject of the July 10, 2000 and August 15, 2000 RTC Orders and various orders implementing the August 15, 2000 Order.

In the two (2) petitions under Rule 45 (G.R. Nos. 154211-12), petitioners Ernesto F. Curata, et al., seek a review of the July 30, 2001 Decision[2] and the July 11, 2002 Resolution[3] of the Court of Appeals (CA) in the consolidated cases entitled *PPA v. Hon. Paterno V. Tac-an, Rolando Quino, Ernesto Curata, et al.*, docketed as CA-G.R. SP No. 60314 and *PPA v. Hon. Paterno V. Tac-an, Arsenio Abacan, et al.*, docketed as CA-G.R. SP No. 63576 which granted PPA's petitions and accordingly annulled various RTC orders. In CA-G.R. SP No. 60314, PPA, as petitioner therein, questioned the actions taken by the trial court in connection with its First Compensation Order[4] dated July 10, 2000, fixing the just compensation at PhP 5,500 per square meter, more specifically (1) the July 24, 2000 order granting the motion to execute pending appeal the said July 10, 2000 order and (2) the July 31, 2000 order issuing the writ and various notices of garnishment. PPA likewise sought to annul the Orders that emanated from the Notice of Appeal filed by PPA from the First Compensation Order. These orders are the August 25, 2000 Order denying PPA's Notice of Appeal with Motion for Extension to pay appellate docket fees and file a record on appeal, the August 28, 2000 Order denying PPA's record on appeal, and the September 18, 2000 Order denying PPA's Motion for Reconsideration.

In the certiorari and mandamus proceedings in CA-G.R. SP No. 63576, PPA sought to annul the RTC's August 18, 2000 Order, which implemented the Second Compensation Order[5] dated August 15, 2000 also pegging the just compensation at PhP 5,500 per square meter, and several related issuances that followed including an Order of December 13, 2000 denying PPA's record on appeal.

In the third petition (G.R. No. 158252), PPA assails the May 16, 2003 Decision[6] of the CA in CA-G.R. SP No.

73848 entitled PPA v. Hon. Paterno Tac-an, Remedios Rosales-Bondoc, et al. which dismissed PPA's petition for certiorari to annul these RTC orders, to wit: the July 12, 2002 RTC Order for the release to lot owners Remedios Rosales-Bondoc, et al. of the deposit equivalent to 100% of the zonal valuation of the expropriated lots based on Republic Act No. (RA) 8974, the July 29, 2000 Order denying PPA's Omnibus Motion to Withdraw the June 27, 2002 Manifestation, and the September 5, 2002 Order denying PPA's Motion for Reconsideration.

In the fourth petition (G.R. No. 166200), PPA likewise impugns, as having been issued in grave abuse of discretion, the November 22, 2004 CA Decision[7] in CA-G.R. SP No. 83570 entitled PPA v. Hon. Paterno Tac-an, Felipa Acosta, et al. The CA affirmed the RTC orders dated December 2, 2003, December 18, 2003, February 13, 2004, March 24, 2004, and April 12, 2004 and the Supplemental Order dated April 15, 2004 relating to the initial payment of the zonal value of the lots pursuant to RA 8974 at PhP 4,250 per square meter to lot owners Felipa Acosta, et al.

In the fifth petition (G.R. No. 168272), petitioners Rosalinda Buenafe and Melencio Castillo seek a review of the March 31, 2005 Decision[8] and May 26, 2005 Resolution[9] of the CA in CA-G.R. SP No. 82917 entitled PPA v. Hon. Paterno V. Tac-an, Rosalinda Buenafe, et al. which nullified the November 6, 2003 RTC Order[10] granting the writ of execution in favor of landowners Rosalinda Buenafe and Melencio on the basis of the September 29, 2000 writ of execution earlier issued by the trial court.

In the sixth petition (G.R. No. 170683), PPA assails the July 28, 2005 Decision[11] and the November 24, 2005 Resolution of the CA in CA-G.R. CV No. 70023 entitled PPA v. Felipa Acosta, et al., which affirmed the September 7, 2000 RTC Order,[12] setting the just compensation at PhP 5,500 per square meter pursuant to the August 15, 2000 Order (Second Compensation Order), for intervenors Caroline B. Acosta, et al.

Finally, in the seventh and last petition (G.R. No. 173392), pending resolution is the motion for reconsideration[13] interposed by PPA of the Court's Decision[14] dated August 24, 2007 which affirmed the July 3, 2006 CA Resolution[15] in consolidated cases CA-G.R. CV No. 77668 (PPA v. Remedios Rosales-Bondoc, et al.), SP No. 87844 (PPA v. Hon. Paterno V. Tac-an, Remedios Rosales-Bondoc, et al.), and SP No. 90796 (PPA v. Hon. Paterno V. Tac-an), and dismissed PPA's appeal from the August 15, 2000 RTC Order (Second Compensation Order). The CA Resolution affirmed the May 29, 2001[16] and November 18, 2004[17] RTC Orders granting the November 22, 2004 Writ of Execution[18] and the November 23, 2004 Notices of Garnishment.[19] Lastly, it denied PPA's petition to cite RTC Judge Paterno V. Tac-an for contempt for lack of merit.

On January 29, 2008, the Court consolidated G.R. Nos. 158252, 166200, and 173392. On March 25, 2008, an oral argument was held on the consolidated petitions. On June 10, 2008, the Court ordered the consolidation of the three consolidated petitions with the related petitions in G.R. Nos. 154211-12, 168272, and 170683, all of which pertain to Civil Case No. 5447.

The Facts

Executive Order No. (EO) 385,[20] Series of 1989, and EO 431,[21] Series of 1990, delineated the BPZ and placed it under the PPA for administrative jurisdiction of its proper zoning, planning, development, and utilization. Pursuant thereto, the PPA instituted on October 14, 1999 a Complaint[22] for expropriation of 185 lots before the RTC of Batangas City. Owned by some 231 individuals or entities, the 185 lots, with a total area of about 1,298,340 square meters, were intended for the development of Phase II of the BPZ.

In its Complaint, docketed as Civil Case No. 5447 (PPA v. Felipa Acosta, et al.), and eventually raffled to Branch 84 of the RTC of Batangas City, the PPA alleged that, per evaluation of the Land Acquisition Committee for

Phase II of the BPZ project, subject lots had a fair market value of PhP 336.83 per square meter. Prior to the filing of the complaint, PPA offered PhP 336.40 per square meter as just compensation, but defendants rejected the offer. PPA prayed to be placed in possession upon its deposit of the amount equivalent to the assessed value for real estate taxation of the lots in question.

For convenience, the RTC divided the defendant-lot owners into three groups, represented as indicated: the first group represented by Atty. Reynaldo Dimayacyac (Dimayacyac Group);[23] the second group by Attys. Gregorio F. Ortega (Ortega Group)[24] and Cesar C. Cruz (Cruz Group);[25] and the third group by Atty. Emmanuel Agustin (Agustin Group).[26] There were other defendant-lot owners who did not belong to any of said groups. They will be mentioned individually.

On March 31, 2000, the RTC issued an order declaring that "the objective of [the complaint] is for public use" and appointed three (3) Commissioners to determine just compensation, to wit: (1) Provincial Engineer Arturo V. Magtibay, Chairman; (2) Provincial Assessor Lauro C. Andaya, member, and; (3) Provincial Treasurer Jaime E. Cantos, member. No appeal was interposed to assail said RTC Order, hence putting to final rest the issue of the legality of the expropriation of the subject lots.

Forthwith, the court-appointed commissioners submitted a Partial Report[27] dated May 29, 2000 recommending the amount of PhP 4,800 per square meter as just compensation for the lots of 15 lot owners listed therein (the First Partial Report hereinafter). In its Comment on the Commissioners' Partial Report,[28] PPA, through the Office of the Solicitor General (OSG), protested the recommendation, claiming that the just compensation level should be lower than PhP 4,800, the subject lands being agricultural in nature and used for purposes other than commercial or industrial.

The First Compensation Order (July 10, 2000 Order Involving Dimayacyac Group)

Based on the May 29, 2000 Commissioners' Partial Report, the RTC issued the Order dated July 10, 2000[29] (First Compensation Order), and directed PPA to pay the Dimayacyac Group the amount of PhP 5,500 per square meter as just compensation, amending the suggested compensation of PhP 4,800 per square meter recommended by the Commissioners. Said order fully reads:

This refers to the report on appraisal rendered by commissioners Arturo V. Magtibay, Provincial Engineer (Chairman), Lauro C. Andaya, Provincial Assessor (member) and Jessie Cantos, Provincial Treasurer (member), dated May 29, 2000 for which the hearing was conducted on June 13, 2000, covering the properties of the following defendants:

- SPOUSES ERNESTO CURATA & LOURDES F. CURATA;
- EDUARDO M. MONTALBO;
- SPOUSES MARCELINO DALANGIN & VITALIANA DALANGIN;
- PABLO SUMANGA;
- HEIRS OF MATEO MACARAIG;
- HEIRS OF PAULINA ACOSTA;
- HEIRS OF NICOLAS ALDOVER;
- SPOUSES MARCIANO MANALO & LUCILA GABIA, GREGORIO FALTADO, SILVERIO ROSALES,

and CESARO ILAO;

- HEIRS OF ALDOVER;

- CATALINA PEREZ, LORNA PANTANGCO, SONIA PANTANGCO, BELEN PANTANGCO, IRENEO PANTANGCO, JR., PEDRO CHAVEZ, SATURNINA PEREZ, ESTELITA C. PEREZ, ESTELITA M. PEREZ, ROMEO PEREZ, RUBEN PEREZ, MARIO PEREZ, NABOCHO DONAZA PEREZ, MANUEL PEREZ, HERMINIGILDO PEREZ, MAYHAYDA PEREZ, ALFREDO PEREZ, ERNESTO PEREZ and ARACELI PEREZ (Represented by ROSARIO PEREZ ROSEL);

- FRED M. HERNANDEZ, married to SUSANA ILAO, VICENTE GUTIERREZ;

- MARIA LACSAMANA;

- JUANA MACALALAD;

- FELISA HERNANDEZ, FELINO HERNANDEZ and FLORENTINO MACATANGAY;

- HEIRS OF BASILIO MACARAIG and PACIENCIA DEL MUNDO

The said report inter alia states:

"WHEREAS, the Commissioners cannot ignore the Findings of the City Appraisal Committee of Batangas City of fixing the cost of real properties affected by the Southern Tagalog Arterial Road Extension Package III, Balagtas-Port Area Section particularly in Barangay Balagtas, Alangilan, Banaba South and Bolbok area at P4,000.00 per square meter in 1999, copy of the Minutes of Committee Hearing is attached and made integral part hereof for being connected to the Port Zone.

NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, that in view of all the foregoing, it is the most considered view of the herein Commissioners to submit the cost of FOUR THOUSAND EIGHT HUNDRED PESOS (P4,800.00) per square meter, for payment of just compensation, subject to further review, evaluation, discretion and sound judgment of this Honorable Court."

Commissioner Lauro C. Andaya appeared in Court in behalf of other Commissioners to identify the said report and to answer to the clarificatory question propounded by the court and the parties. He stated that the basis of the P4,800.00 compensation per square meter was the Deed of Absolute Sale executed by Demetrio E. Marasigan in favor of the [PPA], executed on December 11, 1996 (Exhibit "3"). He admitted that he is aware of the compromise agreement between Andrea Palacios and the City Government of Batangas which was the basis of the judgment by compromise on September 22, 1997 on Civil Case No. 4641, presided by [RTC], Branch 84. The price per square meter was agreed upon to be P5,211.00. The land area involved is about 7 kilometers upon the properties in question. This instant complaint for expropriation was filed on October 14, 1999. There is no record of sale on 1998, 1999 and to date. He stated that for purposes of taxation once in every 5 years, assessment is revised every five years. Said witness stated further that it depends upon the growth of valuation, because that is governed by market forces. He admitted that the amount of P6,000.00 per square meter considering the appreciative value of P789.00 from P5,211.00 from 1997 to the present, is possible. He also admitted that it is a common practise [sic] to lower the stated selling price in the Deed of Sale to mitigate the capital gains tax.

Prescinding from all of the foregoing, the Court is of the opinion that the fair market value of the foregoing properties of the above-named defendants is P5,500.00 per square meter.

WHEREFORE, plaintiff is hereby ordered to pay the above-named defendants the price of P5,500.00 per square meter of their lands subject of expropriation as a condition precedent for transferring ownership, pursuant to Sec. 4, Rule 67 of the Revised Rules of Court.

SO ORDERED.[30] (Emphasis ours.)

After the RTC issued the First Compensation Order (July 10, 2000 Order), the Dimayacyac Group filed a motion[31] for issuance of a writ of execution under Sec. 4, Rule 67 in relation to Sec. 2, Rule 39 of the Rules of Court. The RTC, over PPA's opposition, issued on July 24, 2000 an Order[32] granting the motion, followed by another Order[33] of July 31, 2000 issuing a writ of execution. Subsequently, a notice of garnishment[34] was issued to LBP Batangas City Branch. PPA lost no time in assailing the aforesaid orders and the notices of garnishment before the CA thru a special civil action for certiorari and prohibition,[35] the recourse docketed as CA-G.R. SP No. 60314 entitled PPA v. Hon. Paterno V. Tac-an, Rolando Quino, Ernesto Curata, et al.

Supplemental Petition in CA-G.R. SP No. 60314

On August 10, 2000, PPA filed a Notice of Appeal with Motion for Extension of Time to File Record on Appeal and Pay Appeal Fee[36] from the July 10, 2000 Order (First Compensation Order). Within the extended period sought or on August 25, 2000, PPA filed its Record on Appeal. Acting on the PPA pleadings, the RTC issued the following orders, viz.:

- August 25, 2000 Order[37] — dismissing PPA's notice of appeal on the ground of non-payment of the appeal fee;
- August 28, 2000 Order[38] — denying PPA's Record on Appeal; and,
- September 18, 2000 RTC Order[39] — denying PPA's motion for reconsideration of the above August 25, 2000 order.

This prompted PPA to register with the CA in CA-G.R. SP No. 60314 a Supplemental Petition[40] on October 25, 2000 to annul the aforestated RTC issuances.

PPA's petition in CA-G.R. SP No. 60314 against the Dimayacyac Group was eventually consolidated with CA-G.R. SP No. 63576 (PPA v. Hon. Paterno V. Tac-an, Arsenio Abacan, et al.)—a petition filed by PPA against the Ortega Group assailing the August 18, 2000 RTC Order implementing the August 15, 2000 RTC Order which likewise pegged the compensation at PhP 5,500 per square meter.

In its July 30, 2001 Decision in the consolidated CA-G.R. SP Nos. 60314 and 63576, the CA gave due course to PPA's appeal and annulled the challenged RTC Orders, the decretal portion of which reads:

WHEREFORE, We vote to GRANT the twin petitions. A writ of certiorari is hereby ISSUED ANNULING AND AVOIDING the impugned Orders, and the appeals of the Petitioner are hereby ALLOWED.

SO ORDERED.[41]

To clarify, aside from entertaining PPA's appeal, the adverted August 25, 2000, August 28, 2000 and September 18, 2000 RTC Orders in favor of the Dimayacyac Group and the August 18, 2000 Order beneficial to the Ortega Group were nullified.

The July 30, 2001 CA Decision was later challenged in G.R. Nos. 154211-12 by the Dimayacyac and Ortega Groups.

The Second Compensation Order
(August 15, 2000 Order involving
the Agustin, Ortega and Cruz
Groups and Pastor Realty Corp., et al.)

In their Second Partial Report[42] dated August 2, 2000, the court-appointed commissioners recommended the

same price of PhP 4,800 per square meter as just compensation for the lots listed therein (Second Partial Report[43] hereinafter). But just like the First Compensation Order of July 10, 2000, the August 15, 2000 Order (Second Compensation Order) likewise fixed the just compensation at PhP 5,500 per square meter not only for the expropriated lots of defendant-owners, but also for the lots of those similarly situated and of those who did not file their answers. Said order reads:

For Resolution is the Second Report on Appraisal of the Fair Market Valuation dated August 2, 2000 submitted by Commissioners Arturo V. Magtibay, (Chairman), Jessie E. Cantos and Lauro C. Andaya. Said report reiterated its recommendation in that Partial Report dated May 30, 2000, that the appropriation price shall be P4,800.00 per square meter.

The Court, acting on said Partial Report, issued an Order dated July 10, 2000, modifying said recommendation and pegged the price at P5,500.00 per square meter, as to the properties of the defendants named therein.

Mentioned in the second report is the findings and recommendation of Amicus Curiae, Cuervo Appraisers Inc., thru Manager/Appraiser Salvador D. Oscianas. He rendered an opinion that the fair market value per square meter ranges from P5,500.00 to a maximum of P6,000.00 (Report as Exhibit "97", supplemented by his testimony in Court on July 18, 2000). He mentioned three (3) prior landsales/transactions within the zone, to wit:

- Deed of Absolute Sale between Demetrio Marasigan in favor of Phil. Port Authority (PPA for brevity) dated December 11, 1996, price per square meter P5,000.00;
- Judgment by compromise agreement dated September 23, 1997 (Exhibit "100-2") between Andrea Palacios and the City Government of Batangas, wherein the expropriation price per square meter for the road right of way (by-pass road) was agreed upon at P5,200.00;
- Purchase by First Gas at Sta. Rita (fronting Batangas Bay) for P10,000.00 per square meter (industrial zone) a little further than Sta. Clara into the seashore in 1997.

Mr. Oscianas stated that the lands in the area in question are for commercial/light industrial purposes. These are developed areas as per ocular inspection. It is accessible by National highways (Calicanto from Batangas City Hall and the Bauan/Diversion Road) as well as Municipal Road (the bypass road), and by the sea (Port of Batangas). It is near the City Hall of Batangas City. It has water, lighting, communication and garbage facilities. Batangas City and province enjoys continuous boom of industrial and commercial developments. It has not experienced recession, unlike other regions, although it has experienced also the depreciation of the peso and the rise of the prices of prime commodities and real properties. The asking price of some pieces of real properties are much higher of P15,000.00 per square meter than the recorded past sales prices. He recommended for a maximum price of P6,000.00 per square meter as fair market value of the properties in question.

Atty. Emmanuel Agustin in behalf of his clients submitted a Decision by compromise agreement dated January 20, 1999 in the Court of Appeals in that case of Dimaano vs. PPA pegging the price per square meter at P10,000.00 involving a similarly situated lot (Exh. "47").

Jurisprudence on expropriation pricing has shown that the fair market valuation is greatly guided by prior sales near the date of expropriation (Toledo City vs. Fenandes, et al.; G.R. L-45144, April 15, 1998 and prior Supreme Court decisions).

Based on the foregoing considerations, the Court hereby sets the fair market value at P5,500.00 per square meter of the lots of the above-named defendants and those similarly situated, including those who did not file answer.

SO ORDERED.[44] (Emphasis supplied.)

PPA received a copy of the afore-quoted August 15, 2000 Order on August 22, 2000, and seasonably filed its appeal therefrom docketed as CA-G.R. CV No. 77668, entitled PPA v. Remedios Rosales-Bondoc, et al. Of the respondents^[45] named in CA-G.R. CV No. 77668, only the Cruz Group moved for the dismissal of PPA's appeal, while the rest filed their respective appellees' briefs.

CA-G.R. CV No. 77668 (PPA's appeal) was later consolidated with CA-G.R. SP No. 87844 (PPA v. Hon. Paterno V. Tac-an, Remedios Rosales-Bondoc, et al.) and CA-G.R. SP No. 90796^[46] (PPA v. Hon. Paterno V. Tac-an). In the July 3, 2006 CA Resolution, PPA's appeal was dismissed in CA-G.R. CV No. 77668, while PPA's petitions in CA-G.R. SP Nos. 87844 and 90796 were likewise rejected, thus:

WHEREFORE, premises considered, the instant Motion to Dismiss Appeal is GRANTED. The Petition and Supplemental Petitions are DISMISSED and the writs of preliminary injunction are hereby LIFTED. The "Petition to Cite Respondent Paterno V. Tac-an In Contempt" is DENIED for lack of merit.

SO ORDERED.^[47]

Hence, the instant petition in G.R. No. 173392 filed by PPA.

RTC Orders implementing the Second Compensation Order

Anchored to the August 15, 2000 Order (Second Compensation Order) were various orders subsequently issued by the RTC directing payment at PhP 5,500 per square meter by PPA to the lot owners specified therein, to wit:

- August 17, 2000 Order^[48] for lot owners in the Agustin Group for an aggregate amount of PhP 854,293,000.00;
- August 18, 2000 Order^[49] for lot owners in the Ortega Group for an aggregate amount of PhP 3,384,212,425.00;
- August 23, 2000 Order^[50] for lot owners in the Cruz Group for an aggregate amount of PhP 1,526,109,750.00;
- August 23, 2000 Order^[51] for lot owners Pastor Realty Corporation, et al., amounting to PhP 566,879,500.00.

For clarity, we quote the aforestated orders verbatim.

I. THE AGUSTIN GROUP [CA-G.R.
CV No. 77668 and CA-G.R. SP No.
83570]

The August 17, 2000 Order for the Agustin Group

The August 17, 2000 Order reads:

Pursuant to the Order dated August 15, 2000, plaintiff is required to pay by way of just compensation to the following defendants represented by Atty. Emmanuel Agustin, to wit:

NAMES OF DEFENDANTS

TCT/TAX
DEC. NO.

AREA OF PROPERTY OWNED BY THEM, LIKEWISE, AS
MENTIONED IN THE COMPLAINT AND IN
THE ANSWER

AMOUNT OF JUST COMPENSATION
DUE THEM BASED

ON p5,500.00/
SQ. M. PER
AUGUST 15, 2000
PARTIAL JUDGMENT
ORDER

1. FELIPA D. ACOSTA married to Honesto Hernella; Heirs of ELEUTERIO D. ACOSTA married to Martha Galang; PACITA D. ACOSTA married to Emilio Berberabe; LAMBERTO D. ACOSTA married to Angelina Ituralde

TD No. 90-00010

13,131 SQ. M.

P 72,220,500.00

2. SPS. EMILIO BERBERABE and PACITA D. ACOSTA

TD No. 033-02492

5,033 SQ. M.

27,681,500.00

3. HEIRS OF SPS. ANASTACIA ALDOVER and CESARIO RIVERA

TD No. 090-00006

TD No. 090-00005

TD No. 033-02428

2,690 SQ. M.

1,251 SQ. M.

2,585 SQ. M.

14,795,000.00

6,880,500.00

14,217,500.00

4. ROMULO S. BALINA

TD No. 090-00008

4,052 SQ. M.

22,286,000.00

5. ADORACION MAGTIBAY

OCT No.P-633 and TD No. 090-00012

3,130 SQ. M.

17,215,000.00

6. SOLE HEIR OF SPS. PEDRO MONTALBO and MAURICIA BALINA-CATALINA MONTALBO ALDOVER

TD No. 090-000

15 7,858 SQ. M.

43,219,000.00

TD No. 033-02535

6,330 SQ. M.

34,815,000.00

TD No. 033-02531

1,133 SQ. M.

6,231,500.00

TD No. 033-02500

729 SQ. M.

4,009,500.00

TD No. 033-02503

756 SQ. M.

4,158,000.00

TD No. 033-02529

7,503 SQ. M.

41,266,500.00

7. HEIRS OF LEOCADIO AND LEONILA ALANO; HEIRS OF SPS. LEOCADIO ALANO & FELIPA MACATANGAY

TD No. 035-01115

TD No. 035-0113

11,066 SQ. M.

7,056 SQ. M.

60,863,000.00

38,808,000.00

8. HEIRS OF SIMEON MAGTIBAY

TD No. 035-01098

5,581 SQ. M.

30,695,500.00

(TD No. 035-01150)

(TD No. 035-01148)

(TD No. 035-01149)

9. GABRIELA ACOSTA for herself and as SOLE HEIR OF ESTANISLAWA ACOSTA

TD No. 033-02524

9,139 SQ. M.

50,264,500.00

10. HEIRS OF NESTORA ALCANTARA & BROTHERS

TD No. 033-04280

625 SQ. M.

3,437,500.00

(TD No. 033-02523)

11. SPS. ZOILO ALDOVER & CATALINA MONTALBO ALDOVER

TD No. 033-02489

1,315 SQ. M.

7,232,500.00

TD No. 033-02506

2,390 SQ. M.

13,145,000.00

12. CATALINA D. BALINA married to Juan Ramirez

TCT # T-30369

TD No. 033-02559

TCT # T-30364

TD No. 033-03177

3,253.50 SQ. M.

3,851 SQ. M.

17,894,250.00

21,180,500.00

13. SIMEON D. BALINA (as defendant-in-intervenor)

TCT # T-30363

3,851 SQ. M.

21,180,500.00

TD No. 033- 03178

14. ERLINDA D. BALINA married to Alberto Reyes

TCT # T-30366

331.50 SQ. M.

1,823,250.00

TCT # T-30368

1,806 SQ. M.

9,933,000.00

15. SOLE HEIR OF FORTUNATA D. BALINA married to Faustino Brual- JOSEFA GRACE BRUAL

TCT # T-30370

3,253.5 SQ. M.

17,894,250.00

TD No. 033-02558

16. NEMESIO D. BALINA married to Conchita Morales

TCT # T-30366

331.50 SQ. M.

1,823,250.00

TCT # T-30367

1,806 SQ. M.

9,933,000.00

TD No. 033-02561

17. HEIRS OF TOMASA BALINA

TD No. 033-02502

1,723 SQ. M.

9,476,500.00

18. FRANCISCO A. BERBERABE; EMILIO FRANCISCO A. BERBERABE, JR.; THOMAS A. BERBERABE married to Nympha Atienza; and JOEL A. BERBERABE married to Murita Reyes

TCT # T-22967

4,559 SQ. M.

25,074,500.00

TCT # T-22968

967 SQ. M.

5,318,500.00

19. HEIRS OF CECILIA DIMAANDAL

TD No. 033-02473

1,075 SQ. M.

5,912,500.00

20. SPS. EDILBERTO DIMAANDAL & LILIA GARCIA

TD No. 033-02493

6,507 SQ. M.

35,788,500.00

21. JUANA DIMAANDAL

TD No. 033-03274

10,939 SQ. M.

60,164,500.00

22. HEIRS OF VICENTA GUTIERREZ

TD No. 033-02538

12,593 SQ. M.

69,261,500.00

23. HEIRS OF EVARISTO MONTALBO & FELISA MONTALBO

TD No. 033-02537

2,965 SQ. M.

16,307,500.00

24. HEIRS OF FRANCISCO SUMANGA

TD No. 033-02504

856 SQ. M.

4,708,000.00

TD No. 033-02475

1,305 SQ. M.

7,177,500.00

GRAND TOTAL - - - - - P 854,293,000.00

SO ORDERED.[52] (Emphasis supplied.)

PPA did not interpose an appeal from the aforequoted August 17, 2000 Order. PPA, however, postulated that the Agustin Group was included in its appeal of the August 15, 2000 Order (Second Compensation Order) before the CA in CA-G.R. CV No. 77668 (consolidated with CA-G.R. SP Nos. 87844 and 90796). Said appeal was, however, dismissed by the CA in favor of the lot owners. The CA decision was later elevated by PPA before the Court in G.R. No. 173392.

II. ORTEGA and CRUZ GROUPS

[CA-G.R. SP No. 63576, CA-G.R.
SP No. 73848 and CA-G.R. No. SP
No. 87844]

As a result of the August 15, 2000 RTC Order, twin orders were issued by the RTC, namely: the August 18, 2000 Order for the Ortega Group and the August 23, 2000 Order for the Cruz Group.

A. The August 18, 2000 RTC Order implementing the Second Compensation Order for the Ortega Group of lot owners reads:

Pursuant to the Order dated August 15, 2000, plaintiff is required to pay by way of just compensation to the following defendants represented by Atty. Gregorio Ortega and Atty. Simon T. Agbing, to wit:

Name of Defendants

TCT/TAX

Dec. No.

Area of Property Owned by them,
Likewise as Mentioned
in the Complaint & Answer

Amount of Just Compensation
due them based on P 5,500.00/sq/m.
per August 15, 2000 partial Judgment/Order

1. Pedro Alcantara md. to Dorotea Macatangay

TD 090-00003

1,581

P 8,695,500.00

2. Corazon Ilao md. to Ceferino Perez

TD 090-01099

9,351

51,430,500.00

3. Luis Lira & Zenaida Lira

TD 090-00330

19,630

107,965,000.00

4. Milagros Macatangay

TD 090-01075

TD 090-00027

54,620

29,81

300,410,000.00

164,004,500.00

5. Lilia Singuimoto

TD 090-00028

12,349

67,919,500.00

6. Gerardo Abacan md. to Alicia Fabul

TD 035-

10,011

55,060,500.00

7. Gerardo Abacan, Erlinda Abacan, Liliana Abacan, Cristeta Abacan, Analiza Abacan;

TD 035-1110

TD 035-01075

3,983

3,128

21,906,500.00

17,204,000.00

8. Librada Macatangay vda. de Abas

TD 035-01130

TD 035-01120

1,694

463

9,317,000.00

2,546,500.00

9. Jose Noel M. Agbing, Jose Nereus M. Agbing, Ma Bernadette M. Agbing, Marie Frances Th. M. Agbing;

TCT-21511

TCT-21512

750

3,000

4,125,000.00

16,500,000.00

10. Cecile Olivia F. Cuisia

TD 035-1892

6,700

36,850,000.00

11. Efren P. Espino md. to Erlinda Espino, Delia Espino md. to Joseph Velasco, Alfredo P. Espino md. to Eloisa S. Espino

TCT 22520

14,590

80,245,000.00

12. Esteban Espino

TD 035-01134

2,804

15,422,000.00

13. Felisa Hernandez

TD 035-01101 corrected under

TD 01952 Area=11,365

1/3 of 11,365=3,788

20,834,000.00

14. Alfredo Bautista md. to Maria Rita Bautista

TD 035-01433

643

3,536,500.00

15. Rafael Llana & Rustica Llana

TD 035-01539

13,395

73,672,500.00

16. Juana L. Carnero, Adelaida Belegal

TD 035-01129

2/3 of 1,115=744

4,092,000.00

17. Bienvenido Maralit

TD 035-01081 &

TD 035-01082

1,337

2,413

7,353,500.00

13,271,500.00

18. Luisa B. Vda de Montalbo

TD 035-01096

TD 035-01355

TD 033-02710

11,788

5,486

2,691

64,834,000.00

30,173,000.00

14,800,500.00

19. Azucena Perez & Arnel Perez

TD 035-01119

2,158

11,869,000.00

20. Constanca Villamor Barcelo md. to Alfonso Barcelo

TD 035-01220

8,371

46,040,500.00

21. Cesar Perez, Romeo Perez, Ruben Perez, Mario Perez, Narocho Donaza Perez, Herminigildo Perez, Saturnina Perez

TD 090-00013 (17,777)

TD 035-01125 (5,097)

1/6 of 17,777=2,962.8

1/6 of 5,097=849.50

16,295,400.00

4,672,250.00

22. Pricilla Buenafe

TD 035-01108

2,222

12,221,000.00

23. Aurea Acosta md. to Roman Acosta, Consolacion Acosta md. to Severo Malimban, Betty Acosta md. to

Carlos Caabay, Constancio Acosta md. to Araceli Reraida, Araceli Acosta

TD 033-02420

TD 033-02467

12,241

8,301

67,325,500.00

45,655,500.00

24. Consuelo Alcantara

TD 033-02511

3,003

16,516,500.00

25. Simeon Balita md. to Elena M. Balita

TCTC-35523

157

863,500.00

26. Maria Clara T. Berba, Felimon T. Berba, Azucena T. Berba, Eduardo T. Berba, Ma. Lourdes T. Berba, Edgardo T. Berba, Edmundo T. Berba

TD 033-02707

2,690

14,795,000.00

27. Pacita M. Berba, Alejandro M. Berba, Clara M. Berba, Martina M. Berba, Gremauldo M. Berba, Evelina M. Berba

TD 033-02713

TD 033-02711

2,691

2,793

14,800,500.00

15,361,500.00

28. Amelia M. Berba, Pablo M. Berba, Ricardo M. Berba, Francisco M. Berba

TD 033-02714

2,691

14,800,500.00

29. Rafael S. Berba

TD 033-02715

2,691

14,800,500.00

30. Adoracion Acosta Cabral

TD 033-02474

2,530

13,915,000.00

31. Carlito Casas md. to Enriqueta Casas

TD 033-02492

5,033

27,681,500.00

32. Benjamin Castillo md. to Erlinda Laredo

TCT-20929

4,823

26,526,500.00

33. Augusto Claveria

TD 033-02454

2,653

14,591,500.00

34. Esperanza Dimaandal md. to Josue Bagsit

TD 033-02707

4,000

22,000,000.00

35. Mariano Diokno, Ernesto B. Diokno, Mariano B. Diokno, Jr., Maria Clara B. Diokno, Angelita B. Diokno

TD 033-02708

2,690

14,795,000.00

36. Maria Español

TD 033-02497

1,493

8,211,500.00

37. Rufino Geron md. to Matilde Geron

TD 033-02477

1,364

7,502,000.00

38. Segundina Gualberto

TD 033-02927

TD 033-02928

TD 033-02929

1,153

1,429

257

6,341,500.00

7,859,500.00

1,413,500.00

39. Sixto Gualberto md. to Maria Gualberto

TD 033-02694

TD 033-0278

374

5,457

2,057,000.00

30,013,500.00

40. Corazon Ilao, Isabelle M. Ilao, Concepcion M. Ilao, Michelle I. Ilao, Blanca I. Susi, Enrico Antonio M. Ilao

TD 033-03145

TD 033-03146

TD 033-03147

4,243

6,175

1,058

23,336,500.00

33,962,500.00

5,819,000.00

41. Maria Lacsamana

TD 033-02479

TD 033-02491

1,157

1,414

6,363,500.00

7,777,000.00

42. Dorotea Macatangay md. to Teodorico Alcantara

TD 033-02512

3,003

16,516,500.00

43. Pedro Marasigan

TD 033-02518

1,705

9,377,500.00

44. Pablo Mendoza md. to Maria Lourdes Mendoza

TD 033-03342

3,447

16,516,500.00

45. Jaime Tauro md. to Reynada Tauro

TD 033-02505

TD 033-02507

809

1,584

4,449,500.00

8,712,000.00

46. Heirs of Lucila Aldover

TD 090-00004

TD 033-02526

1,251

618

6,880,500.00

3,399,000.00

47. Andrea Balina & Moises Macatangay (heirs)

TD 090-00009

TD 033-02462

4,051

2,287

22,280,500.00

12,578,500.00

48. Heirs of Gregorio Dapat

TD 090-027

11,938

65,659,000.00

49. Popula Llana (heirs)

TD 090-00023

187,583-45,667=142,186

782,023,000.00

50. Arsenio Abacan (heirs)

TD 035-01112

TD 035-01074

12,384

1,454

68,112,000.00

7,997,000.00

51. Lauro Abraham (heirs)

TD 035-01132

5,441

29,925,500.00

52. Manuel Amul, Sr. & Marcosa Marasigan (heirs)

TD 035-01077

5,360

29,480,000.00

53. Eulalio Buenafe (heirs)

TD 035-01121

3,053

16,791,500.00

54. Generosa Buenafe (heirs)

TD 035-01117

2,120

11,660,000.00

55. Marciana Buenafe (heirs)

TD 035-01102

TD 035-01107

TD 035-01109

2,106

3,796

1,090

11,583,000.00

20,878,000.00

5,995,000.00

56. Heirs of Guadalupe Dayanghirang

TD 035-01131

6,642

36,531,000.00

57. Heirs of Felino Hernandez

TD 035-01101

1/3 of 11,365=3,788

20,834,000.00

58. Heirs of Florentino Macatangay

TD 035-01101

1/3 of 11,365=3,789

20,839,500.00

59. Brigido Lontoc (heirs)

TD 035-01129

1,115

6,132,500.00

60. Heirs of Pedro Magadia

TD 035-01104

1,084

5,962,000.00

61. Rosa P. Magadia (heirs)

TD 035-01103

1,085

5,967,500.00

62. Heirs of Daniel Magadia

TD 035-01105

2,140

11,770,000.00

63. Jose Maranan & Concha Magadia (heirs)

TD 035-01106

2,292

12,606,000.00

64. Heirs of Maria Montalbo

TD 035-01133

5,044

27,742,000.00

65. Heirs of Godofredo Rosales

TD 035-01128

13,000

71,500,000.00

66. Heirs of Maria Consolacion Sarmiento

TD 035-01111

13,583

74,706,500.00

67. Heirs of Luisa Villanueva

TD 035-01083

TD 035-01085

945

18,209

5,197,500.00

100,149,500.00

68. Evarista Bauan (heirs)

TD 033-02534

1,220.5

6,712,750.00

69. Heirs of Maria Caedo

TD 033-2712

2,795

15,372,500.00

TD 033-02716

2,691

14,800,500.00

70. Heirs of Agripina Garcia

TD 033-024

1,671

9,190,500.00

71. Feliza Macatangay (heirs)

TD 033-03261

1,733

9,531,500.00

72. Heirs of Basilio Macaraeg & Pacencia del Mundo

TD 033-02525

TD 033-02528

1/7 of 5,088=726.85

1/7 of 4,926=703.7

3,997,675.00

3,870,350.00

T O T A L 3,384,212,425.00

SO ORDERED.[53] (Emphasis ours.)

On August 22, 2000, PPA received a copy of the aforequoted August 18, 2000 Order. The last day to file the record on appeal fell on September 21, 2000.

On September 20, 2000, PPA filed its Notice of Appeal with Motion for Extension of Time to File a Record on Appeal of the above August 18, 2000 Order asking for a 30-day extension, which the RTC granted with a caveat against any further extension.

On October 20, 2000, a Friday, the last extended day of filing its record on appeal, full power outage hit the whole

island of Luzon—including Metro Manila—and all government workers were dismissed at noon time. On Monday, October 23, 2000, PPA filed a Motion for Reconsideration and Extension of the September 19, 2000 RTC Order therein praying for a final extension of 30 days.

On November 20, 2000 or within the 30-day final extension sought, the PPA filed its Record on Appeal of the August 18, 2000 Order^[54] implementing the August 15, 2000 Order for the Ortega Group. On December 13, 2000, the RTC dismissed PPA's record on appeal on the ground that the said August 18, 2000 Order had become final and executory, as the PPA's Motion for Reconsideration and Extension with respect to such record of appeal had been filed out of time. This development prompted PPA to file a petition for certiorari before the CA, assailing the RTC Orders dated August 18, 2000 and December 13, 2000, docketed as CA-G.R. SP No. 63576 (PPA v. Hon. Paterno V. Tac-an, Arsenio Abacar, et al.). The CA, in its July 30, 2001 Decision, nullified the December 13, 2000 RTC Order and allowed PPA's appeal.

CA-G.R. SP No. 63576 was consolidated with the earlier CA-G.R. SP No. 60314 (PPA v. Hon. Paterno V. Tac-an, Rolando Quino, Ernesto Curata, et al.) [against the Dimayacyac Group]. The July 30, 2001 CA Decision^[55] later became the subject matter of two (2) petitions (G.R. Nos. 154211-12) filed by the Dimayacyac and Ortega Groups.

B. The August 23, 2000 RTC Order implementing the August 15, 2000 Order for the Cruz Group of lot owners reads:

Pursuant to the Order of the Court dated August 15, 2000, plaintiff is hereby required to pay by way of just compensation to the defendants represented by the following counsels, to wit:

NAME OF DEFENDANTS

TCT/TAX
DEC. NO.

AREA OF PROPERTY
OWNED BY THEM, LIKEWISE, AS
MENTIONED IN THE COMPLAINT AND IN
THE ANSWER

AMOUNT OF JUST
COMPENSATION
DUE THEM BASED
ON P5,500.00/sq.m.
PER AUGUST 15, 2000
PARTIAL JUDGMENT ORDER

COUNSEL: ATTY. CESAR C. CRUZ

1. Remedios Rosales Bondoc and Jose K. Rosales

TCT No.T-43534

106,720

P 586,960,000.00

2. Heirs of Lumin Antolin

TD 035-01704

54,681

300,745,500.00

P 887,705,500.00

COUNSEL: ATTY. FELIPE G. CAPULONG

1. Anita G. Escano, Lydia G. Capulong, Erlinda Germer Gonzales and Romulo F. Gonzales

TD 033-02510

TD 035-01125

6,116

29,170

P 33,638,000.00

160,435,000.00

2. Anita G. Escano, Lydia G. Capulong, Erlinda Germer Gonzales and Romulo F. Gonzales

TD 035-01126

TD 035-01127

2,261

88

P 12,435,500.00

484,000.00

P 206,992,500.00

COUNSEL: ATTY. CIPRIANO U. ASILO

1. Francisco Abalos and Remedio Alano

TD 035-01114

2,500

P 13,750,000.00

2. Severo Alano, Soledad Alano, Inocencia Alano, Petra Alano, Remedios Alano, Antonio Alano, Felipe Alano

TD 035-01116 7

141

39,275,500.00

P 53,025,500.00

COUNSEL: ATTY. RAMON GUTIERREZ

1. Anunciacion Gutierrez

TD 035-01114

2,691

P 14,800,500.00

COUNSEL: ATTY. EUGENIO MENDOZA

1. Felipe Serrano and Spouse

TD 090-01112

225

P 1,237,500.00

COUNSEL: ATTY. YOLANDO ATIENZA

1. Silverio Atienza & Jocelyn Felio

TCT No. T-30107

1,119

P 6,154,500.00

2. Silverio Atienza

TD 035-02767

167

918,500.00

P 7,073,000.00

COUNSEL: ATTY. GLENN MENDOZA

1. J. L. Gandionco Realty

TD 035-02592

8,836

P 48,598,000.00

COUNSEL: ATTY. NORBERTO L. CAJUCOM

1. Lourdes Mercado, Augusto Mercado, Heirs of Fidencio Mercado and heirs of Concepcio Mercado

TD 035-01140

TD 035-01138

13,350

35,528

P 73,425,000.00

195,404,000.00

P 268,829,000.00

COUNSEL: ATTY. DELIA C. VIVIAR

1. Celia Pasion Dimaandal, Arnel Joseph Dimaandal, Roxanne Socorro Dimaandal, Teresita Dimaandal, Aaron Martin Dimaandal, Rachel Victoria Dimaandal, Aris Anthony Dimaandal

TD 035-02487

4,432

P 24,376,000.00

DEFENDANTS BALIWAG (no counsel)

1. Gregorio Baliwag, Eliseo Baliwag, Crisanta Baliwag

TD 035-02510

TD 033-02691

TD 033-02533

740

483

1,220.5

P 4,103,000.00

2,626,500.00

6,712,750.00

P 13,472,250.00

OVER ALL TOTAL : P 1,526,109,750.00

SO ORDERED.[56]

PPA did not file a notice of appeal from the above August 23, 2000 Order.

Thereafter, the Cruz Group moved for the execution of the above August 23, 2000 RTC Order, maintaining that it had become final and executory for PPA's failure to appeal therefrom. The RTC, agreeing with the Cruz Group's assertion of finality, granted the motion for execution in an Order dated May 29, 2001.[57]

Over three (3) years from the issuance of the May 29, 2001 Order granting the writ of execution, the Cruz Group filed a motion dated November 4, 2004 for issuance of a Writ of Execution. PPA's opposition thereto was disregarded by the RTC which ruled in favor of the movants via a November 18, 2004 Order. Subsequently, the trial court likewise issued a writ of execution dated November 22, 2004 and Notices of Garnishment dated November 23, 2004 addressed to the National Treasury, Development Bank of the Philippines (DBP), Philippine National Bank (PNB), and the Philippine Veterans Bank (PVB).

PPA moved for a reconsideration which it later withdrew, opting to file a petition for certiorari under CA-G.R. SP No. 87844 which was later consolidated with the PPA's appeal in CA-G.R. CV No. 77668. The CA rendered a Decision on July 3, 2006 in the consolidated cases dismissing CA-G.R. SP No. 87844, CA-G.R. CV No. 77668, and CA-G.R. SP No. 90796.

In the meantime, on September 11, 2001, the RTC issued a Writ of Possession[58] to PPA effective upon a deposit of PhP 400 per square meter for the lots in question. PPA, responding to the RTC's Order[59] dated September 20, 2001 to submit a certificate of deposit in connection with the writ of possession thus issued, filed a Manifestation/Submission, attaching thereto the following:

(1)

Certification of Deposit and Availability of Funds dated December 14, 2000 in the amount of PhP 422,640,960;[60]

(2)

Certification dated December 14, 2000 by the Bureau of Treasury showing PPA's investment in treasury bills amounting to PhP 473,500,000 with maturity on January 24, 2001;[61]

(3)

Certification dated October 25, 2000 by the LBP (Lipa City Branch) with respect to PPA's account in the amount of P 2,104,484.28;[62] and,

(4)

Lists for Deposit based on the 1998 Zonal Valuation indicating the amounts to be paid to all the respondents totaling PhP 422,640,960 corresponding to the aggregate full zonal valuation of all the subject expropriated properties.[63]

Subsequently, PPA took possession of the subject lots.

RTC Orders for release of deposit to landowners

While PPA's appeal of the August 15, 2000 Order (Second Compensation Order) was pending before the CA in CA-G.R. CV No. 77668, the RTC, on May 15, 2002, in accordance with Sec. 2 of Administrative Order No. (AO) 50,[64] directed PPA to release 10% of the deposit relative to the zonal valuation of the expropriated properties pursuant to the List for Deposit based on the 1998 Zonal Valuation submitted by PPA. The Ortega[65] and Cruz[66] Groups filed their respective motions for partial reconsideration of the said May 15, 2002 Order, contending that the amount should be 100% of the zonal valuation pursuant to Republic Act No. (RA) 8974,[67] and not the 10% of the offered amount under Sec. 2 of AO 50.

By a June 27, 2002 Manifestation,[68] Atty. Arturo S. Bernardino, then PPA's Director for Legal Services, interposed "no objection" to the motions for partial reconsideration (of both the Ortega and the Cruz Groups) and the reasons behind them, as evidenced by his attached letter[69] dated June 25, 2002 stating that said motions appeared to be consistent with RA 8974. Accordingly, by Order[70] of July 12, 2002, the RTC directed PPA to immediately release to respondent-land owners the deposit equivalent to 100% of the zonal valuation.

PPA later disowned the Bernardino letter and asked the withdrawal of Atty. Bernardino's manifestation.[71] On July 29, 2002,[72] however, the RTC denied the motion to withdraw, a denial which would be reiterated in an Order of September 5, 2002. This prompted PPA to interpose a petition for certiorari before the CA (CA-G.R. SP No. 73848) assailing the July 12, 2002 and July 29, 2002 Orders on these grounds: first, according retroactive application to RA 8974; and second, compelling PPA to immediately pay the percentage rate provided under RA 8974 instead of the lower rate required under AO 50.

CA-G.R. SP No. 73848 was decided by the CA on May 16, 2003 against PPA, holding that RA 8974 requiring the initial payment of 100% of the zonal valuation of the expropriated lots was applicable, thus:

WHEREFORE, premises considered, the instant petition is hereby DENIED for lack of merit. The prayer for the issuance of a temporary restraining order and a writ of preliminary injunction is likewise denied.

SO ORDERED.[73]

Via its petition in G.R. No. 158252, PPA challenges the CA Decision.

While the August 15, 2000 Order (Second Compensation Order) involving the Agustin Group, among others, was pending appeal in CA-G.R. CV No. 77668, said group, in a Motion for Immediate Payment dated September 25, 2003, prayed for the release of one hundred percent (100%) of the zonal value of their lots at the rate of four thousand two hundred and fifty pesos per square meter (PhP 4,250/sq.m.). It anchored its plea for immediate

payment on Sec. 4 (a) of RA 8974 in relation to Sec. 13 of its Implementing Rules and Regulations, claiming that:

x x x And since the zonal value prescribed for industrial lots in Bgy. Sta. Clara is in the amount of between P1,740.00 to P9,500.00 which barangay is adjacent to the industrial lots being expropriated in barangays Calicanto and Bolbok; and since the zonal value prescribed for industrial lots located in Bgy. Sta. Clara of similar condition as that found in barangays Calicanto and Bolbok is P4,250.00, it is thus most respectfully move (sic) that said 100% zonal value of P4,250.00 be immediately paid and be released to the defendants. Their properties being classified as Industrial/Port Zone under E.O. No. 431 dated October 19, 1990 and as that adopted and approved by the Sangguniang Panglunsod of Batangas in its Resolution No. 53-893 dated February 4, 1994 adopting and approving the comprehensive or predominant use of said properties as industrial. x x x

In the Order dated October 13, 2003, the trial court ordered the Agustin Group to make a "summary" of the details and to indicate the "specific location" of the properties under expropriation.

In their October 20, 2003 Compliance, the members of the Agustin Group submitted the summary of the area, classification and location of their properties and a Certification dated July 9, 2002 issued by Abencio T. Torres, Assistant Revenue District Officer (RDO) of the Bureau of Internal Revenue (BIR), Batangas City.

PPA opposed the motion for payment alleging that the relevant zonal valuation of private respondents' properties was only PhP 290 per square meter and not PhP 4,250, as the subject lots were agricultural in nature.

By Order dated December 2, 2003, the trial court directed PPA to pay the Agustin Group 100% of the zonal value at the rate of PhP 4,250 per square meter.

Subsequently, in the Order dated December 18, 2003, the trial court modified its December 2, 2003 Order and instead directed PPA to release in favor of the Agustin Group 10% of the zonal valuation computed at PhP 4,250 per square meter. PPA received on January 8, 2004 the December 18, 2003 Order.

Incidentally in connection with the Ortega Group, the trial court issued an Order dated December 8, 2003 directing PPA to release to the Ortega Group 10% of the zonal value pursuant to an Order dated August 30, 2002 which pegged the zonal valuation at the rate of PhP 290 per square meter and not PhP 4,250 per square meter. The lots of the Ortega and Agustin Groups are all located at Barangays Bolbok, Calicanto and Santa Clara.

Claiming that the Orders dated December 2 and 18, 2003 had attained finality, the Agustin Group filed a Motion for the Issuance of Writ of Execution dated January 15, 2004 and prayed for the release of one hundred percent (100%) of the zonal valuation computed at PhP 4,250 per square meter.

On January 23, 2004, PPA filed a Motion for Reconsideration of the Orders dated December 8 and 18, 2003, which the Agustin Group opposed.

PPA's motion for reconsideration was denied in an Order dated February 13, 2004 which reads:

As suggested by the Court to achieve justice and humanitarian consideration inasmuch as their properties have long been converted to the use of the plaintiff, subject to the final approval by the Supreme Court of the fair market valuation considering the P500.00 per square meter offer of the plaintiff, it may pay the sum of P425.00 per square meter by way of equity or on humanitarian basis. The cap of payment shall be Five hundred pesos (P500.00) in the meantime.

The movant is given a period of three (3) days from today to submit the Special Power of Attorney, furnishing copy to the plaintiff.

The Motion for Reconsideration filed by the plaintiff is DENIED.

WHEREFORE, let a Writ of Execution be issued.

Subsequently, a Writ of Execution dated February 20, 2004 was issued to implement the December 2, 2003 Order. PPA, via a Manifestation and Motion dated March 8, 2004, sought the stay of the December 2, 2003 Order.

On March 17, 2004, the trial court issued another Order directing the parties to file their respective memoranda "on or before March 23, 2004." PPA allegedly received the March 17, 2004 Order only on March 23, 2004 (the last day for filing the Memorandum); hence, its inability to comply therewith.

The next day, March 24, 2004, the RTC issued an Order denying PPA's Manifestation and Motion of March 8, 2004 and directing the Land Bank of the Philippines (LBP) to release the amount stated in its December 2, 2003 Order under pain of contempt.

The Agustin Group was able to execute on March 25, 2004 the Order dated December 2, 2003 and obtained the release of PHP 81,741,250 from the LBP. However, what was withdrawn was still insufficient to cover the entire amount sought to be executed.

While the trial court gave PPA a period of five (5) days within which to file its motion for reconsideration of the March 24, 2004 Order, PPA filed instead a Manifestation dated April 5, 2004 therein expressing its intention to resort to other appropriate remedies.

To ensure execution of the "deficiency" amount to satisfy the December 2, 2003 Order, the trial court issued the April 12, 2004 Order which reads:

Defendants represented by Atty. Emmanuel Agustin filed the Motion for Issuance of Writ of Execution of the 100% zonal valuation as contained in the order dated December 2, 2003. This is opposed on the ground that the zonal valuation of the said defendants is on appeal, thus, this Court has no jurisdiction.

This Court is inclined to rule in favor of the defendants on the following grounds.

- The Order dated December 2, 2003 has long become final and executory because no appeal or petition for certiorari has been filed assailing the said Order.

- [RA] 8974 is clear that a payment of zonal valuation is not appealable as it is intended to tide-over the needs of the landowners of the lands under litigation. The defendants have manifested that some of [them] have died and some are sick and about to die, that their properties have been expropriated for almost three years without payment, to take care of their needs x x x;

- Granting that there was an appeal filed and considering that the records of this case are still with this court, the Motion for payment may be considered as a Motion for Execution Pending Appeal based on compelling grounds as cited above and on grounds of equity. Even if there was a petition for certiorari filed in the higher court, the proceedings in this Court below and the orders will take their due course (SC case of Atty. Aparicio vs. Judge Andal) in the absence of a restraining order. The rule on execution pending appeal will be applied in a suppletory manner.

WHEREFORE, the Court hereby orders the partial execution of the Order dated December 2, 2003 in an amount of 50% of the valuation thereof. Let a Writ of Execution be issued accordingly.

The trial court also issued the Supplemental Order dated April 15, 2004, which partly reads:

Upon motion of the counsel for defendants Atty. Emmanuel Agustin, and pursuant to the Order dated April 12, 2004 and in reference to the Order dated December 2, 2003 the plaintiff Philippine Ports Authority is hereby ordered to pay the 50% of the zonal valuation of the properties of the following defendants x x x.

On April 19, 2004, PPA filed an Omnibus Motion for Reconsideration of the Order dated April 12, 2004 and the Supplemental Order dated April 15, 2004 and to Stay the Enforcement of the Writ of Execution dated April 16, 2004. PPA, however, later filed a Manifestation withdrawing the said omnibus motion.

In lieu of the withdrawn omnibus motion, PPA interposed a petition for certiorari before the CA to nullify the following RTC orders earlier adverted to: the December 2, and 18, 2003 Orders; and the February 13, 2004, March 24, 2004, April 12, and 15, 2004 Orders. The petition was docketed as CA-G.R. SP No. 83570. This petition was resolved through the assailed Decision dated November 22, 2004, with the CA denying PPA's petition in CA-G.R. SP No. 83570. The writ of preliminary injunction earlier issued was lifted.[74]

The CA held that, first, the finality of the main assailed RTC order of December 2, 2003 directing PPA to pay the concerned lot owners the BIR zonal valuation of PhP 4,250 per square meter had set in, and thus the issuance of the writ of execution therefor was warranted; and second, the provision of RA 8974 on the amount of the provisional payment applied.

The CA Decision in question was later challenged by PPA in G.R. No. 166200.

The August 23, 2000 Order for Pastor Realty Corporation, et al.

The August 23, 2000 Order implementing the Second Compensation Order for lot owners Pastor Realty Corporation, et al., reads:

Pursuant to the Order of the Court dated August 15, 2000, plaintiff is hereby required to pay by way of just compensation to the following defendants, to wit:

NAMES OF DEFENDANTS

TCT/TAX
DEC. NO.

AREA OF PROPERTY
OWNED BY THEM,
LIKEWISE, AS MENTIONED
IN THE COMPLAINT

AMOUNT OF JUST COMPENSATION
DUE THEM BASED
ON P5,500.00/SQ. M.
PER AUGUST 15, 2000
PARTIAL JUDGMENT ORDER

1. Pastor Realty Corporation

TCT RT-627 (37429)

41,389

P 227,639,500.00

TCT RT-626 (37428)

398

2,189,000.00

2. Luz Balmes md. to Ernesto Balmes

TD 035-01084

1,780

9,790,000.00

3. Perpetua Atienza, Fortunata Atienza, Isabelo Atienza

TD 033-02769

TD 033-02764

TD 033-02766

863

14,731

14,564

4,746,500.00

81,020,500.00

80,102,000.00

4. Brothers of Fortunata Balina

No Tax Dec. or Title (per complaint)

7,702

42,361,000.00

5. Rosalinda C. Rosales

TD 033-03000

164

902,000.00

6. Patricio Sumanga

TD 033-02530

1,057

5,813,500.00

TD 033-02517

510

2,805,000.00

7. Vicente G. de Rivera

TD 033-02513

1,908

10,494,000.00

8. Rene de Rivera

TD 033-02453

1.944

10,692,000.00

9. Francisco Mercado

TD 033-02496

1,050

5,775,000.00

10. Serafin Montalbo

NO TAX DEC or Title (per complaint)

5,240

28,820,000.00

11. Fortunata Bauna

NO TITLE OR TAXS DEC.

7,071

38,890,500.00

(per complaint)

12. Salud Macaraig

TD 033-02520

1,448

7,964,000.00

13. Florendo Macatangay

TD 033-02476

1,250

6,875,000.00

TOTAL

P 556,879,500.00

SO ORDERED.[75] (Emphasis supplied.)

PPA claims that the August 23, 2000 Order in favor of Pastor Realty Corp., et al., was included in its appeal from

the August 15, 2000 Order (Second Compensation Order) in CA-G.R. CV No. 77668 which was consolidated with its petition in CA-G.R. SP Nos. 87844 (involving the Cruz Group) and 90796 (petition to cite Judge Tac-an for contempt of court). The CA resolved the consolidated petitions in favor of the lot owners, which decision PPA elevated to the Court in G.R. No. 173392.

III. INTERVENORS CAROLINE B.
ACOSTA, ET AL. [CA-G.R. CV
No. 70023]

Compensation of PhP 5,500 applied to
defendant-intervenors Acosta, et al.

Meanwhile, Caroline B. Acosta, Abigail B. Acosta, Nemesio D. Balina and Erlinda D. Balina, also represented by Atty. Agustin, moved to intervene, claiming in their Answer-in-Intervention[76] that, while they were owners of the properties located within the expropriated area, they were inadvertently omitted from PPA's complaint. They thus prayed for the same PhP 5,500 per square meter rate for their lots. By Order[77] dated September 7, 2000, the RTC granted the plea of Acosta, et al., thus:

There being no opposition, the Motion for Intervention is granted with respect to lot owners Nemesio D. Balina and Erlinda D. Balina whose property is Lot No. 1178 covered by Tax Dec. No. 033-02871 containing an area of 2,301 sq. meters which is surrounded already by lots subject of this expropriation and also to Caroline B. Acosta and Abigail B. Acosta with respect to Lot Nos. 1146 and 1152 covered by Tax Dec. No. 033-04285 with an area of 2,961.5 sq. meters which are similarly situated and which have been inadvertently omitted in the complaint as per letter from the Manager of Legal Services Department, Arturo S. Bernardino, dated August 28, 2000.

The movants have marked Exhibit "1" - the letter dated August 28, 2000; Exhibit "1-A" - Tax Dec. No. 033-02871; and Exhibit "1-B" - Tax Dec. No. 033-04285.

The motion further prays for (sic) that they be allowed to adopt the Order of the Court dated July 10, 2000 and August 15, 2000 setting the fair market value at P5,500.00 per square meter. There being no opposition, the same is GRANTED.

SO ORDERED. (Emphasis supplied.)

This compelled the disgruntled PPA to again appeal[78] to the CA, the recourse (PPA v. Felipa Acosta, et al.) docketed as CA-G.R. CV No. 70023. The CA rendered the herein assailed Decision[79] affirming the September 7, 2000 Order[80] of the RTC on the fair market value, i.e., PhP 5,500 per square meter, of the expropriated property, using as bases sales transactions involving neighboring lots and the findings of the court-appointed commissioners.[81]

Thus, the instant petition of PPA in G.R. No. 170683.

IV. ROSALINDA BUENAFE AND
MELENCIO CASTILLO [CA-G.R.
SP No. 82917]

RTC grant of execution to Buenafe and Castillo

Meanwhile, pending review by this Court of the July 30, 2001 consolidated CA Decision in CA-G.R. SP Nos. 60314 and 63576 [involving the Dimayacyac and Ortega Groups, respectively—which, for reference, effectively gave due course to the appeal of PPA from the July 10, 2000 Order—Rosalinda Buenafe and Melencio Castillo

filed a Manifestation and Motion to Order the Sheriff to Implement Writ of Execution (Based on Finality of Judgment).[82] They alleged they were covered by PPA's basic complaint; that they filed their answer; that their property sought to be expropriated had an area of 2,092 square meters; and that they were included in the RTC September 29, 2000 writ-order[83] directing execution of the July 10, 2000 Order fixing just compensation, but were not impleaded in PPA petitions in CA-G.R. SP Nos. 60314 and 63576. They, however, added that the July 10, 2000 Order did not include either of their names.

By Order[84] dated November 6, 2003, the RTC granted Buenafe and Castillo's aforementioned motion to implement the writ of execution, on the rationale that the amounts indicated in the July 10, 2000 Order and upon which the September 29, 2000 writ of execution was based, were final and executory as to them (Buenafe and Castillo).

On November 20, 2003, the RTC issued in favor of Buenafe and Castillo the corresponding writ of execution,[85] followed later by the issuance of several Notices of Garnishment.[86]

PPA's motion for reconsideration of the RTC's basic and ancillary orders was rejected, sending PPA anew to the CA, thru a petition for certiorari[87] to nullify the aforesaid RTC Order of November 6, 2003, as effectively reiterated later. PPA's recourse was docketed as CA-G.R. SP No. 82917.

Eventually, on March 31, 2005, the CA rendered a Decision[88] in CA-G.R. SP No. 82917 granting PPA's petition and annulling the RTC Orders of November 6, 2003 and January 9, 2004 and all other orders, writs and processes issued relative thereto. The fallo of the CA's decision reads:

WHEREFORE, the petition is GRANTED. The Order dated November 6, 2003 issued by the respondent judged in Civil Case No. 5447 and all other orders or writs issued in the enforcement of the said order is ANNULLED and SET ASIDE. The Writ of Preliminary Injunction issued on November 23, 2004 is hereby made permanent.

SO ORDERED.[89]

Hence, the instant petition in G.R. No. 168272 filed by Rosalinda Buenafe and Melencio Castillo.

Petition to cite Judge Tac-an for contempt of court

On August 5, 2005, PPA filed a petition to cite Paterno V. Tac-an for contempt[90] when said judge issued the April 20, 2005 and July 21, 2005 Orders in defiance of the CA-issued temporary restraining orders (TROs) and writs of preliminary injunction. This petition, docketed as CA-G.R. SP No. 90796, was eventually consolidated with CA-G.R. CV No. 77668 and CA-G.R. SP No. 87844.[91]

These consolidated petitions were resolved on July 3, 2006, by the issuance of the CA's assailed Resolution of same date which denied, among other things, PPA's petition to cite the RTC judge for contempt for lack of merit. The July 3, 2006 Resolution in the consolidated cases CA-G.R. CV No. 77668, CA-G.R. SP Nos. 87844 and 90796 were elevated to this Court in G.R. No. 173392.

V. HEIRS OF POPULA LLANA [CA-G.R. SP No. 81091]; Decision became final and executory

Albeit not part of these consolidated proceedings, we take judicial notice of a CA Decision dated February 15, 2006, as effectively reiterated in a Resolution of October 12, 2006, in a related case (PPA v. Tac-an) docketed as CA-G.R. SP No. 81091, involving the heirs of Popula Llana who belong to the Ortega Group. PPA's petition in CA-G.R. SP No. 81091 sought to nullify the October 29, 2003 RTC Order—and several subsequent implementing

orders and processes to enforce the assailed October 29, 2003 Order—directing PPA to pay the heirs of Llana PhP 743,897,880 on top of the provisional amount of PhP 54,477,370, which PPA was forced to pay pursuant to the August 30, 2002 RTC Order that pegged the zonal valuation at PhP 4,250 per square meter.

On February 15, 2006, the CA nullified the October 29, 2003 RTC Order for grave abuse of discretion of Judge Tac-an and on October 12, 2006 rejected the heirs of Llana's motion for reconsideration. Both the decision and resolution of the CA eventually lapsed into finality when the heirs did not question said issuances before this Court. On November 3, 2006, an Entry of Judgment[92] was issued by the CA in CA-G.R. SP No. 81091.

From the foregoing petitions for review, it can be noted that PPA prevailed in four of its petitions before the appellate court, to wit: (1) CA-G.R. SP No. 60314; (2) CA-G.R. SP No. 63576; (3) CA-G.R. SP No. 81091; and (4) CA-G.R. SP No. 82917. On the other hand, it lost in the following six cases: (1) CA-G.R. SP No. 73848; (2) CA-G.R. SP No. 83570; (3) CA-G.R. CV No. 70023; (4) CA-G.R. CV No. 77668; (5) CA-G.R. SP No. 87844; and (6) CA-G.R. SP No. 90796. Only nine of these cases, however, are before us on petitions for review, the CA Decision and Resolution in CA-G.R. SP No. 81091 (Heirs of Popula Llana) having already become final and executory.

We will now proceed to tackle seriatim the various petitions, but will resolve last the fundamental issue of the proper determination of just compensation in G.R. No. 173392.

G.R. Nos. 154211-12

The Issues

Petitioners Ernesto Curata, et al., submit that the CA erred in:

I

ALLOWING [PPA'S] APPEAL WITH RESPECT TO CA-G.R. NO. 60314 DESPITE THE FACT THAT THE RTC ORDER/PARTIAL JUDGMENT DATED JULY 10, 2000 IS ALREADY FINAL AND EXECUTORY.

II

x x x TAKING COGNIZANCE OF THE MOTION FOR ISSUANCE OF WRIT OF POSSESSION FILED FOR THE FIRST TIME BY RESPONDENT PPA IN A SPECIAL CIVIL ACTION FOR CERTIORARI, AND DECLARING THAT RESPONDENT PPA IS ENTITLED TO THE ISSUANCE OF A WRIT OF POSSESSION AS A MATTER OF RIGHT.

III

x x x RULING THAT AN EXECUTION PENDING APPEAL WOULD RENDER MOOT THE VERY ISSUE RAISED BY [PPA] IN ITS APPEAL—THAT OF JUST COMPENSATION.

IV

x x x TAKING COGNIZANCE OF THE SUPPLEMENTAL PETITION FILED BY xxx PPA IN CA-G.R. NO. 60314.[93]

To recall, consolidated G.R. Nos. 154211-12 stemmed from CA-G.R. SP No. 60314 (concerning the Dimayacyac Group) and SP No. 63576 (involving the Ortega Group).

Briefly, the events that brought about CA-G.R. SP No. 60314 are as follows:

On July 10, 2000, the RTC issued the first compensation order, which pegged the just compensation at PhP 5,500

per square meter in favor of the Dimayacyac Group. Alleging that almost all of the group members were of advanced age, the trial court, upon motion, issued the July 24, 2000 Order that granted the execution pending appeal. On July 31, 2000, another order ensued, directing the issuance of the writ of execution. On August 2 and 3, 2000, respondent Sheriff Rolando D. Quino served Notices of Garnishment on LBP.

On August 10, 2000, PPA filed a "Notice of Appeal with Motion for Extension of Time to File Record on Appeal and Pay Appeal Fee." Within the period of extension requested, PPA filed its Record on Appeal on August 25, 2000. On the same day, August 25, the RTC issued an Order denying PPA's Notice of Appeal from the July 10, 2000 Order (First Compensation Order) on the ground of non-payment of appeal fee. In its August 28, 2000 Order, the RTC denied PPA's Record on Appeal. On September 18, 2000, the RTC denied PPA's Motion for Reconsideration of the August 25, 2000 RTC order.

Thus, in CA-G.R. SP No. 60314, PPA challenged the execution pending appeal of the July 24, 2000 Order, the July 31, 2000 Order which issued the writ of execution and the August 2 and 3, 2000 Notices of Garnishment. In its supplemental petition in CA-G.R. SP No. 60314, PPA assailed the August 25, 2000 Order which denied PPA's motion for extension of time to file Record on Appeal and pay the appeal fee, the August 28, 2000 Order which denied the PPA's record on appeal and the September 18, 2000 Order which denied PPA's motion for reconsideration.

The pith issues, as the CA saw it, were whether or not the RTC committed grave abuse of discretion when it (a) denied PPA's motion for extension of time to pay the appeal fee, (b) disapproved PPA's record on appeal and (c) did not give due course to PPA's appeal.

The CA ruled that public interest and public policy dictated that the RTC merely order PPA to pay the docket fees during the extension prayed for instead of dismissing the appeal. Thus, the RTC erred in denying the motion for time to file the record on appeal and pay the appellate docket fees. On other collateral issues, the appellate court ruled that the orders subject of the original petition in CA-G.R. SP No. 60314 had been suppressed by the events that occurred after the filing thereof, while the execution pending appeal would render moot the heart of PPA's appeal—the issue of just compensation.

The CA allowed the appeal of PPA and nullified the questioned RTC orders in CA-G.R. SP No. 60314.

In the instant petition, petitioners Curata, et al. (Dimayacyac Group) assail, among others, the ruling of the CA allowing PPA's appeal despite the alleged finality of the July 10, 2000 Order (First Compensation Order).

The contention of the Dimayacyac Group is bereft of merit.

The payment of docket fees within the prescribed period is, as a rule, mandatory for the perfection of an appeal.[94] Secs. 4 and 9 of Rule 41 of the Rules of Court provide, thus:

SEC. 4. Appellate court docket and other lawful fees.—Within the period for taking an appeal, the appellant shall pay to the clerk of court which rendered the judgment or final order appealed from, the full amount of the appellate court docket and other lawful fees. x x x

x x x x

SEC. 9. Perfection of appeal; effect thereof.—x x x x

A party's appeal by record on appeal is deemed perfected as to him with respect to the subject matter thereof upon the approval of the record on appeal filed in due time.

In appeals by notice of appeal, the court loses jurisdiction over the case upon the perfection of the appeals filed in due time and the expiration of the time to appeal of the other parties.

x x x x (Emphasis ours.)

The appellant's failure to pay the appellate docket fees is a ground for the dismissal of the appeal by the trial court under the succeeding Sec. 13:

SEC. 13. Dismissal of appeal.—Prior to the transmittal of the original record or the record on appeal to the appellate court, the trial court may, *motu proprio* or on motion, dismiss the appeal for having been taken out of time or for non-payment of the docket and other lawful fees within the reglementary period. (As amended, A.M. No. 00-2-10-SC, May 1, 2000.) (Emphasis supplied.)

Complementing the above provisions is Sec. 1(c), Rule 50, providing in effect that the appellate court may refuse to entertain a suit for nonpayment of the appellate docket fees.

In the recent case *Fil-Estate Properties, Inc. v. Homena-Valencia*,^[95] we reiterated our consistent ruling that the payment of the appellate docket fees is mandatory for the perfection of an appeal and held that the above-quoted Sec. 13 of Rule 41, as amended in 2000, gives the additional ground for the dismissal of an appeal on the nonpayment of the required appellate docket fees, which gave force to the ground provided under the above-quoted Secs. 4 and 9 of Rule 41.

As with most rules of procedure, however, exceptions are invariably recognized and the relaxation of procedural rules on appeals has been effected to obviate jeopardizing substantial justice.^[96] This liberality stresses the importance of an appeal in our judicial grievance structure to accord every party litigant the amplest opportunity for the proper and just disposition of his cause, freed from the constraints of technicalities.^[97]

La Salette College v. Pilotin teaches that the otherwise mandatory nature of the requirement on payment of appellate docket fees is to be viewed as qualified, as follows: "first, failure to pay those fees within the reglementary period allows only discretionary, not automatic, dismissal; second, such power should be used by the court in conjunction with its exercise of sound discretion in accordance with the tenets of justice and fair play, as well as with a great deal of circumspection in consideration of all attendant circumstances."^[98]

Among the grounds that pertinent jurisprudence has recognized as justifying the loosening up of the stringent requirement on payment of docket fees are: (1) to relieve a litigant from an injustice not commensurate with his failure to comply with the prescribed procedure; (2) good faith of the defaulting party by paying within a reasonable time from the time of the default; (3) the merits of the case; (4) a cause not entirely attributable to the fault or negligence of the party favored by the suspension of the rules; (5) a lack of any showing that the review sought is frivolous and dilatory; (6) no unjust prejudice to the other party; and (7) importance of the issues involved. Concomitant to a liberal interpretation of the rules of procedure should be an effort on the part of the party invoking liberality to adequately explain his failure to abide by the rules.^[99]

Exceptions applicable to case at bar

In the case at bar, the Court rules that the public interest and the higher interests of justice and fair play dictate that PPA's appeal should be allowed.

The trial judge should have permitted the appeal to prosper in view of the billions of pesos of taxpayers' money, subject matter of the appeal. Fully aware of the wide disparity between the fair market values of the lots ranging from PhP 2.10 to 3.50 per square meter based on the tax declarations and the amount of PhP 5,500 per square meter pegged as just compensation, the judge cannot be said to have wielded his power to reject PPA's appeal with the highest degree of circumspection.

Moreover, a sharp increase in the total amount of compensation from PPA's offered price of PhP 500 per square

meter to PhP 5,500 per square meter or an increase of 1,000% may make PPA rethink if the project is still viable in view of huge financial requirements. Lastly, the fact that the judge even increased the amount of PhP 4,800 per square meter recommended by the commissioners to PhP 5,500 per square meter can be a compelling reason why a review by a higher court should be allowed, given the increase of hundreds of millions granted by him over the amount proposed by the commissioners. Given these circumstances, he should have liberally applied the procedural rules to the end that the losing party, and a government agency at that—the PPA—be given the fullest opportunity to air and exhaustively discuss countervailing arguments against the order fixing the just compensation. PPA must be given a sporting chance to convince the higher court of the merits of its position. Indeed that would be in keeping with the axiom that the case be decided on the merits rather than on technicality.

In *Mactan Cebu International Airport v. Mangubat*, the technical rules of procedure were relaxed in view of the attending policy considerations in the interest of justice and equity. While the appellant in *Mactan* was not able to pay the appeal fees on time, the Court considered the late payment as excusable in view of the importance of the issues raised therein, i.e., who had valid title over the land occupied by the Mactan Cebu International Airport, and the substantial governmental interest involved, to merit a review of the case on appeal.

In the same vein, PPA filed a motion to file the record on appeal and pay the appellate docket fee, indicating its readiness to pay within the extension prayed for. In view of the importance of Phase II of the BPZ Project, the huge financial implications of the prescribed compensation and the considerable interests of the government in enhancing our port facilities, the trial court should have allowed the record on appeal and the payment of the appeal fees to afford the higher court a second look at the merits of the case.

In the light of the foregoing, the CA did not err in allowing PPA's appeal.

Anent the second issue, petitioners Curata, et al. claim that the CA erred in taking cognizance of the motion for a writ of possession and declaring PPA's entitlement to the possession of the subject lots.

The position is clearly misplaced.

The CA, in its November 28, 2000 Resolution, simply referred the motion for a writ of possession to the Batangas RTC for immediate resolution. This was the proper action to take, since the matter was not within the ambit of CA-G.R. SP No. 60314.

Regarding the third issue, petitioners question the ruling of the CA that an execution pending appeal would render moot the issue of just compensation.

Actually the CA did not categorically rule on the other issues raised by PPA in CA-G.R. SP No. 60314, relating to discretionary execution, namely: (1) that public funds could not be garnished; (2) that respondent Sheriff disregarded Sec. 9, Rule 39 on execution of judgments; (3) that execution pending appeal was not applicable to expropriation proceedings; and (4) that no good reasons existed for execution pending appeal. After ruling that the appeal from the July 10, 2000 Order (First Compensation Order) shall be entertained, it declared that there was no need to rule on said issues as an execution pending appeal would render academic the issue of just compensation.

The genuine issue to be resolved is whether or not execution pending appeal is applicable to expropriation proceedings.

The Court rules that discretionary execution of judgments pending appeal under Sec. 2(a) of Rule 39 does not apply to eminent domain proceedings.

As early as 1919 in *Visayan Refining Co. v. Camus and Paredes*,^[100] the Court held:

When the Government is plaintiff the judgment will naturally take the form of an order merely requiring the

payment of the award as a condition precedent to the transfer of the title, as a personal judgment against the Government could not be realized upon execution.

In *Commissioner of Public Highways v. San Diego*,^[101] no less than the eminent Chief Justice Claudio Teehankee explained the rationale behind the doctrine that government funds and properties cannot be seized under a writ of execution, thus:

The universal rule that where the State gives its consent to be sued by private parties either by general or special law, it may limit claimant's action "only up to the completion of proceedings anterior to the stage of execution" and that the power of the Courts ends when the judgment is rendered, since government funds and properties may not be seized under writs of execution or garnishment to satisfy such judgments, is based on obvious considerations of public policy. Disbursements of public funds must be covered by the corresponding appropriation as required by law. The functions and public services rendered by the State cannot be allowed to be paralyzed or disrupted by the diversion of public funds from their legitimate and specific objects, as appropriated by law.

PPA's monies, facilities and assets are government properties. Ergo, they are exempt from execution whether by virtue of a final judgment or pending appeal.

PPA is a government instrumentality charged with carrying out governmental functions through the management, supervision, control and regulation of major ports of the country. It is an attached agency of the Department of Transportation and Communication pursuant to PD 505.

This Court's disquisition in *Manila International Airport Authority v. Court of Appeals*^[102]—ruling that MIAA is not a government-owned and/or controlled corporation (GOCC), but an instrumentality of the National Government and thus exempt from local taxation, and that its real properties are owned by the Republic of the Philippines—is instructive. Therein we found that MIAA is neither a stock or a non-stock corporation, for its capital is not divided into shares nor does it have members. Moreover, the airport lands and buildings it administers are owned by the Republic, which certainly takes them outside the commerce of man and makes MIAA a mere trustee thereof. These findings are squarely applicable to PPA, as it is similarly situated as MIAA. First, PPA is likewise not a GOCC for not having shares of stocks or members. Second, the docks, piers and buildings it administers are likewise owned by the Republic and, thus, outside the commerce of man. Third, PPA is a mere trustee of these properties. Hence, like MIAA, PPA is clearly a government instrumentality, an agency of the government vested with corporate powers to perform efficiently its governmental functions.^[103]

Therefore, an undeniable conclusion is that the funds of PPA partake of government funds, and such may not be garnished absent an allocation by its Board or by statutory grant. If the PPA funds cannot be garnished and its properties, being government properties, cannot be levied via a writ of execution pursuant to a final judgment, then the trial court likewise cannot grant discretionary execution pending appeal, as it would run afoul of the established jurisprudence that government properties are exempt from execution. What cannot be done directly cannot be done indirectly.

From the above discussion, we find that the RTC committed grave abuse of discretion in its July 24, 2000 Order directing the execution of the First Compensation Order (July 10, 2000 Order) pending appeal.

Nevertheless, this issue of discretionary execution has been rendered moot by our dispositions in this judgment, more particularly on just compensation.

Anent the last issue, that the CA erred in taking cognizance of PPA's Supplemental petition, the Court treats the Supplemental petition as an amendment to the original petition in CA-G.R. SP No. 60314, since the issues raised therein are inextricably intertwined with those in the original petition.

G.R. No. 158252

The Issue

Petitioner PPA comes to us on the sole issue of whether or not RA 8974 retroactively applies to Civil Case No. 5447, which was filed before the law took effect on November 26, 2000.[104]

The Court's Ruling

The Court recollects the antecedents that caused the filing of the instant petition:

On August 15, 2000, an RTC Order was issued fixing the just compensation at PhP 5,500 per square meter. On August 23, 2000, the RTC issued an Order specifically naming Remedios Rosales-Bondoc, et al. (Cruz Group) as the lot owners covered by the August 15, 2000 Order. On May 15, 2002, the trial court directed PPA to release 10% of the zonal value deposited to the lot owners, including the Cruz Group. On June 19, 2002, the Cruz Group filed a motion for partial reconsideration claiming payment of 100% of the zonal value under RA 8974 and claiming further that AO 50 did not apply. On July 12, 2002, the trial court granted the motion and ordered PPA to immediately release 100% of the zonal valuation of the properties.

PPA challenged the July 12, 2002 Order and other related orders in CA-G.R. SP No. 73848. The CA dismissed PPA's petition, ruling that AO 50, which prescribed guidelines for the acquisition of land for public use and required only a deposit of 10% of the amount offered to initiate the expropriation proceedings, was repealed by RA 8974. RA 8974 prescribed the immediate payment of 100% of the BIR zonal valuation. The CA ratiocinated that RA 8974, a procedural law, was applicable retrospectively to Civil Case No. 5447. Lastly, it relied on the statement of PPA's Atty. Arturo Bernardino that PPA had no objection to the application of RA 8974, and that such manifestation was an admission against PPA's interests.

In the instant petition, PPA asserts that RA 8974 is actually a substantive law that cannot be given retroactive effect.

The Court agrees with PPA.

To resolve the issue of what rule or law on the deposit or provisional payment should apply, we need to determine which among Rule 67, AO 50 or RA 8974 should be of governing application to the expropriation of the lands for the BPZ project.

Sec. 2 of Rule 67 provides for the deposit or initial payment of the total assessed value of the expropriated property:

SEC. 2. Entry of plaintiff upon depositing value with authorized government depository.—Upon the filing of the complaint or at any time thereafter and after due notice to the defendant, the plaintiff shall have the right to take or enter upon the possession of the real property involved if he deposits with the authorized government depository an amount equivalent to the assessed value of the property for purposes of taxation to be held by such bank subject to the orders of the court. Such deposit shall be in money, unless in lieu thereof the court authorizes the deposit of a certificate of deposit of a government bank x x x. (Emphasis supplied.)

Under Sec. 2 of AO 50, the deposit or provisional payment required of the government agency is 10% of the offered amount (the amount offered in writing by the government agency equivalent to 10% higher than the zonal value of the subject property), thus:

SEC. 2. Expropriation Proceedings.—After the abovementioned period and no acceptance is made by the landowner, the concerned agency, in coordination with the Solicitor General, shall initiate expropriation proceedings in the proper court, depositing ten per cent (10%) of the offered amount. (Emphasis supplied.)

On the other hand, Sec. 4 of RA 8974 mandates a provisional payment of 100% of the BIR zonal value of the subject land upon filing of the expropriation case as well as the value of the improvements thereon, if any:

Section 4. Guidelines for Expropriation Proceedings.—Whenever it is necessary to acquire real property for the right-of-way or location for any national government infrastructure project through expropriation, the appropriate implementing agency shall initiate the expropriation proceedings before the proper court under the following guidelines:

(a) Upon the filing of the complaint, and after due notice to the defendant, the implementing agency shall immediately pay the owner of the property the amount equivalent to the sum of (1) one hundred percent (100%) of the value of the property based on the current relevant zonal valuation of the Bureau of Internal Revenue (BIR); and (2) the value of the improvements and/or structures as determined under Section 7 hereof; (emphasis supplied.)

For perspective, AO 50 was issued on February 17, 1999 or before the complaint in Civil Case No. 5447 was filed on October 14, 1999. On November 7, 2000, RA 8974 was signed into law and became effective on November 26, 2000 after its publication. The provisions of Rule 67 have remained unchanged since the 1997 revision of the Rules of Civil Procedure, which took effect on July 1, 1997.

It is PPA's posture that Rule 67, as supplemented by AO 50, applies; that RA 8974 cannot be applied retroactively for being a substantive law. The Cruz and Ortega Groups maintain otherwise. The RTC and the CA upheld the latter's position and applied RA 8974.

PPA's contention is basically correct.

Statutes are prospective and not retroactive in their operation, laws being the formulation of rules for the future, not the past. Hence, the legal maxim *lex de futuro, iudex de praeterito*—the law provides for the future, the judge for the past—which is articulated in Art. 4 of the Civil Code thusly: "Laws shall have no retroactive effect, unless the contrary is provided." The legislative intent as to the retroactive application of a law is made manifest either by the express terms of the statute or by necessary implication.^[105] The reason for the rule is the tendency of retroactive legislation to be unjust and oppressive on account of its liability to unsettle vested rights or disturb the legal effect of prior transactions.^[106]

A well-settled exception to the rule on prospectivity is when the law in question is remedial in nature. The rationale underpinning the exception is that no person can claim any vested right in any particular remedy or mode of procedure for the enforcement of a right.^[107]

A perusal of RA 8974, AO 50 and Rule 67 would readily show that they all deal with the subject of expropriation. Save for the matter of the amount to be deposited, RA 8974 is almost identical with the earlier issued AO 50. Accordingly, RA 8974, owing to its repealing clause,^[108] would have superseded AO 50 vis-à-vis Civil Case No. 5447, were the former given retroactive operation. So would the prescription on deposit set forth under Sec. 2 of Rule 67, which merely requires the expropriating agency, upon property taking, to deposit an amount equivalent to the assessed value of the lot to be expropriated.

The question to be resolved then is whether or not RA 8974 is a remedial statute and, hence, can be accorded retroactive effect to apply to the expropriation of lands for the development of Phase II of the BPZ.

We answer the poser in the negative.

In *Republic v. Gingoyon*,^[109] on the issue of how much must the government pay by way of initial deposit, the Court, after positing the applicability of RA 8974 to the expropriation of NAIA Passenger Terminal III (NAIA III), stated the observation that the appropriate standard of just compensation—inclusive of the manner of payment

thereof and the initial compensation to the lot owners—is a substantive, not merely a procedural, matter.

The Court explained:

It likewise bears noting that the appropriate standard of just compensation is a substantive matter. It is well within the province of the legislature to fix the standard, which it did through the enactment of Rep. Act. No. 8974. Specifically, this prescribes the new standards in determining the amount of just compensation in expropriation cases relating to national government infrastructure projects, as well as the payment of the provisional value as a prerequisite to the issuance of a writ of possession.

This ruling was reiterated in this Court's Resolution of February 1, 2006 which further states that:

"[I]f the rule takes away a vested right, it is not procedural, and so the converse certainly holds that if the rule or provision creates a right, it should be properly appreciated as substantive in nature. Indubitably, a matter is substantive when it involves the creation of rights to be enjoyed by the owner of property to be expropriated. The right of the owner to receive just compensation prior to acquisition of possession by the State of the property is a proprietary right, appropriately classified as a substantive matter and, thus, within the sole province of the legislature to legislate on."

In *Lintag v. National Power Corporation*,^[110] we reiterated that RA 8974 is a substantive law that cannot be applied retroactively:

It is well-entrenched principle that statutes, including administrative rules and regulations, operate prospectively unless the legislative intent to the contrary is manifest by express terms or by necessary implication because the retroactive application of a law usually divests rights that have already become vested. This is based on the Latin maxim: *Lex prospicit non respicit* (the law looks forward, not backward).

In the application of RA No. 8974, the Court finds no justification to depart from this rule. First, RA No. 8974 is a substantive law. Second, there is nothing in RA No. 8974 which expressly provides that it should have retroactive effect. Third, neither is retroactivity necessarily implied from RA No. 8974 or in any of its provisions. Unfortunately for the petitioners, the silence of RA No. 8974 and its Implementing Rules on the matter cannot give rise to the inference that it can be applied retroactively.

Applying the lessons of *Gingoyon*, in relation to *Lintag* in the light of the aforementioned doctrinal pronouncements, RA 8974, to the extent that it imposes a certain requirement that is substantive in nature or disturbs substantive rights, cannot be made to apply to Civil Case 5447.

Rule 67 on expropriation applies

Given the foregoing consideration, the next question that comes to mind is which between AO 50 and Rule 67 applies to the instant expropriation case. The poser should not be difficult to resolve. While it tasks the appropriating agency to offer, during the negotiation, a certain amount to the lot owner and/or deposit with the court a pre-determined amount or fixed percentage of the value of the lot to be expropriated, AO 50 is no more than an internal issuance promulgated by the President as administrative head.

Under the Administrative Code of 1987, "[A]cts of the President which relate to particular aspects of government operations in pursuance of his [or her] duties as administrative head shall be promulgated in administrative orders."^[111] A perusal of AO 50 would readily disclose that it partakes the nature of instructions or guide to "all government agencies and instrumentalities x x x engaged in public infrastructure projects."^[112] And the standards enumerated therein for the assessment of the value of the land subject to expropriation are addressed to the expropriating agency or its duly authorized assessor, only "in order to facilitate the immediate judicial determination of just compensation during the expropriation proceedings."^[113] The provisions of AO 50, as couched, and the nature of administrative orders bind the officials and agencies in the executive branch that

exercise the power of eminent domain.

But not the RTC which, needless to stress, does not look up to the President as administrative head in the first place. Any valuation or standard that may be set forth in AO 50 for just compensation may serve only as guiding norm or one of the factors in arriving at an ideal amount. But it may not take the place of the court's own disposition as to what amount should be paid and how to arrive at such amount.[114] After all, the determination of just compensation in expropriation cases is a judicial function.[115] AO 50, or any executive issuance for that matter, cannot decree that the executive, or the department's own determination, shall have primacy over the court's findings.[116] These pronouncements can, however, be applied only to pending condemnation proceedings prior to November 26, 2000 when RA 8974 took effect. As of that date, RA 8974 had repealed AO 50 for being inconsistent with the said law.

Upon the foregoing holdings, Rule 67 should be viewed in Civil Case No. 5447 as governing the instant expropriation of private respondents' lots. Since the negotiation by PPA with the lot owners for the just compensation bogged down, Rule 67 should have been applied independently of AO 50 to Civil Case No. 5447. Thus, the correct amount of deposit for the appropriated lots should have been the assessed value of the subject lots per tax declarations pursuant to Rule 67, given the fact that courts are not bound by AO 50 or by RA 8974 which cannot be applied retroactively in the first place.

In the factual setting at bar, the RTC can either order a deposit equal to the total assessed value of the lots in question, as reflected in the tax declarations of the subject lots; or, in the alternative, order the level of deposit as proposed by PPA, as it correctly did through the May 15, 2002 Order pegging the deposit equivalent to 10% of the offered amount for the expropriated lots pursuant to Sec. 2 of AO 50. Thus, the May 15, 2002 RTC Order should be affirmed. But the RTC later committed a miscue and gravely abused its discretion by issuing the July 12, 2002 and July 29, 2002 Orders applying RA 8974, which cannot be applied retroactively. The recall of the July 12 and 29, 2002 Orders is in order.

The issue of the payment of correct deposit or initial payment, however, has been rendered moot by our determination of just compensation for the expropriated lots in these consolidated petitions, considering that the lot owners can already be paid the just compensation upon the finality of this decision.

One last point on the application of RA 8974 and Rule 67. RA 8974 amended Rule 67 effective November 26, 2000, but only with regard to the expropriation of right-of-way sites and locations for national government infrastructure projects. On the other hand, in all other expropriation cases outside of right-of-way sites or locations for national government infrastructure projects, the provisions of Rule 67 of the Rules of Court shall still govern.

G.R. No. 166200

The Issues

Petitioner PPA urges the allowance of its petition for certiorari on the ground that the CA committed grave abuse of discretion:

I.

x x x IN DENYING THE PETITION FOR CERTIORARI AND CONCLUDING THAT THE DECEMBER 2, 2003 ORDER OF RESPONDENT JUDGE PATERNO TAC-AN HAD ALREADY ATTAINED FINALITY.

II.

x x x IN DECLINING TO ANNUL AND SET ASIDE THE FOLLOWING ORDERS OF RESPONDENT JUDGE PATERNO TAC-AN xxx TO WIT: (I) ORDER DATED DECEMBER 2, 2003; (II) ORDER DATED

DECEMBER 18, 2003; (III) ORDER DATED FEBRUARY 13, 2004; (IV) ORDER DATED MARCH 24, 2004; (V) ORDER DATED APRIL 12, 2004; AND (VI) SUPPLEMENTAL ORDER DATED APRIL 15, 2004.

III.

IN RULING THAT THE PRIVATE RESPONDENTS' MOTION FOR ISSUANCE OF WRIT OF EXECUTION MAY BE TREATED AS A MOTION FOR EXECUTION PENDING APPEAL.[117]

To recall, this petition turns on the CA's ruling in CA-G.R. SP No. 83570, a certiorari proceeding in which PPA assailed:

a)

the December 2, 2003 RTC order declaring the lots of affected landowners [Agustin Group] to be industrial with an applicable zonal valuation of PhP 4,250 per square meter and directing the release, as initial payment, of the amount equivalent to 100% of the zonal valuation;

b)

the December 18, 2003 order directing the PPA to release 10% of the zonal value of PhP 4,250 per square meter;

c)

the February 13, 2004 order granting the writ of execution of the December 2, 2003 order;

d)

the March 24, 2004 order denying PPA's motion to stay execution;

e)

the April 12, 2004 order and April 15, 2004 supplemental order directing the further release of 50% of the zonal valuation at PhP 4,250; and

f)

the April 16, 2004 writ of execution.

The CA affirmed the legality of the aforelisted RTC Orders.

The Court's Ruling

Anent the first issue of the finality of the December 2, 2003 Order and the third issue that the execution of said Order is considered by the trial court as execution pending appeal, the Court rules that said issues have been resolved, albeit indirectly, by our ruling in G.R. No. 158252 where we held that RA 8974, being a substantive law, could not be applied retroactively to Civil Case No. 5447.

It should be borne in mind that the Motion for Immediate Payment dated September 25, 2003 filed by the Agustin Group was based on Sec. 4(a) of RA 8974 in relation to Sec. 13 of its Implementing Rules and Regulations. Sec. 4(a) provides:

(a) Upon the filing of the complaint, and after due notice to the defendant, the implementing agency shall immediately pay the owner of the property the amount equivalent to the sum of (1) one hundred percent (100%) of the value of the property based on the current relevant zonal valuation of the Bureau of Internal Revenue (BIR); and (2) the value of the improvements and/or structures as determined under Section 7 hereof;

Due to the inapplicability of RA 8974 to the instant expropriation proceedings before the Batangas RTC, the December 2, 2003 Order must be revoked and set aside for want of basis.

In view of our disposition in G.R. Nos. 170683 and 173392, which shall be touched upon shortly, substantially pruning the compensation fixed by the trial court, then the execution of the Court's judgment on the just compensation will veritably supersede the enforcement of the assailed orders seeking to implement the trial court's orders on the compensation in question. Thus, the issue of the legality and propriety of said RTC orders has become moot.

With regard to the second issue as to whether or not the CA gravely abused its discretion in affirming the aforesaid December 2, 2003 RTC Order, applying the valuation certified to by BIR Asst. RDO Abencio Torres of Batangas City for the expropriated lots at PhP 4,250 per square meter as initial payment under RA 8974, the Court likewise finds that this issue has also been mooted by our ruling that RA 8974 has no prospective application.

Even if we resolve the issue on the merits, the December 2, 2003 Order has to be nullified.

Much reliance was made by the trial judge on the July 9, 2002 Certification issued by Asst. RDO Torres of the Batangas City BIR office that the expropriated lots had a zonal value of PhP 4,250 per square meter, and that the lots were industrial in nature. This was a gross abuse of discretion on the part of Judge Tac-an. For one, the BIR official who certified the zonal value was not even the head of the BIR revenue district office, but an assistant. It had not been demonstrated that he had the power or authority to issue such certification as to the value of the lots in question. The certification was not under oath. Torres was not called to testify on the contents of his certification. The contents, therefore, are self-serving and hearsay. Torres likewise did not cite the basis for his certification, nor did he explain the process used to reach the conclusions contained therein. As such, the Torres certification is totally bereft of weight and credit.

What was patently erroneous on the part of Judge Tac-an was his failure to apply Department Order No. (DO) 31-97 issued by the Department of Finance (DOF) on February 11, 1997, when said order was the official issuance of the DOF on the current zonal valuation of lots in the province of Batangas. The Secretary of Finance first approves the zonal valuation before it is given legal effect. Said DO became effective on July 14, 1997. DO 31-97 is the official government repository of the zonal valuations of lots in the province of Batangas, which is used by the BIR and other government agencies—especially the Registrar of Deeds—with regard to the transfers of titled lots. The zonal valuations contained in DO 31-97 are the results of a rigorous process and cannot be the sole handiwork of a mere Assistant Revenue District Officer like Torres.

As explained during the March 25, 2008 oral arguments, the current relevant zonal valuation of an area is arrived at following a particular process. The BIR forms a technical committee to gather all the recent sales and conveyances submitted to the BIR for purposes of capital gains tax, estate tax and VAT in a particular area. The committee likewise gets the schedule of values from the local assessor's office. Armed with these data, the committee conducts a public hearing where the landowners, brokers, businessmen and those who will be affected by the resultant zonal valuation usually attend. Thereafter, an executive committee of the BIR endorses the proposed zonal valuation to the Commissioner of Internal Revenue (CIR) who, in turn, recommends the same to the Secretary of Finance for approval. The July 9, 2002 Certification of Asst. RDO Torres has not been shown to have been the product of such process and, hence, is not worthy of weight or credit. Thus, Judge Tac-an, as a veteran trial judge, should have known of the existence of DO 31-97 and taken judicial notice thereof. Judge Tac-an's stance of using the Torres certification instead of DO 31-97 only reveals his failure to keep abreast with the recent developments in law and jurisprudence as required of all magistrates under the Code of Judicial Conduct.

Had Judge Tac-an repaired to the zonal values contained in DO 31-97, he would have readily known that the zonal value of the lots in Brgy. Calicanto, Batangas City, is PhP 400 per square meter and PhP 290 per square meter for lots in Brgy. Bolbok. In both barangays, the classification of all the lots were agricultural and not industrial as declared in the assailed December 2, 2003 Order. The zonal values of PhP 400 per square meter for Calicanto lots and PhP 290 per square meter for Bolbok lots were a far cry from the amount of PhP 4,250 per square meter fixed by Torres, which was undeniably unconscionable and unjust. Thus, the December 2, 2003 Order has to be nullified; and--together with the December 18, 2003, February 13, 2004, March 24, 2004, April 12, 2004, and April 15, 2004 Orders--must, like a stack of cards, fall to the ground for total absence of support and basis.

G.R. No. 168272

The Issue

Petitioners Rosalinda Buenafe and Melencio Castillo argue that the CA erred in setting aside the RTC decision of November 6, 2003 and related processes that allowed execution vis-à-vis their claim for just compensation of PhP 5,500 per square meter based on the RTC's July 10, 2000 Order.[118]

The Court's Ruling

This petition concerns only lot owners Rosalinda Buenafe and Melencio Castillo, who, after securing a favorable ruling on November 6, 2003 from the RTC, lost in CA-G.R. SP No. 82917, on the issue of whether or not they are included within the ambit of the July 10, 2000 RTC Order (First Compensation Order).

To recall, the trial court issued the just compensation order—the July 10, 2000 Order[119]—the fallo of which reads:

WHEREFORE, plaintiff is hereby ordered to pay the above-named defendants the price of P5,500.00 per square meter of their lands subject of expropriation as a condition precedent for transferring ownership, pursuant to Sec. 4, Rule 67 of the Revised Rules of Court.

SO ORDERED.[120] (Emphasis ours.)

The Order listed and enumerated the following defendants: 1. Spouses Ernesto Curata & Lourdes F. Curata; 2. Eduardo M. Montalbo; 3. Spouses Marcelino Dalangin & Vitaliana Dalangin; 4. Pablo Sumanga; 5. Heirs of Mateo Macaraig; 6. Heirs of Paulina Acosta; 7. Heirs of Nicolas Aldover; 8. Spouses Marciano Manalo & Lucila Gabia, Gregorio Faltado, Silverio Rosales and Cesario Ilao; 9. Heirs of Aldover; 10. Catalina Perez, Lorna Pantangco, Sonia Pantangco, Belen Pantangco, Ireneo Pantangco, Jr., Pedro Chavez, Saturnina Perez, Estelita C. Perez, Estelita M. Perez, Romeo Perez, Ruben Perez, Mario Perez, Naboch Donaza Perez, Manuel Perez, Herminigildo Perez, Mayhayda Perez, Alfredo Perez, Ernesto Perez and Araceli Perez (represented by Rosario Perez Rosel); 11. Fred M. Hernandez (married to Susana Ilao) and Vicente Gutierrez; 12. Maria Lacsamana; 13. Juana Macaladlad; 14. Felisa Hernandez, Felino Hernandez and Florentino Macatangay; 15. Heirs of Basilio Macaraig and Paciencia del Mundo.

Since petitioners Buenafe and Castillo are not among those listed in the July 10, 2000 Order, then the CA correctly ruled that they were not covered by said order and could not benefit therefrom. Said First Compensation Order speaks for itself, and there is no room for doubt as to its coverage. Plainly, Buenafe and Castillo cannot claim compensation, for the assailed order has no legal force and effect on them.

In a vain attempt on the part of Buenafe and Castillo to use the July 10, 2000 Order as basis for a writ of execution, they filed a Motion on October 14, 2002 asking the trial court to implement the September 29, 2000

writ of execution pursuant to the questioned July 10, 2000 Order. On November 6, 2003, the trial court issued an order granting the issuance of the writ of execution, thus:

Considering that the landowners/defendants Rosalinda Buenafe married to Melencio Castillo is included in the complaint and that she had filed an Answer; that the area involved is 2,092 sq. m. with fair market value arrived by the Court at Php5,500.00; that she was included in the Writ of Execution dated September 29, 2000 and that she was not included as party defendant in the appeal filed by plaintiff; let a Writ of Execution be issued, it appearing that the amounts subject of execution has become final and executory.

SO ORDERED.

The CA nullified the afore-quoted Order on the ground that the July 10, 2000 Order had not attained finality with respect to Buenafe and Castillo, since they were not included in said order in the first place, and therefore there was no need to include them in the appeal interposed by PPA from the said July 10, 2000 Order. The lot owners challenge the CA ruling in the instant petition.

The plea of Buenafe and Castillo must fail.

It is simple logic that said petitioners were not included in the PPA's appeal, since they were not covered by the July 10, 2000 Order. Hence, they cannot claim that because they were not included in the appeal, then they can demand execution of an order that does not apply to them in the first place. More importantly, since they are not included in the First Compensation Order, then such order cannot be considered as an adjudication in their favor. Consequently, the nullification of the November 6, 2003 Order utilizing the July 10, 2000 Order is proper. Where the Order of execution is not in harmony with and exceeds the final order that gives it life, the order has pro tanto no validity.

Even if we concede that petitioners Buenafe and Castillo are included in the August 15, 2000 Order (the Second Compensation Order) based on the catch-all clause "those similarly situated, including those who did not file answer" in said order, still the November 6, 2003 Order granting to them PhP 5,500 per square meter has to be amended in light of our ruling in G.R. No. 173392 on just compensation.

G.R. No. 170683 and G.R. No. 173392

The Issues

In G.R. No. 170683 - Petitioner PPA raises the following grounds for our consideration:

I

PETITIONER WAS DEPRIVED OF ITS RIGHT TO A PRE-TRIAL AND TO PRESENT EVIDENCE AND, HENCE, ITS RIGHT TO DUE PROCESS.

II

THE EXPROPRIATED LOTS ARE AGRICULTURAL LOTS.

III

THE [CA] MISAPPREHENDED THE FACTS AND ACTED WITH GRAVE ABUSE OF DISCRETION IN AFFIRMING THE TRIAL COURT'S ORDER DATED SEPTEMBER 7, 2000.[121]

In G.R. No. 170683 - PPA seeks reconsideration of the Court's August 27, 2007 Decision on the following grounds:

I.

THE GOVERNMENT TIMELY INTERPOSED AN APPEAL FROM THE AUGUST 15, 2000 ORDER, WHICH IS THE FINAL ORDER THAT DISPOSED OF THE MERITS OF THE EXPROPRIATION CASE.

II.

RULES ON CIVIL CASES RELATIVE TO EXECUTIONS PENDING APPEAL SHOULD NOT BE APPLIED TO THE SPECIAL CIVIL ACTION OF EMINENT DOMAIN, LEST THE REMEDY OF APPEAL BECOMES NUGATORY.

III.

THE "JUST COMPENSATION" AS DEFINED BY THE TRIAL COURT IN ITS AUGUST 15, 2000 ORDER, THAT IS—P5,500.00 PER SQUARE METER OF RAW MARSHLAND IN BATANGAS (INACCESSIBLE AND SUBMERGED IN WATER AT THE TIME OF THE TAKING)—IS PATENTLY UNJUST.

IV.

THE INTEREST RATE APPLICABLE TO EXPROPRIATION PROCEEDINGS IS 6% PER ANNUM.[122]

Given that the petitions in G.R. Nos. 154211-12, G.R. No. 170683 and G.R. No. 173392 involve related appeals from the RTC Orders fixing just compensation at PhP 5,500 per square meter, as well as the three (3) other petitions bearing on the same issue of the proper compensation, the Court, to avoid repetitiousness, will enter a joint ruling on the said issue of just compensation that should be paid to the lot owners subject of Civil Case No. 5447.

In the interest of expeditious dispensation of justice, the Court will no longer await the resolution of the issue of just compensation subject of PPA's reinstated appeal in CA-G.R. SP No. 60314, involving the July 10, 2000 Order (First Compensation Order), and instead decide PPA's appeal in these consolidated petitions. Likewise, the legality and propriety of all assailed orders of the Batangas RTC relating to the main issue of just compensation in Civil Case No. 5447 shall be resolved jointly in these petitions.

The Court's Initial Ruling in G.R. No. 173392

On August 24, 2007, the Court, through its First Division, rendered the Decision, now under reconsideration, denying PPA's petition for review on certiorari and affirming the resolution of the CA in the consolidated cases CA-G.R. CV No. 77668 and CA-G.R. SP Nos. 87844 and 90796.

In dismissing PPA's petition, the August 24, 2007 Decision (First Division of the Court) explained that the August 15, 2000 Order was interlocutory and, therefore, could not be the subject of appeal. Even if it were, the Court adopted the finding of the CA that the just compensation at PhP 5,500 per square meter had basis and was consistent with statutory standards. It further ruled that PPA's petition before the CA assailing the May 29, 2001 Order granting the execution of the August 23, 2000 Order (Cruz Group) and related RTC orders was filed late, having been filed more than three (3) years and six (6) months from receipt of the May 29, 2001 Order. Even if filed on time, there was no error on the part of the trial court, since there was no appeal filed by PPA from the August 23, 2000 Order (in favor of the Cruz Group) which had become final and executory. Anent the third issue, it was ruled that the immediate payment of the zonal value of the subject lots based on the July 9, 2002 BIR certification of Asst. RDO Torres pursuant to RA 8974 was proper, and that the RTC did not commit any grave abuse of discretion in ordering the payment thereof. Lastly, the petition to cite Judge Tac-an for contempt of court has become moot and academic as he has retired compulsorily from the Judiciary.

The fallo of the Decision under reconsideration reads:

WHEREFORE, we DENY the petition. The assailed Resolution of the Court of Appeals in these consolidated

cases: CA-G.R. CV No. 77668, CA-G.R. SP No. 87844, and CA-G.R. SP No. 90796 is AFFIRMED.

The TRO we issued on August 7, 2006 is LIFTED.

The trial court is directed to implement its final and executory Order dated August 23, 2000 requiring petitioner [PPA] to pay respondents, represented by Atty. Cesar Cruz, just compensation at P5,500.00 per square meter of their expropriated lots, with 12% interest per annum from the date of petitioner's entry on the lots or on September 11, 2001 until fully paid.

Likewise, the trial court is directed to implement the following final and executory Orders requiring petitioner to pay respondents just compensation at P5,500.00 per square meter pursuant to its Order dated August 15, 2000, with 12% interest per annum from the date of expropriation on September 11, 2001 until fully paid:

- Order dated July 10, 2000 for respondents represented by Atty. Reynaldo Dimayacyac;
- Order dated August 17, 2000 for respondents represented by Atty. Emmanuel Agustin;
- Order dated August 18, 2000 for respondents represented by Atty. Gregorio Ortega; and
- Order dated August 23, 2000 for respondent Pastor Realty Corporation.

It is understood that the zonal value per square meter of the expropriated lots, classified as industrial, is increased from P400.00 to P4,250.00 per square meter. The initial deposit paid by petitioner to respondents shall be deducted from the total amount of just compensation payable to them.

SO ORDERED.[123]

The fallo reveals that the legality of the July 10, 2000 Order (First Compensation Order) issued in favor of the Dimayacyac Group, which was actually the subject of the unresolved appeal in CA-G.R. SP No. 60314 before the CA, was decided by the Court (First Division) in G.R. No. 173392.

On September 7, 2007, PPA interposed a motion for reconsideration.

On December 10, 2007, the August 24, 2007 Decision of the First Division in G.R. No. 173392, with the pending motion for reconsideration, was referred en consulta to the Court En Banc. On January 29, 2008, it was accepted as a case for the Court En Banc.[124]

In its motion for reconsideration, PPA argues that: (1) the government timely interposed an appeal from the August 15, 2000 Order, which was the final order that disposed of the merits of the expropriation case; (2) rules on civil cases relative to executions pending appeal should not be applied to the special civil action of eminent domain, lest the remedy of appeal becomes nugatory; (3) "just compensation" as defined by the trial court in its August 15, 2000 Order—that is, Php 5,500 per square meter of raw marshland in Batangas (inaccessible and submerged in water at the time of the taking)—is patently unjust; and (4) the interest rate applicable to expropriation proceedings is 6% per annum.

Before we decide the main issue of just compensation, we first resolve the procedural issue of whether or not the August 15, 2000 Order (Second Compensation Order) is a final or interlocutory order.

A second hard look constrains the Court to recall its previous ruling that the assailed order is interlocutory in nature.

Distinction between an interlocutory and a final order

In *Investments, Inc. v. Court of Appeals*, this Court explained the nature of a final order and how it differs from one that is interlocutory, in the following wise:

The concept of "final judgment", as distinguished from one which has "become final" ... is definite and settled. A "final" judgment or order is one that finally disposes of a case, leaving nothing more to be done by the Court in respect thereto, e.g., an adjudication on the merits which, on the basis of the evidence presented at the trial, declares categorically what the rights and obligations of the parties are and which party is in the right; x x x. Once rendered, the task of the Court is ended, as far as deciding the controversy or determining the rights and liabilities of the litigants is concerned. Nothing more remains to be done by the Court except to await the parties' next move (which, among others, may consist of the filing of a motion for new trial or reconsideration, or the taking of an appeal) and ultimately, of course, to cause the execution of the judgment once it becomes "final" or, to use the established and more distinctive term, "final and executory."

x x x x

Conversely, an order that does not finally dispose of the case, and does not end the court's task of adjudicating the parties' contentions and determining their rights and liabilities as regards each other, but obviously indicates that other things remain to be done by the Court, is "interlocutory," e.g., x x x. Unlike a "final" judgment or order, which is appealable, as above pointed out, an interlocutory order may not be questioned on appeal except only as part of an appeal that may be eventually taken from the final judgment rendered in this case.[125] (Emphasis ours.)

According to Sec. 1, Rule 141 of the Rules of Court, governing appeals from the regional trial courts to the CA, an appeal may be taken only from a judgment or final order that completely disposes of the case or of a matter therein when declared by the Rules to be appealable. Said provision, thus, explicitly states that no appeal may be taken from an interlocutory order.

While the general rule proscribes the appeal of an interlocutory order, there are also recognized exceptions to that rule. Where special circumstances clearly demonstrate the inadequacy of an appeal, then the special civil action of certiorari or prohibition may exceptionally be allowed.[126] This Court recognizes that, under certain situations, recourse to extraordinary legal remedies, such as a petition for certiorari, is considered proper to question the denial of a motion to quash (or any other interlocutory order) in the interest of a "more enlightened and substantial justice;"[127] or to promote public welfare and public policy;[128] or when the cases "have attracted nationwide attention, making it essential to proceed with dispatch in the consideration thereof;"[129] or when the order was rendered with grave abuse of discretion.[130] Certiorari is an appropriate remedy to assail an interlocutory order: (1) when the tribunal issued such order without or in excess of jurisdiction or with grave abuse of discretion; and (2) when the assailed interlocutory order is patently erroneous, and the remedy of appeal would not afford adequate and expeditious relief.[131]

August 15, 2000 Order (Second Compensation Order) is a final order

Essentially, an expropriation suit is commenced because the parties concerned cannot come to an agreement as to the price offered for the lot needed by the expropriating agency. Once expropriation is ruled to be proper, then the first compensation for the lot to be taken must be determined. Once the just compensation is fixed, then the rights of the landowners and the corresponding obligation of the expropriating government agency are contextually defined and settled, and there is really nothing to be done save the enforcement of the corresponding order. As this Court stressed in *Municipality of Biñan v. Garcia*: "The order fixing the just compensation on the basis of the evidence before [the court], and findings of, the commissioners would be final, too[, as it] would x x x leave nothing more to be done by the [c]ourt regarding [this] issue." [132]

The pertinent portion of the Second Compensation Order (August 15, 2000 Order) reads:

Based on the foregoing considerations, the Court hereby sets the fair market value of PhP 5,500 per square

meter of the lots of the above-named defendants and those similarly situated including those who did not file answer.

The Court rules that the August 15, 2000 Order is a final order.

Our ruling on the meaning of a final order in *BA Finance Corp. v. CA* is illuminating:

Section 2, Rule 41 of the Revised Rules of Court provides that "(o)nly final judgments or orders shall be subject to appeal." Interlocutory or incidental judgments or orders do not stay the progress of an action nor are they subject of appeal "until final judgment or order is rendered for one party or the other." The test to determine whether an order or judgment is interlocutory or final is this: "Does it leave something to be done in the trial court with respect to the merits of the case? If it does, it is interlocutory; if it does not, it is final." A court order is final in character if it puts an end to the particular matter resolved or settles definitely the matter therein disposed of, such that no further questions can come before the court except the execution of the order. The term "final" judgment or order signifies a judgment or an order which disposes of the cause as to all the parties, reserving no further questions or directions for future determination. The order or judgment may validly refer to the entire controversy or to some definite and separate branch thereof. "In the absence of a statutory definition, a final judgment, order or decree has been held to be x x x one that finally disposes of, adjudicates, or determines the rights, or some right or rights of the parties, either on the entire controversy or on some definite and separate branch thereof, and which concludes them until it is reversed or set aside." The central point to consider is, therefore, the effects of the order on the rights of the parties.[133]

From the foregoing, it is beyond any equivocation that the assailed Order definitely settles the issue of what is the just compensation for the defendants outside of the Dimayacyac Group who were covered by the July 10, 2000 Order which is by the way also a final order. The August 15, 2000 Order finally disposes of the issue of valuation for the lots of said defendants, leaving nothing more for future determination. It, thus, fixed the just compensation at PhP 5,500 per square meter and nothing remains except the execution of the Order. The trial court was actually about to execute the final August 15, 2000 Order and other implementing orders were it not for the restraining order and writ of injunction issued by the Court.

Furthermore, even a simple perusal of the Second Compensation Order easily reveals the justification and arguments in support of the trial court's finding that the just compensation is at PhP 5,500 per square meter (2nd paragraph of August 15, 2000 Order). It cited the July 10, 2000 Order fixing the just compensation for the lots of Dimayacyac Group at PhP 5,500 per square meter. It cited the findings and recommendations of Cuervo Appraisers, Inc. that the fair market value ranges from PhP 5,500 to a maximum of PhP 6,000. It mentioned the sales in favor of Demetrio Marasigan, Andrea Palacios and First Gas where the prices ranged from PhP 5,000 per square meter to PhP 10,000 per square meter. It likewise considered *Dimaano v. PPA*, which pegged the price at PhP 10,000 per square meter. Lastly, it cited *Toledo City v. Fernandes* where it was ruled that the fair market valuation is greatly guided by prior sales near the date of expropriation.

The text of the assailed order and the concluding paragraph pegging the just compensation at PhP 5,500 per square meter fully complies with Sec. 1 of Rule 36 which reads:

Rendition of judgments and final orders.—A judgment or final order determining the merits of the case shall be in writing personally and directly prepared by the judge, stating clearly and distinctly the facts and the law on which it is based, signed by him, and filed with the clerk of the court.

The August 15, 2000 Order was signed by the issuing judge who stated therein the facts and the law on which it was based. The same order declared the rights of the lot owners to just compensation and the obligation of PPA to pay the private respondents just compensation for their lots taken to be well-nigh defined or at least ascertainable. The Order is, therefore, an adjudication on the merits of the issue of just compensation, as it declares the just

compensation at PhP 5,500 per square meter. Such finding is in favor of the above-named defendants and those similarly situated including those who did not file an answer. Perforce, we vacate our holding in the assailed August 24, 2007 Decision in G.R. No. 173392 that the August 15, 2000 RTC Order is an interlocutory order. Indeed said order was a final order that could be the subject of appeal, which was timely interposed by PPA.

While it is true that the concluding paragraph is not the typical dispositive portion that starts with the word "WHEREFORE" or the phrase "IN VIEW OF THE FOREGOING," the flaw, if it can be considered as such, relates only to form and is unimportant. What is clear to the Court is that the concluding paragraph contains the disposition of the trial court, which finally resolves the issue of just compensation.

Subsequent Orders implementing the
August 15, 2000 Order are mere
interlocutory orders

The orders issued to enforce the Second Compensation Order are the RTC Orders dated August 17, 18, and 23, 2000, which named and specified the lot owners indicated in the August 15, 2000 Order as "above-named defendants and those similarly situated including those who did not file answer." All these orders are anchored or based on the August 15, 2000 Order as they are all uniformly prefaced as having been issued "Pursuant to the Order of 15 August 2000." Clearly the mother order was the August 15, 2000 Order which ruled on the just compensation for the expropriated lots. The subsequent orders principally served merely to implement the August 15, 2000 Order and were mere interlocutory, as the issue of just compensation had already been resolved in the August 15, 2000 Order, a final order. The subsequent orders (August 17, 18, and 23, 2000 Orders) did not dispose of the issue of just compensation or declare the rights and obligations of the parties, as these matters were already decided in the August 15, 2000 Order. Said orders were issued simply to clarify the August 15, 2000 Order, for the question of who were "the above-named defendants and those similarly situated including those who did not file answer" had to be straightened out. These were simply clarificatory and implementing orders of the August 15, 2000 Order, but nevertheless of interlocutory nature and did not need to be appealed, as the August 15, 2000 Order had already been subject of an appeal to the CA (CA-G.R. CV No. 77668). Hence, the August 17, 18, and 23, 2000 Orders, specifically mentioning the lot owners, cannot be executed on the sole ground that the same have become final. These orders will rise or fall depending on the outcome of the appeal from the August 15, 2000 Order in CA-G.R. CV No. 77668.

Even if it is conceded that the August 17, 18, and 23, 2000 Orders are final orders, PPA need not interpose an appeal from each one, since it has already appealed the principal order—the August 15, 2000 Order—and the decision in said appeal will be binding and conclusive on the said implementing orders.

Just compensation

In view of our ruling that the August 15, 2000 Order is the final order that can be appealed to the CA, thus removing the technical hurdle, the correctness of the ruling of the trial court that the just compensation is PhP 5,500 per square meter will have to be examined anew on the merits.

As earlier stated, G.R. No. 173392, which was an appeal from CA-G.R. CV No. 77668 and CA-G.R. SP No. 87844 that stemmed from the August 15, 2000 Order (Second Compensation Order), revolves around the issue of just compensation. The other six petitions—particularly G.R. Nos. 154211-12, which pertain to the appeal of PPA from the July 10, 2000 Order (First Compensation Order) affecting lot owners Ernesto Curata, et al. (Dimayacyac Group)—are to be resolved jointly with G.R. No. 173392, as these also pivot on the issue of just compensation.

Fair market value, as an eminent domain concept, is determined by, among other factors, the character of the

property at the time of the taking of the property.[134] It is basic that the nature and character of the land at the time of the taking is the principal criterion for determining how much just compensation is to be given to the lot owner,[135] not the potential of the expropriated area.[136] With these principles in mind, it is clear that the fact that the subject lots would eventually be developed as an integral part of the BPZ and consequently devoted to industrial use is of little moment for purposes of determining just compensation. And the adaptability for conversion in the future of the lots found within the BPZ is a factor, but not the ultimate in determining just compensation.

After a circumspect reevaluation and analysis of the records and evidence at hand and taking into careful account the information gathered from the oral arguments, the Court arrives at the conclusion that the just compensation or the full and fair equivalent of the property sought to be expropriated[137] at the time of taking is PhP 425 per square meter.

The reasons for recalling our previous ruling affirming the CA decision pegging the just compensation at PhP 5,500 per square meter are:

No land classification under EO 385 and 431

First, the subject expropriated properties at the time of the taking were classified as neither industrial nor commercial, since EO 385[138] and EO 431[139] did not convert the subject lots within the BPZ into industrial or commercial.

EO 385, as couched, did no more than set the metes and bounds of, in fine delineate, the BPZ to facilitate and regulate the taking of private properties for the development of the port zone. The complementing EO 431 expanded the BPZ. Both EOs are not land-reclassifying instruments. The texts of both executive acts suggest as much. Contrary to what the respondents maintain, the issuances EOs 385 and 431, standing alone, did not convert the lots within the zone from agricultural into industrial or commercial.

Aerial photographs show actual characterization of land

Second, the characterization of the disputed lots is undeniably agricultural lands coming in the form of horticultural land, salt bed, fish ponds and swampy areas. Since EO 385 and EO 431 did not ipso facto reclassify the subject expropriated lands into commercial or industrial, they remain agricultural. Adding corroborative, but certainly significant, support to the above conclusion on the agricultural nature of the lots at the proposed port site are the uncontroverted aerial photographs[140] of the areas that were submitted by the PPA. If the adage "pictures don't lie" is to be followed, then those aerial photographs give a conclusive dimension to what they depict.

Tax Declarations show subject lands are agricultural lands

Third, the tax declarations of private respondents—veritable admissions against interest—clearly show that the subject expropriated lots were agricultural. The exhibits[141] submitted by, inter alia, the private respondents, represented by Atty. Ortega (Ortega Group), indicate that all but three described their landholdings as agricultural. In the ordinary scheme of things, these exhibits carry a high evidentiary value, being, as to the tax-declaring respondents, in the nature of admissions against interest.

A scrutiny of these tax declarations in question readily shows that only three (3), out of some 88 lot owners, characterized their lands as non-agricultural. We refer to Esperanza Dimaandal, who declared her property in Brgy. Bolbok to be industrial.[142] "Residential," on the other hand, was how Pablo D. Mendoza, with respect to one of his lots,[143] and Segundina B. Gualberto as to her landholding[144] in the same barangay, declared their respective properties. But whether or not any of the three actually used his or her land for residential or industrial

purposes was an important factual matter left undetermined by the trial court. Such claim, moreover, was not buttressed by clear and convincing proof.

Judging from said tax declarations, it may safely be deduced that the lands sought to be occupied by the BPZ are generally, if not wholly, agricultural, salt bed, horticultural and/or swampy fishponds. The nagging fact, however, remains—that an overwhelming majority of the lots were neither commercial nor industrial in character and were not viewed or even used as such by the very owners themselves.

DO 31-97 shows agricultural classification of subject lands

Fourth, the adverted DO 31-97, setting zonal valuation of several localities in Batangas City, which include Barangays Bolbok and Calicanto where the subject lands are located, clearly indicates that the subject expropriated lands were agricultural.

As discussed above in our resolution of G.R. No. 166200, DO 31-97 covering the barrios/barangays where the expropriated lands are located did not have any lot classified as industrial. This is another piece of evidence that accentuates the real nature of subject lands as agricultural prior to and during the taking by PPA.

Per DO 31-97, the expropriated lots located at Brgy. Calicanto, Batangas City, were assigned the value of PhP 400 per square meter; and those located at Brgy. Bolbok, Batangas City, the value of PhP 290 per square meter. The valuation made under DO 31-97 is reflected in the Batangas City BIR Revenue District No. 58 zonal valuation as zonal valuation of agricultural lands in Barangays Calicanto and Bolbok.[145] This is not to mention that the subject expropriated lots are duly itemized in the Lists for Deposit Based on the 1998 Zonal Valuation as per Court Order.[146]

Regarding the lots found in Brgy. Sta. Clara, DO 31-97 does not have any zonal valuation for said lots. However, under the guidelines set for BIR zonal valuations through department orders, the rule is that—where there is no zonal value prescribed for a particular classification of real property in one barangay—the zonal value prescribed for the same classification of real property located in an adjacent barangay of similar conditions shall be used. No. 1(b) of the guidelines under DO 31-97 covering RDO No. 58, Batangas City pertinently provides:

CERTAIN GUIDELINES IN THE IMPLEMENTATION
OF ZONAL VALUATION OF REAL PROPERTIES FOR

RD No. 58-Batangas City

1. No Zonal Value has been prescribed for a particular classification of Real Property.

Where in the approved Schedule of Zonal Values for a particular Barangay —

a)

No Zonal Value has been prescribed for a particular classification in a particular street/subdivision in a Barangay, the Zonal Value prescribed for the same classification of real property located in the other street/subdivision within the same Barangay of similar conditions shall be used; and

b)

No Zonal Value has been prescribed for a particular classification of Real Property in one Barangay, the Zonal Value prescribed for the same classification of Real Property located in an adjacent Barangay of similar conditions shall be used.

x x x x

Pursuant to the above guidelines, it is clear that Brgy. Sta. Clara, being adjacent to Brgys. Bolbok and Calicanto, with the subject lots therein having similar conditions as the latter, would have a zonal value of either PhP 290 and PhP 400—the zonal valuation of Brgys. Bolbok and Calicanto, respectively—or a zonal value within the range of the two.

Subject lands were undeveloped and vacant, except for fishponds

Fifth, the subject lands were undeveloped and vacant except for fishponds, as can be gleaned from the judicial admissions during the March 25, 2008 oral arguments of Atty. Cruz and Atty. Dimayacyac, counsels of some of the private respondents, that the lands of their clients were vacant, undeveloped and earning no income prior to and during the time of the taking, except for the fishponds.

This lends corroborative evidence to the agricultural nature and classification of subject expropriated lands. When asked during the March 25, 2008 oral arguments, Atty. Cruz admitted that, at least, the properties of his clients were vacant, without any income and totally undeveloped. Some excerpts of Atty. Cruz' answers:

ASSOCIATE JUSTICE VELASCO: Do you agree that the lots of your clients are commercial in nature? What were found at that time on the lots of your clients?

ATTY. CRUZ: Well, it was vacant land, Your Honor.

J. VELASCO: It was vacant. Do you think that said lots can be treated as commercial if they are not being used for commercial purposes?

ATTY. CRUZ: Yes, Your Honor. Because there is such principle, that the owner of the land is entitled to the highest and best use of the property. It need not be referring to the actual use at the time it was expropriated, as Republic Act 8974 says: "The classification and the suitability of the use of the land whether it is for commercial, industrial or residential." [147]

x x x x

J. VELASCO: What are the buildings, if any, in Barangay Calicanto in 1989?

ATTY. CRUZ: There are no buildings, if we are talking of buildings, but we are talking of what is the potential of the property. x x x

J. VELASCO: To what particular use did your clients devote their lots in 1989, what did they do with it?

ATTY. CRUZ: In 1989, Your Honor, as I said, the property is vacant because of the Executive Orders of President Aquino of 1989 and 1990. x x x

J. VELASCO: Prior to that particular issuance, what is the use to which the particular lots of your client are devoted to? How did they use it, prior to the declaration of the Court?

ATTY. CRUZ: Well, all that I can say, Your Honor, is it is vacant because our clients, American citizens and Canadian citizens, they reside in Boston and in Canada so they don't know what is being used except that it is a vacant lot.

J. VELASCO: So they are not using it, you have to admit at that time, because your clients were abroad in Canada, as you said.

ATTY. CRUZ: Yes, Your Honor.

J. VELASCO: And they did not, apparently, derive any income from the lot since they have not been using it, is that correct?

ATTY. CRUZ: Well, presumably.[148]

The same factual situation can be said of the other expropriated lands except for those that were used as fishponds, which clearly were under water during high tide as shown by the aerial photographs. Moreover, Atty. Dimayacyac, Sr. also categorically affirmed that the seaside properties of his clients were not developed beach resorts of any kind at the time of the taking.[149]

Conveyance of some of the subject lots

Sixth, the compromise and/or purchase agreements entered into by and between PPA and around 28 of private respondents from the year 2002 and onwards priced their respective lands at PhP 500 per square meter. The purchase price as consideration for the conveyances persuasively shows the actual fair market value of the subject expropriated lands. These agreements represent clear and convincing evidence that was ignored by the trial court and the CA but should have been assigned strong weight and credit.

The landowners, among others,[150] were the spouses Gerardo Abacan and Alicia Fabul,[151] Manuel D. Magadia married to Aida Catala,[152] and the Heirs of Eulalio Buenafe.[153] A very recent compromise agreement was executed on October 15, 2007 between PPA and Pacita Berba-Panopio covering an area of 2,230 square meters located at Bolbok, Batangas City also for the price of PhP 500 per square meter. Unlike in the three sales in 1996 and 1997 adverted to in the aforementioned commissioners' report, the unit cost price agreed upon in the conveyances effected by respondents Abacan, et al., reflected the true fair market value of the expropriated lots at the time of the taking, which was in the vicinity of PhP 500 per square meter.

On the other hand, the RTC committed reversible error in the two (2) compensation orders when it relied on evidence not worthy of weight and credit, thus:

(1)

3 prior land sales/transactions purportedly within the [BPZ] between 1996-1997 ([a] deed of absolute sale between Demetrio Marasigan in favor of PPA dated December 11, 1996 at PhP 5,000 per square meter; [b] judgment via compromise agreement in Civil Case No. 4641 between Andrea Palacios and the City Government of Batangas for a road right of way at PhP 5,211 per square meter; [c] purchase of land fronting Batangas Bay by First Gas Co. purportedly at PhP 10,000 per square meter.);[154]

(2)

the January 20, 1999 Decision by Compromise Agreement in the [CA] in *Dimaano v. PPA* with a PhP 10,000 per square meter price;

(3)

the report of Salvador D. Oscianas of the Cuervo Appraisers, Inc.

The facts disclosed during the oral arguments shed light on the aforementioned conveyances. The more telling of these was that the said prior sales involved lands of different categorization and located outside the area covered by Phase II of the port project. For instance, the residential 350-square-meter Marasigan property PPA bought in December 1996 for PhP 5,000 per square meter was residential in character and had a bungalow standing thereon. It was located outside BPZ Phase II. The same can be said of the September 1997 Batangas City-Andrea Palacios compromise agreement, covering the acquisition of a road right-of-way with an area of 43 square meters found a kilometer away from BPZ Phase II. Standing on the lot of Palacios, which was residential in nature, were a bodega, a garage and some mango trees, which may explain why a higher valuation was agreed to by the city government of Batangas.

What was more telling was the slide presentation by the OSG during the March 25, 2008 oral arguments. When Justice Carpio posed clarificatory questions to Solicitor General Devanadera, the latter showed that these properties, as shown by the map slides, were unquestionably outside the BPZ Phase II project, thus:

ASSOCIATE JUSTICE CARPIO: Okay. Can you flash again the—that slide on the three lots that was mentioned by the Cuervo Appraisal, the three lots, the residential, those small lots that were purchased from five thousand?

SOL. GENERAL DEVANADERA: The three lots, Your Honor.

J. CARPIO: Okay. What barrio is the first lot located?

S.G. DEVANADERA: Marasigan property, Your Honor.

J. CARPIO: Yeah. What is the barrio?[155]

x x x x

S.G. DEVANADERA: Santa Clara, Your Honor.

J. CARPIO: Is that Santa Clara?

S.G. DEVANADERA: Yes, Your Honor. That is outside, Your Honor. That is outside the project.

J. CARPIO: Yeas, that is outside the project.

S.G. DEVANADERA: Yes, Your Honor.[156]

x x x x

J. CARPIO: So these are quite far from the area (interrupted)

S.G. DEVANADERA: The subject of this expropriation case, Your Honor.[157]

Moreover, the RTC, in the First Compensation Order of July 10, 2000, categorically made reference to the First Partial Report of the court-appointed commissioners, who described the Marasigan and Palacios properties as being far from the questioned lots, thus:

NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, that in view of all the foregoing, it is the most considered view of the herein Commissioners to submit the cost of FOUR THOUSAND EIGHT HUNDRED PESOS (P4,800.00) per square meter, for payment of just compensation, subject to further review, evaluation, discretion and sound judgment of this Honorable Court.

Commissioner Lauro C. Andaya appeared in Court in behalf of other Commissioners to identify the said report and to answer to the clarificatory question propounded by the court and the parties. He stated that the basis of the P4,800.00 compensation per square meter was the Deed of Absolute Sale executed by Demetrio E. Marasigan in favor of the Philippine Ports Authority, executed on December 11, 1996 (Exhibit "3"). He admitted that he is aware of the compromise agreement between Andrea Palacios and the City Government of Batangas which was the basis of the judgment by compromise on September 22, 1997 on Civil Case No. 4641, presided by Regional Trial Court, Branch 84. The price per square meter was agreed upon to be P5,211.00. The land area involved is about 7 kilometers upon the properties in question. x x x (Emphasis supplied.)

It is, thus, clear that these properties were clearly located outside and far from the subject expropriated properties.

Not much detail was presented regarding the undocumented First Gas purchase of land fronting Batangas Bay at a purported price of PhP 10,000 per square meter, save for the fact that the transaction transpired from 1995 to 1997. Significantly, the appraisal report adduced in evidence by the Ortega Group only mentioned that reportedly

said acquisition by First Gas of raw land property was at a price of PhP 10,000 without documentary support. At any rate, like the two other transactions, the said First Gas purchase covers a lot outside the Phase II development zone, which was confirmed by Atty. Dimayacyac during the oral argument:

ASSOCIATE JUSTICE VELASCO: When you aver in your answer that the fair market value is P8,000.00, did you use as basis the sale in favor of Palacios, Marasigan and First Gas? did you use that as basis?

ATTY. DIMAYACYAC: We consider that, we don't consider the First Gas because that is far away although it has been re-classified. It is far, far away and we did not consider that. We consider the P5,211.00 and may I mention along that line, Your Honor, x x x.[158]

As to the Dimaano lot, allegedly worth PhP 10,000 per square meter, we take note that no details were provided by the RTC about the Compromise Agreement in *Dimaano v. PPA*. The agreement was not presented, albeit it was mentioned in passing during the August 15, 2000 hearing. It should be noted also that the price or value of a lot that is subject of a transfer covered by a compromise agreement between the parties to a case cannot be a reliable gauge or basis of the determination of the fair market value that must be assigned to a lot subject of an expropriation case. The price can be consented to by the parties, even without much regard for the current fair market value, as there may have been other considerations that came into play in the price-fixing for the lot. Verily, the RTC should not have relied on the acquisition of the Dimaano property to prop up the fair market value of PhP 5,500 per square meter for want of factual basis.

The Oscianas Report of Cuervo Appraisers, Inc., dated July 17, 2000, deserves scant weight or credit. For one, the services of Mr. Oscianas were engaged and paid for by the Ortega Group. Thus, he can be considered a biased witness for the lot buyers. A witness is biased when his relationship to a party is such that he has an incentive to exaggerate or give false color to his statements or "suppress or revert the truth." It is said that bias is a "disposition to see and report matters as they wished for rather than as they are." [159]

Bias on the part of Mr. Oscianas was revealed when he justified his recommendation of PhP 6,000 per square meter this way:

Mr. Oscianas stated that the lands in the area in question are for commercial/light industrial purposes. These are developed areas as per his ocular inspection. It is accessible by National highways (Calicanto) from Batangas City Hall and the Bauan/Diversion Road as well as Municipal Road (the bypass road), and by the sea (Port of Batangas). It has water, lighting, communications and garbage facilities. Batangas City and province enjoy continuous boom of industrial and commercial developments. It has not experienced recession, unlike other regions, although it has experienced also the depreciation of the peso and the rise of the prices of prime commodities and real properties, much higher than P15,000.00 per square meter than the recorded past sales prices.[160]

These findings of Mr. Oscianas are totally bereft of factual basis. The aerial photographs of Phase II, where the lots in question are located, indubitably demonstrate that said lots are agricultural or horticultural lands, salt beds, fishponds and swampy lands. Even the lot owners themselves admit that said lots are classified as agricultural per their respective tax declarations, and not industrial or commercial as Mr. Oscianas erroneously concluded. Contrary to the bare claim of Mr. Oscianas that these lots are developed areas, Attys. Cruz and Dimayacyac during the March 25, 2008 oral arguments revealed that the lots of their clients were vacant, totally undeveloped and unable to generate income. The seaside lots were not developed beach resorts or used for commercial purposes. The Oscianas Report was likewise controverted by the findings of the CA in *CA-G.R. SP No. 81091* entitled *Philippine Ports Authority v. Tac-an* where it nullified the October 29, 2003 RTC Order directing payment to the heirs of Popula Llana at PhP 5,500 per square meter-anchored on the Second Compensation Order of August 15, 2000. Said CA Decision characterized the lot of Llana, which was similarly situated as other lots in

question, as swampy, salt bed and horticultural in nature. It succinctly elucidated why the subject lots could not command the price of PhP 5,500 per square meter, thus:

Also, the just compensation of P5,500.00 in Civil Case No. 5447 for the expropriated lands of the other defendants which are situated in different barangays, cannot be a fair gauge specially considering that the property was a swamp land at the time PPA condemned the same. Moreover, subject property cannot be compared to those near Rizal Avenue, as the LLANA Heirs assert, considering that these two (2) properties—Rizal Avenue and Barangay Sta. Clara—are differently situated. It only happened that part, or even the whole, of Rizal Avenue is located at Barangay Sta. Clara like the subject property. However, there is evidence on record showing that Rizal Avenue teems with residential and commercial establishments. On the other hand, the photographs of subject property reveal that it is not even suitable for residential use as it is a swamp land. Therefore, the amount for P798,375,250.00 for a parcel of 187,853 square meters which is bound on the Northern and Eastern portions by a creek, and the Western portion by a river, with only a provisional value of P54,477,370.00 at P290.00 per square meter obviously based upon its assessed value appearing on the BIR Certification dated 09 July 2002, is indeed, unconscionable. x x x No saltbed, horticultural and swampy land located beside a pier, with no residences nor commercial establishments and almost no structure at all which are seen or found thereon could command such a fantabulous price. x x x

The CA's decision is final with respect to lot owner Popula Llana. While it may be true that said ruling specifically deals with the Llana lot, still, the CA's findings can be taken judicial cognizance of by the Court, considering that the Llana lot is located in the same area as the lots of other lot owners.

Lastly, the appraisal report of Mr. Oscianas cannot be given weight or credit by reason of the sudden increase in the valuation of the lots from PhP 1,100 per square meter when the same lots were appraised by Cuervo Appraisers, Inc. on August 24, 1999 to PhP 5,500 to PhP 6,000 per square meter based on the report of Oscianas of the same Cuervo Appraisers, Inc., submitted on July 17, 2000. The August 14, 1999 Cuervo Report was commissioned by the Cruz Group, while the July 17, 2000 Cuervo Report (Oscianas' prepared report) was commissioned by the Ortega Group. One year had not yet passed from August 14, 1999, and yet the Cuervo Report prepared by Oscianas on July 17, 2000 revealed a highly unusual increase of 400% in the fair market value of the lots in question. It is unbelievable that the lots in question were suddenly transformed from agricultural to industrial in less than one (1) year.

Moreover, it is a cause for concern that Judge Tac-an accepted Mr. Oscianas as amicus curiae, when the former fully knew that the latter was commissioned by the lot owners (Ortega Group) to make an examination of the lots in question and submit a report thereon, in consideration of a fee for his services. In this sense, the testimony of Mr. Oscianas is of doubtful value and subject to serious challenge on the ground that he was a biased witness who gave baseless and untruthful statements.

The Court rules, therefore, that the August 15, 2000 Order fixing the just compensation at PhP 5,500 per square meter has no solid factual leg to stand on; and said order, together with other implementing orders, is nullified for want of factual basis.

Based on the foregoing considerations, the Court finds that the value of PhP 425 per square meter is a reasonable and fair compensation for the expropriated lots in Civil Case No. 5447, especially taking into account that the highest BIR zonal valuation for said lots per DO 31-97 does not exceed PhP 400 per square meter.

Anent our holding that the May 29, 2001 Order granting the execution of the August 23, 2000 Order in favor of the Cruz Group are final orders and can be executed, the same has to be recalled and set aside in the light of our disposition that the August 15, 2000 Order was the final order that set the just compensation at PhP 5,500 per square meter, and that the assailed August 23, 2000 Order is merely an interlocutory order that does not attain

finality. As a consequence, the subsequent May 29, 2001 Order, as well as other orders implementing the August 23, 2000 Order, is annulled. Lastly, said orders have been rendered moot by our ruling on the just compensation, which drastically changed the payments, subject of said orders.

Anent the third issue, our ruling that the immediate payment of the zonal valuation, per the July 9, 2002 Torres Certification pursuant to RA 8974, has to be reversed. This reversal is in view of our ruling that it is BIR DO 31-97, not the July 9, 2002 Torres Certification, that is the legal basis for payment under RA 8974; and in view of the more cogent reason that RA 8974 does not apply to Civil Case No. 5447.

Judge Paterno Tac-an guilty of contempt

With regard to the citation of Judge Paterno Tac-an for contempt, the following antecedent facts and/or events related to Civil Case No. 5447 are relevant:

- August 15, 2000 Order fixing in general the just compensation of PhP 5,500 per square meter for the lots of defendant-owners excluding the Dimayacyac Group.
- August 23, 2000 Order listing the names of the lot owners represented by different lawyers led by Atty. Cesar C. Cruz (Cruz Group), the tax declarations of the lots, the area, and the compensation to be paid for each lot.
- May 29, 2001 Order granting the motion for execution of the August 23, 2000 Order filed by the Cruz Group.
- November 18, 2004 Order granting the motion of the Cruz Group for the issuance of a writ of execution.
- November 18, 2004 Supplemental Order.
- The issuance of the November 22, 2004 Writ of Execution.
- The issuance of the November 23, 2004 Notices of Garnishment addressed to the National Treasury, DBP, PNB and PVB.
- On December 15, 2004, the filing by PPA of a petition for certiorari with the CA, docketed as CA-G.R. SP No. 87844 questioning the aforementioned May 29, 2001 and November 18, 2004 Orders, November 18, 2004 Supplemental Order, November 22, 2004 Writ of Execution and November 23, 2004 Notices of Garnishments against the National Treasury and several banks.
- December 16, 2004 Order granting the execution of the November 24, 2004 Supplemental Order.
- December 16, 2004 Order denying the PVB Reply and Manifestation dated November 30, 2004.
- January 5, 2005 Order rejecting the reply and manifestation of PVB.
- January 6, 2005 Order directing DBP to deliver PPA's deposit of PhP 441,067,893.63 to the Cruz Group.
- January 10, 2005 Order directing the BT to hold in escrow PPA's investments in treasury bills maturing on January 12, 2005, January 19, 2005, and April 13, 2005.
- On January 10, 2005, the TRO that the CA in CA-G.R. SP No. 87844 issued through a Resolution of even date enjoining respondent judge from implementing and enforcing the May 29, 2001 and November 18, 2004 Orders, November 18, 2004 Supplemental Order, November 22, 2004 Writ of Execution, and November 23, 2004 Notices of Garnishment against the National Treasury and several banks, thus:

ORDER is hereby issued ENJOINING the public respondent Hon. Paterno V. Tac-an and all persons acting under his authority from implementing the assailed Orders dated May 29, 2001 and November 18, 2004, the Supplemental Order dated November 18, 2004, the Writ of Execution dated November 22, 2004, the Notices

of Garnishment dated November 23, 2004 addressed to the National Treasury, the [DBP], the [PNB], and the [VBP].

The TRO was valid up to March 10, 2005.

- The issuance by Judge Tac-an, despite the effectivity of the January 10, 2005 TRO, of the following orders, to wit:

- February 1, 2005 Order directing the issuance of a writ of execution of the November 24, 2004 Supplemental Order;

- February 2, 2005 Writ of Execution;

- February 3, 2005 Notice of Garnishment addressed to the PVB.

- On February 7, 2005, the filing by PPA of a Supplemental Petition in CA-G.R. SP No. 87844, assailing the February 1, 2005 Order, the February 2, 2005 Writ of Execution and the February 3, 2005 Notice of Garnishment against PVB.

- On March 15, 2005, the writ of preliminary injunction issued by the CA's Ninth Division in relation to the assailed orders and processes subject of the January 10, 2005 Resolution granting the TRO, thus:

WHEREFORE, let a Writ of Preliminary Injunction issue under Rule 58 of the 1997 Rules of Civil Procedure, as amended. The public respondent, his officials, and agents are hereby prohibited and restrained from causing the execution of the assailed Orders dated May 29, 2001 and November 18, 2004, the Supplemental Order dated November 18, 2004, the Writ of Execution dated November 22, 2004, the Notices of Garnishment dated November 23, 2004 addressed to the National Treasury, the Development Bank of the Philippines, the Philippine National Bank, and the Veterans Bank of the Philippines.

- On April 19, 2005, the issuance by the CA's Ninth Division of a TRO against Judge Tac-an, which reads:

In order not to render ineffectual the instant petition and considering that with the advent of the supervening events which transpired after the issuance by this Court of its Resolution dated March 15, 2005, great or irreparable injury would result to the herein petitioner if the acts complained of are not restrained, a TEMPORARY RESTRAINING ORDER is hereby issued ENJOINING the public respondent Hon. Judge Paterno V. Tac-an and all persons acting under his authority from implementing the following orders and processes:

- The Order dated December 16, 2004 granting the private respondents' Motion For Execution dated December 13, 2004 of the Supplemental Order dated November 24, 2004;

- The Order dated December 16, 2004 denying the petitioner's Motion for Reconsideration dated December 6, 2004 from the Order and Supplemental Order both dated November 18, 2004;

- The Order dated December 16, 2004 rejecting the Philippine Veterans Bank (PVB) Reply and Manifestation dated November 30, 2004;

- The Order dated January 5, 2005 rejecting the aforesaid reply and manifestation of the Philippine Veterans Bank for the second time;

- The Order dated January 6, 2005 directing the Development Bank of the Philippines to deliver the petitioner's deposits amounting to P441,067,893.63 to private respondents;

- The Order dated January 10, 2005 directing the Bureau of Treasury to hold in escrow the petitioner's investments on treasury bills maturing on January 12, 2005, January 19, 2005, and April 13, 2005;

- The Order dated January 11, 2005 denying the petitioner's Motion For Reconsideration dated December 10, 2004 of the Supplemental Order dated November 24, 2004;
 - The Order dated February 1, 2005 denying the petitioner's motion for reconsideration of the Supplemental Order dated November 24, 2004 and directing the immediate issuance of the corresponding writ of execution;
 - The Writ of Execution dated February 2, 2005 issued pursuant to the Supplemental Order dated February 1, 2005; and
 - The Notice of Garnishment dated February 3, 2005 addressed to the Philippine Veterans Bank and the National Treasurer.
- On April 14, 2005, the Manifestation and Motion filed by the Bureau of Treasury (BT).
- On April 20, 2005, the Order issued by Judge Tac-an setting the BT's Manifestation and Motion for hearing on April 25, 2005 at 10:00 a.m.
- On April 25, 2005, the failure of the hearing to push through because of the filing by the BT of another Manifestation and Motion dated April 21, 2005, praying that it be excused from attending the hearing.
- On June 3, 2005, the issuance by the CA's 10th Division of a Resolution in the consolidated cases of CA-G.R. CV No. 77668 and CA-G.R. SP No. 87844, enjoining respondent Judge from further proceeding with Civil Case No. 5447, the fallo of which reads:

WHEREFORE, premises considered, this Court hereby orders as follows:

(1) the Temporary Restraining Order issued by the Honorable Court through its Resolution promulgated on 19 April 2005 extends to respondent Judge Paterno V. Tac-an's Orders dated 5 and 26 April 2005 and all other orders and processes issued by him subsequent to the filing of Petitioner's [PPA] Supplemental Petition dated 7 February 2005 which implement the orders and processes assailed in said supplemental petition and which threaten to render the present cases moot and academic;

(2) respondent Judge should forthwith cease and desist from further proceeding with Civil Case No. 5447 until further orders from the Honorable Court.

SO ORDERED. (Emphasis ours.)

- On June 21, 2005, despite the June 3, 2005 CA cease-and-desist Order in the consolidated cases CA-G.R. CV No. 77668 and CA-G.R. SP No. 87844, Judge Tac-an's decision to proceed with a hearing in Civil Case No. 5447, despite resistance thereto.
- On August 8, 2005, the petition filed by PPA before the CA to cite Judge Tac-an for contempt, docketed as CA-G.R. SP No. 90796.

Judge Tac-an filed his comment on the petition (CA-G.R. SP No. 90796).

In its assailed July 3, 2006 Resolution, the CA's Tenth Division denied PPA's "Petition to Cite Respondent Paterno V. Tac-an in Contempt" for lack of merit, reasoning this way:

With respect to the "Petition to Cite Respondent Paterno V. Tac-an In Contempt", the same must be denied for lack of merit. According to PPA, therein respondent Judge committed indirect contempt of Court when he conducted a hearing on 20 April 2005 and heard a motion on 21 June 2005 despite the issuance of a [TRO] by this Court contained in its Resolution of 19 April 2005. Herein respondent Judge explained that there was no hearing scheduled or conducted on 20 April 2005 with regard to Civil Case No. 5447 although an Order dated 20 April 2005 was issued in connection with the Manifestation and Motion dated 14 April 2005 filed by the

Bureau of Treasury represented by the [OSG] setting the same for hearing on 21 April 2005. The Order dated 20 April 2005 issued by herein respondent Judge merely states that: "(t)here being no proof of receipt to the opposing counsel, schedule the Manifestation and Motion filed by the Bureau of Treasury on 25 April 2005 at 10:00 in the morning. The scheduled hearing on 25 April 2005 did not push through because the Bureau of Treasury filed a Manifestation and Motion dated 21 April 2005 praying that it be excused from attending the hearing. We see no contumacious act in regard to this instance on the part of herein respondent Judge. Neither can We rule as contumacious the act of herein respondent Judge in hearing a motion filed by defendants not parties in the main and Supplemental Petitions of the PPA on 21 June 2005. In Our Resolution of 19 October 2005, We made it clear that the [TRO] issued by this Court in its Resolution of 19 April 2005 had already expired on June 19, 2005 and a hearing was set on 28 October 2005 for PPA's application for the issuance of a writ of preliminary injunction. Moreover, the hearing on 21 June 2005 does not involved the private respondents in the main and Supplemental Petition.

On the other hand, the First Division of the Court considered as moot the issue raised by PPA on the denial of its contempt petition, in view of the compulsory retirement of Judge Tac-an on July 8, 2007.

PPA, in its September 6, 2007 Motion for Reconsideration in G.R. No. 173392, assails the denial of its contempt petition by the CA. PPA moves for reconsideration of our August 24, 2007 Decision rejecting, for being moot, its challenge of the CA's denial of its petition to cite Judge Tac-an for contempt.

The threshold issue is whether the retirement of Judge Tac-an has rendered unnecessary the resolution of PPA's petition to set aside the CA's July 3, 2005 Resolution denying the petition to cite said respondent for contempt.

We rule for PPA.

The objective of criminal contempt is to vindicate public authority. It is an effective instrument of preserving and protecting the dignity and authority of courts of law. Any act or omission that degrades or demeans the integrity of the court must be sanctioned, lest it prejudice the efficient administration of justice if left unpunished. Contempt of court applies to all persons, whether in or out of government. Thus, it covers government officials or employees who retired during the pendency of the petition for contempt. Otherwise, a civil servant may strategize to avail himself of an early retirement to escape the sanctions from a contempt citation, if he perceives that he would be made responsible for a contumacious act. The higher interest of effective and efficient administration of justice dictates that a petition for contempt must proceed to its final conclusion despite the retirement of the government official or employee, more so if it involves a former member of the bench. While there is still no definitive ruling on this issue when the respondent charged with contempt has retired, we apply by analogy the settled principle in administrative disciplinary cases that separation from service does not render the case moot and academic.[161]

Now to the issue whether respondent Judge Tac-an is guilty of indirect contempt for alleged disregard of the CA resolutions.

We find that Judge Tac-an committed contumacious acts in utter disobedience of the January 10, 2005, March 15, 2005, April 19, 2005 and June 3, 2005 Resolutions of the CA. Consider the following:

- Prior to the Order of Judge Tac-an on April 20, 2005 setting the Manifestation and Motion of the Bureau of Treasury for hearing on April 25, 2005 at 10:00 a.m., he was already aware of the January 10, 2005 Resolution of the CA's Ninth Division granting a TRO. This TRO prohibited him from implementing his May 29, 2001 Order granting the execution of the August 23, 2000 Order, fixing the compensation at PhP 5,500 per square meter in favor of the Cruz Group; and the November 18, 2004 Order granting the Writ of Execution and the November 23, 2004 Notice of Garnishment addressed to the Bureau of Treasury.

The TRO was effective for sixty (60) days from notice to the party enjoined, pursuant to Sec. 5, Rule 58. Assuming that the January 10, 2005 TRO was received by the trial court on the same day, the TRO lapsed on March 9, 2005. Yet on February 1, 2005, Judge Tac-an issued an order directing that a Writ of Execution be issued to implement the November 24, 2004 Supplemental Order. On February 2, 2005, he also issued the Writ of Execution and on February 3, 2005, a Notice of Garnishment addressed to PVB. From these facts, it is clear that Judge Tac-an violated the January 10, 2005 TRO.

- On March 15, 2005 or thereafter, Judge Tac-an was already notified that a writ of preliminary injunction was issued against him, prohibiting and restraining him from executing the May 29, 2001 and November 18, 2004 Orders and the Notice of Garnishment addressed to the National Treasury and several banks. To effectively restrain Judge Tac-an from implementing the assailed May 29, 2001 and November 18, 2004 Orders and the Notice of Garnishment, the CA again issued another TRO on April 19, 2005 notwithstanding the issuance of a writ of preliminary injunction per the March 15, 2005 CA Resolution to specifically prohibit Judge Tac-an from implementing certain orders, which were designed to implement the May 29, 2001 and November 18, 2004 Orders, all relating to the payment of just compensation to the Cruz Group.

Despite the March 15, 2005-issued writ of preliminary injunction and the April 19, 2005 TRO, Judge Tac-an still acted on the Manifestation and Motion of the Bureau of Treasury pertaining to the money deposited by PPA with said bureau, when he knew fully well that such incident was already subject of the injunctive writ and the CA TRO, which was a clear breach of said processes. Respondent Judge should not have acted on BT's Manifestation and Motion by setting it for hearing on April 25, 2005. By such act, Judge Tac-an betrayed his intention to continue implementing the compensation order in favor of the Cruz Group. We deem his actuation as a contumacious breach of the CA's injunctive writ and TRO.

- Again on April 26, 2005, Judge Tac-an issued another order further implementing the February 2, 2005 Writ of Execution and ordering the BT to deliver the escrowed proceeds, again in violation of the April 19, 2005 TRO and the May 15, 2005 injunctive writ. The breach was explained by the CA in its June 3, 2005 Resolution:

Respondent Judge in issuing the 26 April 2005 Order clearly defies the Resolution of 19 April 2005 issued by the Ninth Division of this Court. x x x Be that as it may, once the lower court learned of the issuance of the temporary restraining order issued by the Ninth Division of this Court, it should have refrained from doing any act to implement any order or issuance listed in the temporary restraining order. x x x While the 5 and 26 April 2005 Orders, were not part of the Resolution of 19 April 2005 of this Court, the fact remains that said 5 April 2005 and 26 April 2005 Orders of the respondent Judge were issued pursuant to the orders and issuances which had already been restrained by the Ninth Division of this Court.

- Lastly, Judge Tac-an set and conducted a hearing of Civil Case No. 5447 on June 21, 2005.

On June 21, 2005, the Judge was already notified of the June 3, 2005 CA Resolution ordering him to "cease and desist from further proceeding in Civil Case No. 5447 until further orders from the Honorable Court." Yet, over the objection in open court by petitioner PPA, he continued with the hearing of (1) the "Motion for the Release of Additional Sum for Humanitarian Purposes" filed by defendants Gregorio Baliwag, Eliseo Baliwag and Crisanta Baliwag, who had no counsel, but placed under the Cruz Group and included in the August 23, 2000 Order the subject matter of both CA-G.R. CV No. 77668 and CA-G.R. SP No. 87844; and (2) the "Urgent Motion for Immediate Payment of the 100% zonal valuation of the properties of Caridad Aldover Blay, Jovencio Z. Aldover, Alvaro Z. Aldover, Lamberto Z. Aldover, Danilo Z. Aldover, et al." filed by the property owners, not the defendants, in Civil Case No. 5447.

While it may be true that the June 21, 2005 hearing also refers to other lot owners (Aldovers)—not parties to

consolidated cases CA-G.R. CV No. 77668 and CA-G.R. SP No. 87844 which principally involved some of the respondents belonging to the Cruz Group—still, respondent Judge was aware that CA-G.R. CV No. 77668 was PPA's appeal from the August 15, 2000 Order (Second Compensation Order) setting the just compensation at PhP 5,500 per square meter. Based on the August 15, 2000 Order, he issued the August 23, 2000 Order, specifically naming the Cruz Group as the lot owners referred to in the August 15, 2000 Order.

The June 21, 2005 setting refers to the hearing of the two motions filed by defendant Baliwags, who were named in the August 23, 2000 RTC Order as property owners and not defendants in Civil Case No. 5447, but who were asserting rights in the instant expropriation case. Thus, the June 3, 2005 TRO in the consolidated cases CA-G.R. CV No. 77668 and CA-G.R. SP No. 87844 covered the motion of defendants Baliwags, which pertains to the subject matter of the appeal in CA-G.R. CV No. 77668 and CA-G.R. SP No. 87844 pertaining to the August 23, 2000 Order. Assuming even for the sake of argument that the June 21, 2005 hearing did not relate to CA-G.R. CV No. 77668 and CA-G.R. SP No. 87844, still, the fact that there was a CA TRO ordering respondent judge to altogether cease and desist from proceeding with Civil Case No. 5447 was a clear directive that he should altogether stop acting on said case and wait for further instructions from the appellate court.

Based on the totality of the foregoing circumstances, the Court finds Judge Paterno Tac-an guilty of indirect contempt of court. His acts—issuing the February 1 and 2, 2005 Orders implementing the May 29, 2001 and November 18, 2004 Orders and the related February 2, 2005 Notice of Garnishment in defiance of the January 10, 2005 TRO; setting the Bureau of Treasury's Manifestation and Motion for hearing on April 25, 2005 in disregard of the March 15, 2005 injunctive writ of the CA; issuing the April 26, 2005 Order disobeying the April 19, 2005 TRO and the March 15, 2005 writ of preliminary injunction; and lastly, conducting a hearing on June 21, 2005 for Civil Case No. 5447, thus violating the June 3, 2005 CA Order—are contumacious, continuing acts in clear disobedience and disrespect of the resolutions of the CA.

A person guilty of indirect contempt may be punished by a fine not exceeding PhP 30,000 or imprisonment not exceeding six (6) months or both. Judge Tac-an violated four (4) resolutions/processes of the CA, namely: the January 10, 2000 TRO, the March 15, 2005 Writ of Preliminary Injunction, the April 19, 2005 TRO and the June 3, 2005 Resolution, for which he is hereby fined PhP 30,000 for each violation. Let this serve as a warning to all trial courts to strictly comply with the resolutions and orders of the appellate courts and this Court.

SUMMARY

The following are our dispositions:

- In G.R. Nos. 154211-12, the Court affirms the July 30, 2001 Decision of the CA and its July 11, 2002 Resolution in the consolidated cases CA-G.R. SP Nos. 60314 and 63576, which granted both petitions of PPA.

In CA-G.R. SP No. 60314, the following Orders of the Batangas RTC in Civil Case No. 5447 were annulled:

- July 24, 2000 Order granting the Motion for Execution Pending Appeal of respondents Ernesto Curata, et al. (Dimayacyac Group);
- July 31, 2000 Order granting the Writ of Execution;
- August 2 and 3, 2000 Notices of Garnishment;
- August 25, 2005 Order denying PPA's notice of appeal with motion for extension to pay appellate docket fees and record on appeal;
- August 28, 2000 Order denying PPA's Record on Appeal

- September 18, 2000 Order denying PPA's Motion for Reconsideration of the August 25, 2000 Order;

In CA-G.R. SP No. 63576, the following Orders were annulled and set aside:

- December 13, 2000 Order dismissing PPA's appeal, striking out the record on appeal, and declaring the August 18, 2000 Order final and executory.

All the assailed orders in CA-G.R. SP Nos. 60314 and 63576 were annulled by the writ of certiorari issued by the CA, and PPA's appeal was allowed.

In the instant consolidated petitions, the Court, in the interest of an expeditious dispensation of justice, resolves to dispose of the appeal of PPA on the legality of the July 10, 2000 Order (First Compensation Order) issued in favor of the Dimayacyac Group, setting the just compensation at PhP 5,500 per square meter; and rules that the just compensation for the lots of the owners specified in the July 10, 2000 Order is PhP 425 per square meter. The July 10, 2000 Order is accordingly amended.

- In G.R. No. 158252, the Court reverses and sets aside the May 16, 2003 Decision of the CA in CA-G.R. SP No. 73848.

Consequently, the following Orders of the Batangas RTC in Civil Case No. 5447 are annulled and set aside:

- July 12, 2002 Order ordering PPA to release to respondents Remedios Bondoc, et al. (Cruz Group) 100% of the zonal valuation of the lots;

- July 29, 2002 Order denying PPA's Omnibus Motion to Withdraw the June 27, 2002 Manifestation of Atty. Arturo S. Bernardino interposing no objection to the Motion for Partial Reconsideration of respondent Cruz Group;

- September 5, 2002 Order denying PPA's motion for reconsideration.

In this petition, the Court rules that, to the amount of deposit to be made by PPA in Civil Case No. 5447, Rule 67 of the Rules of Court shall apply and not RA 8974. RA 8974, being a substantive law, does not apply retroactively to Civil Case No. 5447, which was filed before RA 8974's effectivity.

- In G.R. No. 166200, the Court reverses and sets aside the November 22, 2004 CA Decision in CA-G.R. SP No. 83570.

Consequently, the following Orders of the Batangas RTC in Civil Case No. 5447 are annulled and set aside:

- December 2, 2003 Order ordering PPA to pay 100% zonal value of the lots at PhP 4,250 per square meter;

- December 18, 2003 Order directing PPA to release in favor of Felipa Acosta, et al. (Agustin Group) 10% of the zonal valuation at PhP 4,250 per square meter;

- February 13, 2004 Order which issued a Writ of Execution ordering PPA to pay to the lot owners the zonal value at PhP 4,250 per square meter;

- March 24, 2004 Order directing Land Bank of the Philippines to cause the release of 100% of the zonal value at PhP 4,250 per square meter pursuant to the December 2, 2003 Order;

- April 12, 2004 Order, which ordered the partial execution of the December 2, 2003 in the amount of 50% of the zonal value at PhP 4,250 per square meter;

- April 15, 2004 Supplemental Order, which directed PPA to pay 50% of the zonal value of the properties at PhP 4,250 per square meter to the lot owners specified therein.

The Court rules that the resolution of the issues of the legality and propriety of the afore-listed assailed orders has been rendered moot by our ruling that the just compensation be pegged at PhP 425 per square meter. The assailed orders are nullified and set aside, and just compensation payment to respondents Felipa Acosta, et al. (Agustin Group) shall be based on PhP 425 per square meter.

- In G.R. No. 168272, the Court affirms the March 31, 2005 Decision and the May 26, 2005 Resolution of the CA in CA-G.R. SP No. 82917. Said CA decision nullified the November 6, 2003 RTC Order granting the writ of execution in favor of lot owners Rosalinda Buenafe and Melencio Castillo.

The Court rules that the just compensation for the lots of Rosalinda Buenafe and Melencio Castillo shall be fixed at PhP 425 per square meter pursuant to our ruling in G.R. No. 173392 and consolidated petitions.

- In G.R. No. 170683, the Court reverses and sets aside the July 28, 2005 Decision and the November 24, 2005 Resolution of the CA in CA-G.R. CV No. 70023 involving the lots of Caroline B. Acosta, Abigail B. Acosta, Nemesio B. Balina and Erlinda B. Balina.

Consequently, the September 7, 2000 Order of the RTC in Civil Case No. 5447 adopting the July 10, 2000 and August 15, 2000 Orders and setting the fair market value at PhP 5,500 per square meter is annulled and set aside.

The Court rules that the just compensation for lot owners Caroline B. Acosta, et al. is fixed at PhP 425 per square meter.

- In G.R. No. 173392, the Court reconsiders and sets aside its August 24, 2007 Decision and grants PPA's basic petition. The July 3, 2006 Resolution of the CA in the consolidated cases CA-G.R. CV No. 77668, CA-G.R. SP No. 87844 and CA-G.R. SP No. 90796 is reversed and set aside. In resolving PPA's appeal (CA-G.R. CV No. 77668 from the August 15, 2000 Order [Second Compensation Order]), the Court amends said order in that the just compensation to be paid for the lots of the Agustin Group, Cruz Group, Ortega Group, Pastor Realty Corp., et al. and other lot owners (excluding the Dimayacyac Group) shall be fixed at PhP 425 per square meter.

Consequently the amount of compensation in the RTC Orders in implementation of the August 15, 2000 Order is correspondingly reduced to PhP 425 per square meter, to wit;

- August 17, 2000 Order for the Agustin Group;
- August 18, 2000 Order for the Ortega Group;
- August 23, 2000 Order for the Cruz Group;
- August 23, 2000 Order for the Pastor Realty Corporation, et al.

For all the lots subject of Civil Case No. 5447, the just compensation for their acquisition shall be fixed at PhP 425 per square meter.

In CA-G.R. SP No. 87844, the Court hereby nullifies and sets aside the following orders involving the lots of the Cruz Group:

- May 29, 2001 Order;
- November 18, 2004 Order granting the Motion for the issuance of writ of execution;
- November 18, 2004 Supplemental Order; and
- November 24, 2004 Supplemental Order.

As to the Supplemental petition of PPA vis-à-vis CA-G.R. SP No. 87844, the following RTC Orders are nullified

and set aside:

- The Order dated December 16, 2004 granting the private respondents' Motion For Execution dated December 13, 2004 of the Supplemental Order dated November 24, 2004;
- The Order dated December 16, 2004 denying the petitioner's Motion for Reconsideration dated December 6, 2004 from the Order and Supplemental Order both dated November 18, 2004;
- The Order dated December 16, 2004 rejecting the PVB Reply and Manifestation dated November 30, 2004;
- The Order dated January 5, 2005 rejecting the aforesaid reply and manifestation of the Philippine Veterans Bank for the second time;
- The Order dated January 6, 2005 directing the Development Bank of the Philippines to deliver PPA's deposits amounting to PhP 441,067,893.63 to private respondents;
- The Order dated January 10, 2005 directing the Bureau of Treasury to hold in escrow PPA's investments in treasury bills maturing on January 12, 2005, January 19, 2005, and April 13, 2005;
- The Order dated January 11, 2005 denying PPA's Motion for Reconsideration dated December 10, 2004 of the Supplemental Order dated November 24, 2004; and
- The Order dated February 1, 2005 denying PPA's motion for reconsideration of the Supplemental Order dated November 24, 2004 and directing the immediate issuance of the corresponding writ of execution.

As earlier ruled, PPA shall pay the amount of PhP 425 per square meter to the lot owners covered by the August 15, 2000 Order as just compensation.

The Court rules that the August 15, 2000 RTC Order is a final order, while the Orders—dated August 17, 2000 (Agustin Group), August 18, 2000 (Ortega Group), August 23, 2000 (Cruz Group), August 23, 2000 (Pastor Realty Corp., et al.) and other orders in implementation of the August 15, 2000 Order (Second Compensation Order)—are interlocutory.

In CA-G.R. SP No. 90796, the Court reconsiders its ruling in the assailed August 24, 2007 Decision and grants PPA's petition. Consequently, the ruling in CA-G.R. SP No. 90796 is reversed and set aside. The Court rules that Judge Paterno Tac-an is guilty of indirect contempt and is, thus, ordered to pay a fine in the total amount of PhP 120,000.

WHEREFORE, the Court hereby disposes and orders the following:

- The petition in G.R. Nos. 154211-12 is DENIED for lack of merit. Accordingly, the July 30, 2001 Decision and July 11, 2002 Resolution of the Court of Appeals in consolidated cases CA-G.R. SP Nos. 60314 and 63576 are hereby AFFIRMED.

In the interest of speedy and inexpensive dispensation of justice, the Court resolves the appeal of PPA from the July 10, 2000 Order and amends the same, reducing the just compensation for the lot owners Ernesto Curata, et al. (Dimayacyac Group) from PhP 5,500 per square meter to PhP 425 per square meter.

- The petition in G.R. No. 158252 is GRANTED. The appealed May 16, 2003 Decision of the Court of Appeals in CA-G.R. SP No. 73848 is hereby REVERSED and SET ASIDE accordingly. Likewise, the Orders dated July 12, 2002, July 29, 2002 and September 5, 2002 of the Batangas City RTC, Branch 84, in Civil Case No. 5447 are ANNULLED and SET ASIDE. The Court declares that Rule 67, not RA 8974, applies to Civil Case No. 5447 and the RTC Batangas City, Branch 84, shall act accordingly.

- The petition in G.R. No. 166200 is hereby GRANTED. The November 22, 2004 CA Decision in CA-G.R. SP No. 83570 is accordingly REVERSED and SET ASIDE. Likewise, the Orders dated December 2, 2003, December 18, 2003, February 13, 2004, March 24, 2004, April 12, 2004 and the April 15, 2004 Supplemental Order of the Batangas City RTC, Branch 84, in Civil Case No. 5447 are ANNULLED and SET ASIDE. Felipa Acosta, et al. (Agustin Group) shall be paid PhP 425 per square meter as just compensation for their respective lots, and the initial payment of the compensation or deposit subject of the assailed orders is rendered moot by our ruling on the issue of just compensation.

- The petition in G.R. No. 168272 is DENIED for lack of merit, and the March 31, 2005 Decision and the May 26, 2005 Resolution of the CA in CA-G.R. SP No. 82917 are hereby AFFIRMED IN TOTO. Rosalinda Buenafe and Melencio Castillo shall be paid just compensation for their lots at PhP 425 per square meter.

- The petition in G.R. No. 170683 is GRANTED. The July 28, 2005 Decision and the November 24, 2005 Resolution of the CA in CA-G.R. CV No. 70023 are accordingly hereby REVERSED and SET ASIDE. Correspondingly, the September 7, 2000 RTC Order of the Batangas City RTC, Branch 84 in Civil Case No. 5447 is also ANNULLED and SET ASIDE. Lot owners Caroline B. Acosta, et al. shall be paid PhP 425 per square meter as just compensation for their respective lots.

- The Motion for Reconsideration of the Decision in G.R. No. 173392 is hereby GRANTED. Accordingly, the Decision of the Court dated August 24, 2007 is VACATED. The July 3, 2006 Resolution of the CA in consolidated cases CA-G.R. CV No. 77668, CA-G.R. SP No. 87844 and CA-G.R. SP No. 90796 is REVERSED and SET ASIDE. The Orders—dated August 15, 2000 (Second Compensation Order), August 17, 2000 (Agustin Group), August 18, 2000 (Ortega Group), August 23, 2000 (Cruz Group) and August 23, 2000 (Pastor Realty Corporation, et al.)—are hereby AMENDED, reducing the just compensation from PhP 5,500 per square meter to PhP 425 per square meter. The Orders dated May 29, 2001 and November 18, 2004; November 23, 2004 Writ of Execution and November 23, 2004 Notices of Garnishment; November 18 and 24, 2004 Supplemental Orders; three (3) Orders dated December 16, 2004 and Orders dated January 5, January 6, January 10, January 11, and February 1, 2005; and February 2, 2005 Writ of Execution and February 3, 2005 Notice of Garnishment, all issued by the Batangas City RTC, Branch 84, in Civil Case No. 5447, are ANNULLED and SET ASIDE.

The petition to cite Judge Paterno V. Tac-an for contempt subject of CA-G.R. SP No. 90796 is GRANTED. Judge Tac-an is ordered to pay a FINE of PhP 120,000.

The PPA is hereby DIRECTED to pay with dispatch the lot owners who are parties to these consolidated petitions the just compensation for their respective lots at the unit price of PhP 425 per square meter, with 12% interest per annum from the date of PPA's entry to the lots or on September 11, 2001 until fully paid,[162] less whatever initial payments they have already received. In case of overpayment, the affected lot owners shall refund the excess to PPA.

No costs.

SO ORDERED.

Puno, C.J., Quisumbing, Ynares-Santiago, Carpio, Corona, Chico-Nazario, Leonardo-De Castro, Brion, Peralta, and Bersamin, JJ., concur.

Carpio-Morales, J., on official leave.

Nachura, J., no part.

[1] G.R. No. 173392, 531 SCRA 198.

[2] Rollo (G.R. Nos. 154211-12), pp. 88-108. Penned by Associate Justice Romeo A. Brawner (deceased) and concurred in by Associate Justices Remedios Salazar-Fernando and Rebecca De Guia-Salvador.

[3] Id. at 115-120.

[4] Id. at 215-217. Penned by Presiding Judge Paterno V. Tac-an (retired).

[5] Rollo (G.R. No. 168272), pp. 103-106.

[6] Rollo (G.R. No. 158252), pp. 30-37. Penned by Associate Justice Eliezer R. de Los Santos and concurred in by Associate Justices Romeo A. Brawner (now deceased) and Regalado E. Maambong.

[7] Rollo (G.R. No. 166200), pp. 57-70. Penned by Associate Justice Monina Arevalo-Zenarosa and concurred in by Associate Justices Remedios A. Salazar-Fernando and Danilo B. Pine (retired).

[8] Rollo (G.R. No. 168272), pp. 34-41. Penned by Associate Justice Mariano C. del Castillo and concurred in by Associate Justices Romeo A. Brawner and Magdangal M. de Leon.

[9] Id. at 43.

[10] Id. at 186.

[11] Rollo (G.R. No. 170683), pp. 47-66. Penned by Associate Justice Vicente S.E. Veloso and concurred in by Associate Justices Roberto A. Barrios and Amelita G. Tolentino.

[12] Rollo (G.R. No. 173392), pp. 805-73.

[13] Id. at 1300-1344, dated September 6, 2007.

[14] Id. at 1173-1196; *supra* note 1.

[15] Id. at 65-103. Penned Associate Justice Andres B. Reyes, Jr. and concurred in by Associate Justices Kahim S. Abdulwahid and Estela M. Perlas-Bernabe.

[16] Rollo (G.R. No. 173392), p. 349.

[17] Id. at 391-395.

[18] Id. at 397-399.

[19] Id. at 400-403.

[20] Rollo (G.R. No. 158252), pp. 493-494. EO 385 pertinently reads:

EXECUTIVE ORDER No. 385

EXPANDING AND DELINEATING THE BATANGAS PORT ZONE AND PLACING THE SAME UNDER THE ADMINISTRATIVE JURISDICTION OF THE PHILIPPINE PORTS AUTHORITY

I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by the law, do hereby order:

Sec. 1. The territorial jurisdiction of the Port of Batangas is hereby expanded and delineated as follows:

Beginning at a point marked 1 on the plan located at the northeast corner of Sta. Clara Elementary School, Batangas City; x x x comprising a total area of 3,488,420.4 square meters or 348.84 hectares, more or less.

Sec. 2. The Batangas Port Zone as expanded and delineated is hereby placed under the administrative jurisdiction of the Philippine Ports Authority which shall, consistent with law and the regional industrial plans of the Government, implement a program for the proper zoning, planning, development and utilization of the port areas in the said Port Zone.

Sec. 3. All orders and issuances, rules and regulations or parts thereof which are inconsistent with this Executive Order are hereby revoked or modified accordingly.

Sec. 4. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 19th day of December, in the year of Our Lord, nineteen hundred and eighty-nine.

[21] *Id.* at 490-491. EO 431 pertinently reads:

FURTHER EXPANDING THE DELINEATED BATANGAS PORT ZONE AS PROVIDED FOR UNDER EXECUTIVE ORDER NO. 385, DATED DECEMBER 19, 1989

I, CORAZON C. AQUINO, President of the Philippines, by virtue of the power vested in me by law, do hereby order:

Sec. 1. The territorial jurisdiction of the Port of Batangas is hereby further expanded and delineated as follows:

Beginning at a point marked 1 on the plan located at the northeast corner of Sta. Clara Elementary x x x comprising a total area of 5,380.893.7 square meters of 538.09 hectares, more or less.

Sec. 2. The Batangas Port Zone, as expanded and delineated, is hereby placed under the administrative jurisdiction of the Philippine Ports Authority which shall, consistent with law and regional industrial plans of the Government, implement a program for the proper zoning, titling, planning, development, and utilization of the port areas in the said Port Zone.

Sec. 3. Executive Order No. 385, dated December 19, 1989, and all orders and issuances, rules and regulations or parts thereof which are inconsistent with this Executive Order are hereby revoked or modified accordingly.

Sec. 4. This Executive Order shall take effect immediately.

[22] Rollo (G.R. No. 173392), pp. 104-141.

[23] The following defendants in Civil Case No. 5447 are represented by Atty. Reynaldo Dimayacyac: 1) Spouses Ernesto Curata & Lourdes F. Curata; 2) Eduardo M. Montalbo; 3) Spouses Marcelino Dalangin & Vitaliana Dalangin; 4) Pablo Sumanga; 5) Heirs of Mateo Macaraig; 6) Heirs of Paulina Acosta; 7) Heirs of Nicolas Aldover; 8) Spouses Marciano Manalo & Lucila Gabia, Gregorio Faltado, Silverio Rosales, and Cesaro Ilao; 9) Heirs of Aldover; 10) Catalina Perez, Lorna Pantangco, Sonia Pantangco, Belen Pantangco, Ireneo Pantangco, Jr., Pedro Chavez, Saturnina Perez, Estelita C. Perez, Estelita M. Perez, Romeo Perez, Ruben Perez, Mario Perez, Naboch Donaza Perez, Manuel Perez, Herminigildo Perez, Mayhayda Perez, Alfredo Perez, Ernesto Perez and Araceli Perez (Represented by Rosario Perez Rosel); 11) Fred M. Hernandez, married to Susana Ilao, Vicente Gutierrez; 12) Maria Lacsamana; 13) Juana Macalalad; 14) Felisa Hernandez, Felino Hernandez and Florention Macatangay; 15) Heirs of Basilio Macaraig and Paciencia del Mundo.

[24] The following defendants in Civil Case No. 5447 are represented by Atty. Gregorio F. Ortega: 1) Pedro Alcantara married to Dorotea Macatangay; 2) Corazon Ilao married to Ceferino Perez; 3) Luis Lira & Zenaida Lira; 4) Milagros Macatangay; 5) Lilia Singuimoto; 6) Gerardo Abacan married to Alicia Fabul; 7) Gerardo Abacan, Erlinda Abacan, Liliana Abacan, Cristeta Abacan, Analiza Abacan; 8) Librada Macatangay vda. de

Abas; 9) Jose Noel M. Agbing, Jose Nereus M. Agbing, Ma. Bernadette M. Agbing, Marie Frances Th. M. Agbing; 10) Cecile Olivia F. Cuisia; 11) Efren P. Espino married to Erlinda Espino, Delia Espino married to Joseph Velasco, Alfredo P. Espino married to Eloisa S. Espino; 12) Esteban Espino; 13) Felisa Hernandez; 14) Alfredo Bautista married to Maria Rita Bautista; 15) Rafael Llana & Rustica Llana; 16) Juana L. Carnero, Adelaida Belegal; 17) Bienvenido Maralit; 18) Luisa B. Vda de Montalbo; 19) Azucena Perez & Arnel Perez; 20) Constancia Villamor Barcelo married to Alfonso Barcelo; 21) Cesar Perez, Romeo Perez, Ruben Perez, Mario Perez, Narocho Donaza Perez, Herminigildo Perez, Saturnina Perez; 22) Pricilla Buenafe; 23) Aurea Acosta married to Roman Acosta, Consolacion Acosta married to Severo Malimban, Betty Acosta married to Carlos Caabay, Constancio Acosta married to Araceli Reraida, Araceli Acosta; 24) Consuelo Alcantara; 25) Simeon Balita married to Elena M. Balita; 26) Maria Clara T. Berba, Felimon T. Berba, Azucena T. Berba, Eduardo T. Berba, Ma. Lourdes T. Berba, Edgardo T. Berba, Edmundo T. Berba; 27) Pacita M. Berba, Alejandro M. Berba, Clara M. Berba, Martina M. Berba, Gremauldo M. Berba, Evelina M. Berba; 28) Amelia M. Berba, Pablo M. Berba, Ricardo M. Berba, Francisco M. Berba; 29) Rafael S. Berba; 30) Adoracion Acosta Cabral; 31) Carlito Casas married to Enriqueta Casas; 32) Benjamin Castillo married to Erlinda Laredo; 33) Augusto Claveria; 34) Esperanza Dimaandal married to Josue Bagsit; 35) Mariano Diokno, Ernesto B. Diokno, Mariano B. Diokno, Jr., Maria Clara B. Diokno, Angelita B. Diokno; 36) Maria Español; 37) Rufino Geron married to Matilde Geron; 38) Segundina Gualberto; 39) Sixto Gualberto married to Maria Gualberto; 40) Corazon Ilao, Isabelle M. Ilao, Concepcion M. Ilao, Michelle I. Ilao, Blanca I. Susi, Enrico Antonio M. Ilao; 41) Maria Lacsamana; 42) Dorotea Macatangay married to Teodorico Alcantara; 43) Pedro Marasigan; 44) Pablo Mendoza married to Maria Lourdes Mendoza; 45) Jaime Tauro married to Reynada Tauro; 46) heirs of Lucila Aldover; 47) Andrea Balina & Moises Macatangay (heirs); 48) Heirs of Gregorio Dapat; 49) Popula Llana (heirs); 50) Arsenio Abacan (heirs); 51) Lauro Abraham (heirs); 52) Manuel Amul, Sr. & Marcosa Marasigan (heirs); 53) Eulalio Buenafe (heirs); 54) Generosa Buenafe (heirs); 55) Marciana Buenafe (heirs); 56) Heirs of Guadalupe Dayanghirang; 57) Heirs of Felino Hernandez; 58) Heirs of Florentino Macatangay; 59) Brigido Lontoc (heirs); 60) Heirs of Pedro Magadia; 61) Rosa P. Magdala (heirs); 62) Heirs of Daniel Magadia; 63) Jose Maranan & Concha Magadia (heirs); 64) Heirs of Maria Montalbo; 65) Heirs of Godofredo Rosales; 66) Heirs of Maria Consolacion; 67) Heirs of Luisa Villanueva; 68) Evarista Bauan (heirs); 69) Heirs of Maria Caedo; 70) Heirs of Agripina Garcia; 71) Feliza Macatangay (heirs); 72) Heirs of Basilio Macaraeg & Pacencia del Mundo.

[25] The following defendants in Civil Case No. 5447 are represented by Atty. Cesar C. Cruz: 1) Remedios Rosales Bondoc and Jose K. Rosales; 2) Heirs of Lumin Antolin. The following defendants have been lumped together under the Cruz group but have their own various counsels in brackets: 1) Anita G. Escaño, Lydia G. Capulong, Erlinda Germer Gonzales and Romulo F. Gonzales [Atty. Felipe G. Capulong]; 2) Francisco Abalos and Remedios Alano [Atty. Cipriano U. Asilo]; 3) Severo Alano, Soledad Alano, Inocencia Alano, Petra Alano, Remedios Alano, Antonino Alano, Felipe Alano [Atty. Cipriano U. Asilo]; 4) Anunciacion Gutierrez [Atty. Ramon Gutierrez]; 5) Felipe Serrano and Spouse [Atty. Eugenio Mendoza]; 6) Silverio Atienza & Jocelyn Felio [Atty. Yolando Atienza]; 7) Silverio Atienza [Atty. Yolando Atienza]; 8) J.L. Gandionco Realty [Atty. Glenn Mendoza]; 9) Lourdes Mercado, Augusto Mercado, Heirs of Fidencio Mercado and Heirs of Concepcion Mercado [Atty. Norberto L. Cajucom]; 10) Cecilia Pasion Dimaandal, Arnel Joseph Dimaandal, Roxanne Socorro Dimaandal, Teresita Dimaandal, Aaron Martin Dimaandal, Rachel Victoria Dimaandal, Aris Anthony Dimaandal [Atty. Delia C. Vivar]; 11) Gregorio Baliwag, Eliseo Baliwag, Crisanta Baliwag [No Counsel].

[26] The following defendants in Civil Case No. 5447 are represented by Atty. Emmanuel Agustin: 1) Felipa D. Acosta married to Honesto Hernella, Heirs of Eleuterio D. Acosta married to Martha Galang, Pacita D. Acosta married to Emilio Berberabe, Lamberto D. Acosta married to Angelina Ituralde; 2) Sps. Emilio Berberabe and Pacita D. Acosta; 3) Heirs of Sps. Anastacia Aldover and Cesario Rivera; 4) Romulo S. Balina; 5) Adoracion

Magtibay; 6) Sole Heir of Sps. Pedro Montalbo and Mauricia Balina, Catalina Montalbo Aldover; 7) Heirs of Leocadio and Leonila Alano, Heirs of Sps. Leodacio Alano & Felipa Macatangay; 8) Heirs of Simeon Magtibay; 9) Gabriela Acosta for herself and as Sole Heir of Estanislawa Acosta; 10) Heirs of Nestora Alcantara & brothers; 11) Sps. Zoilo Aldover & Catalina Montalbo Aldover; 12) Catalina D. Balina married to Juan Ramirez; 13) Simeon D. Balina (as defendant-in-intervenor); 14) Erlinda D. Balina married to Alberto Reyes; 15) Sole Heir of Fortunata D. Balina married to Faustino Brual, Josefa Grace Brual; 16) Nemesio D. Balina married to Conchita Morales; 17) Heirs of Tomasa Balina; 18) Francisco A. Berberabe, Emilio Francisco A. Berberabe, Jr., Thomas A. Berberabe married to Nympha Atienza, and Joel A. Berberabe married to Murita Reyes; 19) Heirs of Cecilia Dimaandal; 20) Sps. Edilberto Dimaandal & Lilia Garcia; 21) Juana Dimaandal; 22) Heirs of Vicenta Gutierrez; 23) Heirs of Evaristo Montalbo & Felisa Montalbo; and, 24) Heirs of Francisco Sumanga.

[27] Rollo (G.R. No. 154211-12), pp. 168-170. The [First] Partial Report in its entirety reads:

COMMISSIONERS PARTIAL REPORT

WHEREAS, upon Order of this Honorable Court dated 4[th] April 2000, that herein appointed Commissioners in relation to CIVIL CASE NO. 5447 for expropriation of Real Property are mandated to ascertain just compensation of the lots of the following defendants who filed answer, thru Counsels, to wit:

- SPOUSES ERNESTO CURATA & LOURDES F. CURATA;

- EDUARDO M. MONTALBO;

- SPOUSES MARCELINO DALANGIN & VITALIANA DALANGIN;

- PABLO SUMANGA;

- HEIRS OF MATEO MACARAIG;

- HEIRS OF PAULINA ACOSTA;

- HEIRS OF NICOLAS ALDOVER;

- SPOUSES MARCIANO MANALO & LUCILA GABIA, GREGORIO FALTADO, SILVERIO ROSALES, and CESARO ILAO;

- HEIRS OF ALDOVER;

- CATALINA PEREZ, LORNA PANTANGCO, SONIA PANTANGCO, BELEN PANTANGCO, IRENEO PANTANGCO, JR., PEDRO CHAVEZ, SATURNINA PEREZ, ESTELITA C. PEREZ, ESTELITA M. PEREZ, ROMEO PEREZ, RUBEN PEREZ, MARIO PEREZ, NABOCHO DONAZA PEREZ, MANUEL PEREZ, HERMINIGILDO PEREZ, MAYHAYDA PEREZ, ALFREDO PEREZ, ERNESTO PEREZ and ARACELI PEREZ (Represented by ROSARIO PEREZ ROSEL)

- FRED M. HERNANDEZ, married to SUSANA ILAO, VICENTE GUTIERREZ;

- **MARIA LACSAMANA;**

- **JUANA MACALALAD;**

- FELISA HERNANDEZ, FELINO HERNANDEZ and FLORENTINO MACATANGAY;

- HEIRS OF BASILIO MACARAIG and PACIENCIA DEL MUNDO,

WHEREAS, the Commissioners have carefully studied, examined and analyzed the manifestation and its annexes of the AFORENAMED DEFENDANTS, thru Counsels, attached hereto and made integral parts of this Report, together with all the records of the proceedings and other documents;

WHEREAS, the Commissioners are guided with the three (3) basic concepts underlying the appraisal of real estate, such as:

(a)

An appraisal is an opinion of an appraiser which is based upon interpretation of facts and belief as of given date;

(b)

"Real Estate" is a term used to designate the rights of real estate ownership, rather than the land, building and other improvement. It is actually the rights of ownership that are appraised. Different owners may own one or more of the rights.

(c)

The value appraised is the value to the typical user or investor, and not necessarily to the owner or any specific person or organization.

WHEREAS, current market value of real property is the market value which is acceptable to a willing buyer and a willing seller who are not obliged to buy and to sell, and market value of real property is never determined but merely estimated for it is only the Court that can fix value of real property;

WHEREAS, the commissioners noted paragraph 1 of defendants' answer which states:

"x x x that if ever, it is vested with any power and authority to condemn or expropriate private properties surrounding any port or harbor, for the development of any port District, for public use and purpose, as in the instant case, the same must be within the constitutional limitations, and as provided under "1997 Rules of Civil Procedure", to the effect that "NO PRIVATE PROPERTY SHALL BE TAKEN FOR PUBLIC USE, WITHOUT JUST COMPENSATION" and must be determined as of the date of the taking of the property, OR THE FILING OF THE COMPLAINT, whichever comes first;"

WHEREAS, aforementioned DEFENDANTS vehemently refused PLAINTIFF'S offered price of P336.82 per square meter for being too little and does not constitute just compensation;

WHEREAS, DEFENDANTS herein are willing and ready to accept P8,000.00 per square meter considering the attached "Judgment by Compromise Agreement" and "Deed of Absolute Sale" costing real property within the vicinity of the Port Site of P5,211.00 per square meter in 1997 and P5,000.00 per square meter in 1996 by reason of acceleration of prices at the time of the filing of the complaint in June 11, 1997;

WHEREAS, the Commissioners cannot ignore the Findings of the City Appraisal Committee of Batangas City of fixing the cost of real properties affected by the Southern Tagalog Arterial Road Extension Package III, Balagtas-Port Area Section particularly in Barangay Balagtas, Alangilan, Banaba South and Bolbok area at

P4,000.00 per square meter in 1999, copy of the Minutes of Committee Hearing is attached and made integral part hereof for being connected to the Port Zone.

NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, that in view of all the foregoing, it is the most considered view of the herein Commissioners to submit the cost of FOUR THOUSAND EIGHT HUNDRED PESOS (P4,800.00) per square meter, for payment of just compensation, subject to further review, evaluation, discretion and sound judgment of this Honorable Court.

Batangas City, May 29, 2000.

[28] Id. at 212-214.

[29] Supra note 4.

[30] Id. at 217.

[31] Rollo (G.R. Nos. 154211-12), pp. 218-225.

[32] Rollo (G.R. Nos. 154211-12), pp. 226-231.

[33] Id. at 232-235.

[34] Id. at 238-239, addressed to the LBP Batangas City.

[35] Rollo (G.R. Nos. 154211-12), pp. 243-264, Petition for Certiorari and Prohibition (With Urgent Prayer for Immediate Issuance of Temporary Restraining Order and Writ of Preliminary Injunction) dated August 18, 2000.

[36] Id. at 331-332, dated August 9, 2000.

[37] Id. at 346-347.

[38] Id. at 368.

[39] Id. at 369-371.

[40] Id. at 372-390, Supplemental Petition (With Urgent Prayer for Immediate Issuance of Temporary Restraining Order and Writ of Preliminary Injunction) dated September 1, 2000.

[41] Id. at 108.

[42] Rollo (G.R. No. 170683), pp. 302-305. The [Second] Partial Report in its entirety reads:

COMMISSIONERS PARTIAL REPORT

WHEREAS, upon Order of this Honorable Court dated July 18, 2000, the herein appointed Commissioners in relation to CIVIL CASE NO. 5447 for expropriation of Real Property are likewise mandated to ascertain the just compensation of lots of the following defendants, to wit:

- ERLINDA D. BALINA;

- NEMESIO BALINA;

- FELIPA ACOSTA;
- HEIRS OF ELEUTERIO ACOSTA;
- PACITA ACOSTA;
- LAMBERTO ACOSTA;
- EMILIO BERBERABE;
- SOLE HEIR OF GABRIELA ACOSTA;
- ESTANISLAW ACOSTA;
- HEIRS OF CECILIA DIMAANDAL;
- HEIRS OF FRANCISCO SUMANGA;
- HEIRS OF SIMEON MAGTIBAY;
- HEIRS OF CESARIO RIVERA AND ANASTACIA ALDOVER;
- FRANCISCO A. BERBERABE;
- EMILIO F. BERBERABE, JR.;
- JOEL BERBERABE;
- TOMAS BERBERABE;
- HEIRS OF NESTOR ALCANTARA;
- ENRICO ALCANTARA;
- LEONARDO ALCANTARA;
- ROMULO BALINA;
- HEIRS OF PEDRO MONTALBO;
- JUANA DIMAANDAL;
- CATALINA D. BALINA;
- HEIRS OF FORTUNATA BALINA;

- SPS. ZOILO ALDOVER AND CATALINA MONTALBO;

- HEIRS OF PEDRO MONTALBO;

- MAURICIA BALINA;

- ADORACION MAGTIBAY;

- HEIRS OF VICENTA GUTIERREZ;

- EDILBERTO DIMAANDAL;

- LILIA GARCIA;

- HEIRS OF EVARISTO MONTALBO;

- FELISA MONTALBO;

- HEIRS OF LEOCADIO ALANO;

- FELIPA MACATANGAY;

- LEOCADIO ALANO;

- LEOVILA ALANO;

- TOMASA BALINA;

- LEANDRO R. GALVEZ;

- FRANCISCO ABALOS;

- PETRA ALANO;

- HEIRS OF SEVERO ALANO;

- HEIRS OF SOLEDAD ALANO;

- HEIRS OF INOCENCIA ALANO;

- HEIRS OF REMEDIOS ALANO;

- HEIRS OF ANTONIO ALANO;

- AND HEIRS OF FELIPE ALANO;

WHEREAS, the herein Commissioners have submitted Partial Report recommending market value of Four Thousand Eight Hundred Pesos (P4,800.00) per square meter, based on the legal document enumerated therein

through Counsels;

WHEREAS, we have received additional evidences for evaluation such as the following:

- Report of Cuervo Appraisers, Inc.,
- Transcript of Records
- Copy of Executive Order 385
- Copy of Executive Order 431 further expanding EO 385

WHEREAS, after evaluation, it was established that the evidences submitted are just the same evidences being considered in this Case;

WHEREAS, the Commissioners noted that the properties of the DEFENDANTS are adjacent to the other properties being expropriated since they are all within the port zone as described and mandated in [EO] 385 which was later amended by [EO] 431 on October 19, 1990 x x x;

WHEREAS, it is the belief and view of the undersigned Commissioners that since 1990 the effectivity of [EO] 431, the port zone is already converted to industrial zone;

WHEREAS, being considered prime lands, the presence of utilities such as electricity, water and communication services are available on the area nearby the properties of the AFORENAMED DEFENDANTS;

NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, on the basis of the above premise, it is the consistent stand of the undersigned Commissioners that we adhere to the previous recommendations and findings of just compensation in the amount of FOUR THOUSAND EIGHT HUNDRED PESOS (P4,800.00) per square meter, as there appears to have no cogent reason that would justify the changes of previous recommendation.

Batangas City, August 2, 2000.

[44] Supra note 5, at 103-106.

[45] The Agustin, Ortega and Cruz Groups, and Pastor Realty Corp., et al.

[46] In CA-G.R. SP No. 87844, PPA assailed the May 29, 2001 and November 18, 2004 RTC Orders, the November 22, 2004 Writ of Execution and November 23, 2004 Notices of Garnishment issued in favor of the Agustin Group. In CA-G.R. SP No. 90796, PPA filed a petition to cite Judge Paterno Tac-an for contempt for continuing to hear the expropriation case despite the CA cease and desist Order.

[47] Rollo (G.R. No. 173392), p. 103.

[48] Id. at 805-56 to 805-59.

[49] Id. at 805-60 to 805-67.

[50] Id. at 805-70 to 805-72, also at 339-341.

[51] Id. at 805-68 to 805-69.

[52] Supra note 48.

[53] Supra note 49.

[54] Supra note 49.

[55] Supra note 2.

[56] Supra note 50.

[57] Rollo (G.R. No. 154211-12) pp. 226-231.

[58] Rollo (G.R. No. 158252), pp. 136-143.

[59] Id. at 144.

[60] Id. at 145.

[61] Id. at 256.

[62] Id. at 257.

[63] Id. at 146-151.

[64] Issued on February 17, 1999 by then President Estrada.

[65] Rollo (G.R. No. 158252), pp. 152-154, dated June 18, 2002..

[66] Rollo (G.R. No. 173392), pp. 361-377, dated June 19, 2002.

[67] On November 7, 2000 and during the pendency of Civil Case No. 5447, Republic Act No. (RA) 8974 was signed into law, pertinently providing as follows:

Section 4. Guidelines for Expropriation Proceedings.—Whenever it is necessary to acquire real property for the x x x location for any national government infrastructure project through expropriation, the appropriate implementing agency shall initiate the expropriation proceedings x x x under the following guidelines:

(a) Upon the filing of the complaint, and after due notice x x x, the implementing agency shall immediately pay the owner of the property the amount equivalent to the sum of (1) one hundred percent (100%) of the value of the property based on the current relevant zonal valuation of the Bureau of Internal Revenue (BIR); x x x

(b) In x x x areas where there is no zonal valuation, the BIR is hereby mandated within the period of sixty (60) days from the date of the expropriation case, to come up with a zonal valuation of said area; and

x x x x

Upon compliance with the guidelines abovementioned, the court shall immediately issue to the implementing agency an order to take possession of the property x x x.

x x x x

In the event that the owner of the property contests the implementing agency's proffered value, the court shall determine the just compensation to be paid x x x. When the decision of the court becomes final and executory, the implementing agency shall pay the owner the difference between the amount already paid and the just compensation as determined by the court.

(Emphasis supplied.)

[68] Rollo (G.R. No. 158252), pp. 268-269.

[69] Id. at 155.

[70] Id. at 39-40.

[71] Id at 156-161. According to the PPA, Atty. Bernardo's conformity letter was without PPA's management

clearance.

[72] Id. at 41-47.

[73] Id. at 37.

[74] Issued on February 17, 1999 by then President Estrada.

[75] Supra note 50.

[76] Rollo (G.R. No. 170683), pp. 282-284.

[77] Id. at 67.

[78] Rollo (G.R. No. 173392), pp. 300-338, Brief for the Plaintiff-Appellant dated July 19, 2002.

[79] Supra note 11.

[80] Supra note 12.

[81] Rollo (G.R. No. 170683), p. 66.

[82] Rollo (G.R. No. 168272), pp. 180-185.

[83] Rollo (G.R. Nos. 154211-12), pp. 431-434.

[84] Rollo (G.R. No. 168272), p. 186.

[85] Id. at 198.

[86] Id. at 199-201.

[87] Id. at 204-218.

[88] Supra note 8.

[89] Rollo (G.R. No. 168272), pp. 40-41.

[90] Rollo (G.R. No. 173392), pp. 543-569, dated July 28, 2005.

[91] As aforementioned, CA-G.R. SP No. 90796 was consolidated with CA-G.R. CV No. 77668 (appeal from the August 15, 2000 Order [Second Compensation Order] and CA-G.R. SP No. 87844 (assailing the May 29, 2001 and November 18, 2004 RTC Orders, the November 22, 2004 Writ of Execution and November 23, 2004 Notices of Garnishment) before the CA's Tenth Division.

[92] Rollo (G.R. No. 168272), p. 521.

[93] Rollo (G.R. Nos. 154211-12), pp. 30-31.

[94] Camposagrado v. Camposagrado, G.R. No. 143195, Sept. 13, 2005, 469 SCRA 602, 607; St. Louis University v. Cordero, G.R. No. 144118, July 21, 2004, 434 SCRA 575; Yambao v. CA, G.R. No. 140894, Nov. 27, 2000, 346 SCRA 141, 146.

[95] G.R. No. 173942, October 15, 2007, 495 SCRA 252.

[96] See Ginete v. Court of Appeals, G.R. No. 127596, Sept. 24, 1998, 296 SCRA 38; Fajardo v. Cas, G.R. No. 140356, March 20, 2001, 354 SCRA 736; Go v. Tong, G.R. No. 151942, Nov. 27 2003, 416 SCRA 557, 567; Heirs of Bertuldo Hinog v. Melicor, G.R. No. 140954, 12 April 2005, 455 SCRA 460, 475; Far Corporation v.

Magdaluyo, G.R. No. 148739, Nov. 19, 2004, 443 SCRA 218.

[97] See *Yambao v. Court of Appeals*, supra note 94, at 146.

[98] G.R. No. 149227, December 11, 2003, 418 SCRA 380, 387; citing *Buenaflor v. Court of Appeals*, G.R. No. 142021, November 29, 2000, 346 SCRA 563, 567.

[99] *Enriquez v. Enriquez*, G.R. No. 139303, 25 August 2005, 468 SCRA 77, 86.

[100] 40 Phil. 550, 562 (1919).

[101] No. L-30098, February 18, 1970, 313 SCRA 616, 625.

[102] G.R. No. 155650, July 20, 2006, 495 SCRA 591.

[103] *Id.* at 642.

[104] *Rollo* (G.R. No. 158252), p. 393.

[105] *Tolentino v. Alzate*, 98 Phil. 781, 783-784 (1956).

[106] L.J. Gonzaga, *STATUTES AND THEIR CONSTRUCTION* 47 (1st ed., 1958); citing *Black, INTERPRETATION OF LAWS* 380-381.

[107] *Zulueta v. Asia Brewery, Inc.*, G.R. No. 138137, March 8, 2001, 354 SCRA 100.

[108] Section 14. Repealing Clause.—All laws, decrees, orders, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

[109] G.R. No. 166429, December 19, 2005, 478 SCRA 474.

[110] G.R. No. 158609, July 27, 2007, 528 SCRA 287.

[111] Sec. 3, Chap. 2, Title I, Book III.

[112] AO 50, Sec. 1.

[113] *Id.*, Sec. 3.

[114] *National Power Corporation v. Purefoods Corporation*, G.R. No. 160725, September 12, 2008; citing *EPZA v. Dulay*, No. L-59603, April 29, 1987, 149 SCRA 305.

[115] *Land Bank of the Philippines v. Celada*, G.R. No. 164876, January 23, 2006, 479 SCRA 495.

[116] *EPZA v. Dulay*, supra note 114, at 316.

[117] *Rollo* (G.R. No. 166200), pp. 394-395.

[118] *Rollo* (G.R. No. 168272), p. 20.

[119] *Supra* note 4.

[120] *Rollo* (G.R. Nos. 154211-12), p. 217.

[121] *Rollo* (G.R. No. 170683), p. 1026.

[122] *Rollo* (G.R. No. 173392), pp. 1310-1311.

[123] *Supra* note 14, at 1194-1195.

[124] In the same En Banc Resolution of January 29, 2008, G.R. No. 173392 was consolidated with G.R. No. 158252, which was likewise earlier referred to the Court En Banc on October 17, 2007, and En Banc case G.R. No. 166200.

[125] No. L-60036, January 27, 1987, 147 SCRA 334, 339-341.

[126] *Principio v. Barrientos*, G.R. No. 167025, December 19, 2005, 478 SCRA 639, 646.

[127] *Mead v. Hon. Argel*, 200 Phil. 650, 656 (1982); *Yap v. Lutero*, 105 Phil. 1307, 1308 (1959).

[128] *Pineda v. Bartolome*, 95 Phil. 930, 937 (1954); citing *People v. Zulueta*, 89 Phil. 752, 756 (1951).

[129] *Id.*

[130] *Id.*

[131] *Casil v. Court of Appeals*, 349 Phil. 187, 196-197 (1998).

[132] G.R. No. 69260, December 22, 1989, 180 SCRA 576, 584; cited in *National Power Corporation v. Jocson*, G.R. Nos. 94193-99, February 25, 1992, 206 SCRA 520, 536.

[133] G.R. No. 84294, October 16, 1989, 178 SCRA 589, 596.

[134] *Municipal Government of Sagay v. Jison*, 104 Phil. 1026, 1033 (1958).

[135] *National Power Corporation v. Chiong*, G.R. No. 152436, June 20, 2003, 404 SCRA 527, 539, citing *National Power Corporation v. Henson*, G.R. No. 129998, December 29, 1998, 300 SCRA 751, 756.

[136] *National Power Corporation v. Court of Appeals*, G.R. No. 56378, June 22, 1984, 129 SCRA 665, 673; citing *Municipal Government of Sagay v. Jison*, *supra* note 134.

[137] *Manila Railroad Co. v. Velasquez*, 32 Phil. 286 (1915); *Association of Small Landowners in the Philippines, Inc. v. Secretary of Agrarian Reform*, G.R. Nos. 78742, 79310, 79744, and 79777, July 13, 1989, 175 SCRA 378.

[138] *Supra* note 20.

[139] *Supra* note 21.

[140] *Rollo* (G.R. No. 173392), pp. 1355-1360.

[141] *Record*, G.R. No. 173392, Folder for Exhibits 1-96, defendants represented by Atty. Gregorio Ortega. The exhibits however are numbered until 97. No reason has been given for the inconsistency.

The complete list is as follows:

Owner's name/Party

Description of land

Location of land

Area (sq. m)

Market Value

Exhibit

1. Aurea Acosta

Agricultural

Barangay Bolbok, Batangas City

12,241

PhP 41,451.33

1

2. Aurea Acosta

Agricultural

Barangay Bolbok, Batangas City

8,301

PhP 27,240.06

2

3. Consuelo Alcantara

Agricultural

Barangay Bolbok, Batangas City

3,003

PhP 4,432.42

3

4. Lucila Aldover

Agricultural

Barangay Bolbok, Batangas City

618

PhP 2,027.99

4

5. Spouses Moises Macatangay and Andrea Balina

Agricultural

Barangay Bolbok, Batangas City

2,287

PhP 7,504.88

5

6. Evarista Bauan

Agricultural

Barangay Bolbok, Batangas City

1,220.50

PhP 4,260.77

6

7. Rafael S. Berba

Horticultural land

Barangay Bolbok, Batangas City

2,691

PhP 9,393.45

7

8. Amelia M. Berba

Horticultural land

Barangay Bolbok, Batangas City

2,691

PhP 9,112.45

8

9. Pacita M. Berba

Horticultural land

Barangay Bolbok, Batangas City

2,691

PhP 9,112.45

9

10. Pacita M. Berba

Horticultural land

Barangay Bolbok, Batangas City

2,793

PhP 9,457.85

10

11. Maria B. Caedo

Horticultural land

Barangay Bolbok, Batangas City

2,795

PhP 9,464.62

11

12. Maria Clara T. Berba

Horticultural land

Barangay Bolbok, Batangas City

2,690

PhP 9,109.06

12

13. Adoracion A. Cabral

Agricultural

Barangay Bolbok, Batangas City

3,489

PhP 11,449.29

13

14. Adoracion Acosta Cabral

Agricultural

Barangay Bolbok, Batangas City

2,530

PhP 8,302.29

14

15. Maria B. Caedo

Horticultural land

Barangay Bolbok, Batangas City

2,691

PhP 9,112.45

15

16. Benjamin Castillo

Agricultural

Barangay Bolbok, Batangas City

4,835

PhP 15,826.86

16

17. Erlinda Laredo Castillo

Agricultural

Barangay Bolbok, Batangas City

1,733

PhP 5,686.90

17

18. Augusto M. Claveria

Agricultural

Barangay Bolbok, Batangas City

2,653

PhP 8705.32

18

19. Mariano Diokno

Horticultural land

Barangay Bolbok, Batangas City

2,690

PhP 9,109.06

19

20. Spouses Carlito Casas and Enriqueta Casas (1/2) and Spouses Emilio Berberabe and Pacita C. Acosta

Agricultural

Barangay Bolbok, Batangas City

10,066

PhP 21,020.00

20

21. Esperanza Dimaandal

Industrial

Barangay Bolbok, Batangas City

4,000

PhP 388,000.00

21

22. Maria Espanol

Agricultural

Barangay Bolbok, Batangas City

1,493

PhP 4,899.33

22

23. Agrifina Garcia

Agricultural

Barangay Bolbok, Batangas City

1,671

PhP 5,483.45

23

24. Spouses Rufino B. Geron and Matilde P. Geron

Agricultural

Barangay Bolbok, Batangas City

1,364

PhP 4,476.01

24

25. Segundina B. Gualberto

Agricultural

Barangay Bolbok, Batangas City

5,437

PhP 17,907.36

25

26. Segundina B. Gualberto

Horticultural land

Barangay Bolbok, Batangas City

1,153

PhP 3904.36

26

27. Segundina B. Gualberto

Horticultural land

Barangay Bolbok, Batangas City

1,429

PhP 4838.97

27

28. Segundina B. Gualberto

Residential

Barangay Bolbok, Batangas City

257

PhP 118,220.00

28

29. Luisa B. Montalbo

Horticultural land

Barangay Bolbok, Batangas City

2,691

PhP 9,112.45

29

30. Corazon Ilao

Agricultural

Barangay Bolbok, Batangas City

4,243

PhP 13,923.57

31

31. Corazon Ilao

Agricultural

Barangay Bolbok, Batangas City

6,175

PhP 20,263.50

32

32. Corazon Ilao

Agricultural

Barangay Bolbok, Batangas City

1,058

PhP 3,471.86

33

33. Maria Lacsamana

Agricultural

Barangay Bolbok, Batangas City

1,157

PhP 3,796.74

34

34. Maria Lacsamana

Agricultural

Barangay Bolbok, Batangas City

1,414

PhP 4,640.09

35

35. Spouses Basilio Macaraig and Pacencia Del Mundo

Agricultural

Barangay Bolbok, Batangas City

5088

PhP 16,696.47

36

36. Spouses Basilio Macaraig and Pacencia Del Mundo

Agricultural

Barangay Bolbok, Batangas City

4,926

PhP 16,164.86

37

37. Pedro Marasigan

Agricultural

Barangay Bolbok, Batangas City

1,705

PhP 5,595.02

40

38. Pablo D. Mendoza

Agricultural Residential

Barangay Bolbok, Batangas City

3,000

(Agricultural)

447

(Residential)

PhP 10,158.81

PhP 205,620.00

41

39. Spouses Jaime Tauro and Reynada D. Tauro

Agricultural

Barangay Bolbok, Batangas City

609

PhP 1,689.19

43

40. Spouses Jaime Tauro and Reynada D. Tauro

Agricultural

Barangay Bolbok, Batangas City

1,584

PhP 3,307.39

44

41. Lauro C. Abraham

Agricultural

Barangay Calicanto, Batangas City

5,441

PhP 17,854.85

45

42. Arsenio Abacan

Agricultural

Barangay Calicanto, Batangas City

1,454

PhP 4,771.35

46

43. Francisco Abacan and Letecia A Claveria

Agricultural

Barangay Calicanto, Batangas City

12,384

PhP 41,935.56

47

44. Gerardo Abacan

Agricultural

Barangay Calicanto, Batangas City

3,983

PhP 13,070.37

48

45. Gerardo Abacan

Agricultural

Barangay Calicanto, Batangas City

3,128

PhP 10,264.65

49

46. Spouses Gerardo Abacan and Alicia Fabul

Agricultural

Barangay Calicanto, Batangas City

10,011

PhP 32,851.49

50

47. Spouses Manuel Amul and Marcosa Amul

Agricultural

Barangay Calicanto, Batangas City

5,360

PhP 17,589.05

51

48. Azucena and Arnel Perez

Agricultural

Barangay Calicanto, Batangas City

2,158

PhP 7,081.58

52

49. Cecile Olivia F. Cuisia

Agricultural

Barangay Calicanto, Batangas City

6,700

PhP 21,986.31

53

50. Alfredo Bautista

Horticultural land

Barangay Calicanto, Batangas City

643

PhP 2244.71

54

51. Marciana Buenafe

Agricultural

Barangay Calicanto, Batangas City

2,106

PhP 6910.91

55

52. Marciana Buenafe

Agricultural

Barangay Calicanto, Batangas City

3,796

PhP 12,456.72

56

53. Marciana Buenafe

Agricultural

Barangay Calicanto, Batangas City

1,090

PhP 3,576.87

57

54. Priscila Buenafe

Agricultural

Barangay Calicanto, Batangas City

2,222

PhP 7,291.58

58

55. Generosa Buenafe

Agricultural

Barangay Calicanto, Batangas City

2,128

PhP 6,983.11

59

56. Eulalio Buenafe

Agricultural

Barangay Calicanto, Batangas City

3,053

PhP 10,018.54

60

57. Esteban Espino

Agricultural

Barangay Calicanto, Batangas City

2,804

PhP 9,201.43

63

58. Dr. Efrem P. Espino, et al.

Agricultural

Barangay Calicanto, Batangas City

14,590

PhP 50,933.69

64

59. Guadalupe Dayanghirang

Agricultural

Barangay Calicanto, Batangas City

6,642

PhP 21,795.98

65

60. Felino Fernandez, et al.

Agricultural

Barangay Calicanto, Batangas City

11,365

PhP 39,675.21

66

61. Rafael Llana and Rustica Llana Perez

Agricultural

Barangay Calicanto, Batangas City

13,395

PhP 43,956.22

67

62. Brigido Lontoc, et al.

Agricultural

Barangay Calicanto, Batangas City

1,115

PhP 3,658.92

68

63. Daniel Magadia

Agricultural

Barangay Calicanto, Batangas City

2,140

PhP 7,022.40

69

64. Pedro T. Magadia and Rose Magadia

Agricultural

Barangay Calicanto, Batangas City

1,084

PhP 3,557.18

70

65. Rosa D. Magadia

Agricultural

Barangay Calicanto, Batangas City

1,085

PhP 3,560.47

71

66. Spouses Jose Maranan and Concha M. Maranan

Agricultural

Barangay Calicanto, Batangas City

2,292

PhP 7,5521.28

72

67. Librada Macatangay

Agricultural

Barangay Calicanto, Batangas City

1,694

PhP 5,558.92

73

68. Librada Macatangay

Agricultural

Barangay Calicanto, Batangas City

463

PhP 1,519.35

74

69. Francisco Abacan and Letecia A. Claveria

Agricultural

Barangay Calicanto, Batangas City

12,384

PhP 41,935.56

75

70. Constancia Villamor-Barcelo

Horticultural land

Barangay Calicanto, Batangas City

8,371

PhP 27,469.77

76

71. Maria M. Montales

Agricultural

Barangay Calicanto, Batangas City

5,041

PhP 16,552.08

78

72. Luisa B. Montalbo

Agricultural

Barangay Calicanto, Batangas City

11,788

PhP 39,917.35

79

73. Luisa B. Montalbo

Horticultural land

Barangay Calicanto, Batangas City

5,486

PhP 18,002.53

80

74. Godofredo Rosales

Agricultural

Barangay Calicanto, Batangas City

11,080

PhP 38,680.38

81

75. Maria Consolacion Sarmiento

Agricultural

Barangay Calicanto, Batangas City

13,583

PhP 44,573.15

82

76. Luisa Villanueva

Agricultural

Barangay Calicanto, Batangas City

945

PhP 3,101.05

83

77. Luisa Villanueva

Agricultural

Barangay Calicanto, Batangas City

18,209

PhP 59,753.56

84

78. Spouses Pedro A. Alcantara and Dorotea Macatangay

Horticultural land

Barangay Sta. Clara, Batangas City

1,581

PhP 5,188.11

85

79. Lucila Aldover

Agricultural

Barangay Sta. Clara, Batangas City

1,251

PhP 4,105.20

86

80. Andrea Albina

Horticultural land

Barangay Sta. Clara, Batangas City

4,051

PhP 13,293.51

87

81. Gregoria Dapat

Salinal (Salt land)

Barangay Sta. Clara, Batangas City

11,938

PhP 109,097.55

88

82. Corazon Ilao, et al.

Horticultural land

Barangay Sta. Clara, Batangas City

9,351

PhP 30,685.68

89

83. Milagros Macatangay

Fishpond Salt bed

Barangay Sta. Clara, Batangas City

34,620

(Fishpond)

2,000

(Salt bed)

PhP 69,240.00 PhP 40,000.00

90

84. Milagros Macatangay

Fishpond

Barangay Sta. Clara, Batangas City

29,319

PhP 58,640.00

92

85. Lilia Suingimoto

Salt bed

Barangay Sta. Clara, Batangas City

12,349

PhP 112,853.55

94

86. Popula Llana

Salt bed

(17,999)

Horticultural land

(25,769)

Swampy

(46,016)

Fishpond

(98,069)

Barangay Sta. Clara, Batangas City

187,853

PhP 1,166,897.82

95

87. Luis C. Lira

Salt bed

Barangay Sta. Clara, Batangas City

19,630

PhP 179,392.29

96

88. Rosario Perez, et al.

Horticultural land

Barangay Sta. Clara, Batangas City

17,777

PhP 58,335.93

97

[142] Id., Exhibit No. 21.

[143] Id., Exhibit No. 41.

[144] Id., Exhibit No. 28.

[145] Rollo (G.R. No. 173392), pp. 596-614.

[146] Rollo (G.R. No. 158252), pp. 146-151.

[147] TSN, March 25, 2008 Oral Arguments, pp. 209-210.

[148] Id. at 211-215.

[149] Id. at 299-300.

[150] Other landowners who sold their properties to PPA pending the instant expropriation case are: 1) Cecile Olivia F. Cuisia; 2) Pastor Realty Company; 3) Cecile Olivia F. Cuisia; 4) Caridad Buenafe Ramos; 5) Manuel D. Magadia; 6) Manuel D. Magadia; 7) J.L. Gandionco Realty Development Corporation by: Romana S. Gandionco; 8) J.L. Gandionco Realty Development Corporation by: Romana S. Gandionco; 9) Pastor Realty Company; 10) Gerardo Abacan and Alicia Fabul; 11) Brigido Lontoc, Juana Cornero and Adelaida Belegal; 12) Luz Balmes; 13) Heirs of Esteban Espino; 14) Gabriela and Estanislawa Acosta; 15) Rufino B. Geron and Matilde Geron; 16) Raymund T. Pastor and Carlo G. Pastor; 17) Segundina Gualberto; 18) Anita Escano; 19) Anita Escano; 20) Anita Escano. Annexes SS to SS-16 of Petition for Review, Rollo (G.R. No. 173392), pp. 642-728. See also Annexes AA—AA-15 of Petition for Review, Rollo (G.R. No. 170683), pp. 437-523 on the landowners who sold their properties to PPA pending resolution of the expropriation case: 1) Anita G. Escano, Lydia G. Capulong & Erlinda Gonzales-Germar; 2) Anita G. Escano, Lydia G. Capulong, Romulo G. Gonzales & Erlinda Gonzales-Germar; 3) Heirs of Esteban B. Espino (Flordeliza E. Cantos, Juana L. Carnero, Manuel del Mundo, Severion Espino, Dionisia D. Vellon, Ricardo Espino, Alfredo P. Espino, Jr.); 4) Ligaya Villanueva-Lontok, Juana L. Carnero & Adelaida L. Belegal; 5) Pastor Realty Company; 6) Alex Buenafe, Brenda Buenafe, Eulalio Buenafe, Jr. & Caridad Buenafe; 7) Cecile Olivia F. Cuisia; 8) Spouses Gerardo Abacan & Alicia Fabul; 9) Manuel D. Magadia; 10) J.L. Gandionco Realty Development Corporation; 11) Luz Balmes; 12) Heirs of Gabriela & Estanislawa

Acosta (Mario A. Castillo, Luis A. Castillo, Elpidia Resurreccion Castillo & Antonio A. Castillo); 13) Spouses Rufino B. Geron & Matilde P. Geron; 14) Raymund T. Pastor & Carlo G. Pastor; and, 15) Segundina B. Gualberto.

[151] Rollo (G.R. No. 158252), pp. 188-190.

[152] *Id.* at 191-193.

[153] *Id.* at 194-196. The heirs are: (1) Alex Buenafe married to Cenelinda Balmes; (2) Brenda Buenafe married to Virgilito Mangalino; (3) Dennis Buenafe and (4) Eulalio Buenafe, Jr., represented by their Attorney-in-Fact, Caridad Buenafe-Ramos.

[154] *Supra* note 14, at 1179-1180.

[155] TSN, March 25, 2008, pp. 45-46.

[156] *Id.* at 47-48.

[157] *Id.* at 51.

[158] *Id.* at 281-282.

[159] *II Moore on Facts* 1225.

[160] August 15, 2000 Order.

[161] See *Pagano v. Nazarro, Jr.*, G.R. No. 149072, September 21, 2007, 533 SCRA 622, 628, citing *Office of the Court Administrator v. Juan*, A.M. No. P-03-1726, 22 July 2004, 434 SCRA 654, 658 and *Baquerfo v. Sanchez*, A.M. No. P-05-1974, 6 April 2005, 455 SCRA 13, 19-20; *Re: Report on the Judicial Audit Conducted in the Regional Trial Court, Branch 4, Dolores, Eastern Samar*, A.M. No. 06-6-340-RTC, October 17, 2007, 536 SCRA 313, 338, citing *Concerned Trial Lawyers of Manila v. Veneracion*, A.M. No. RTJ-05-1920, 26 April 2006, 488 SCRA 285, 298-299 and *Aquino, Jr. v. Miranda*, A.M. No. P-01-1453, 27 May 2004, 429 SCRA 230, 239; *Santos v. Lacurom*, A.M. No. RTJ-04-1823, August 28, 2006, 499 SCRA 639, 648, citing *Neri v. Hurtado, Jr.*, A.M. No. RTJ-00-1584, 18 February 2004, 423 SCRA 200.

[162] *Reyes v. National Housing Authority*, G.R. No. 147511, January 20, 2003, 395 SCRA 494, 505.

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