



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

THE HEIRS OF THE LATE
SPOUSES LAURA YADNO and
PUGSONG MAT-AN, namely,
LAURO MAT-AN, FE MAT-AN
LAOYAN, JULIA MAT-AN KITANI,
ANA MAT-AN MALANI, DARIO
MAT-AN and VICTOR MAT-AN,
who are represented by their co-
petitioner NENA MAT-AN
CLEMENT,

Petitioner,

G.R. No. 174582

Present:

VELASCO, JR., J., *Chairperson*,
PERALTA,
ABAD,
PEREZ,* and
MENDOZA, JJ.

- versus -

THE HEIRS OF THE LATE
SPOUSES MAURO and ELISA
ANCHALES, namely, JOHNNY S.
ANCHALES, BELMORE S.
ANCHALES, BENSON S.
ANCHALES, BRIGETTE S.
HARASYMUK, RITA A. KAWA,
and NENITA S. ANCHALES,

Respondents.

Promulgated:

11 October 2012

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DECISION

PERALTA, J.:

Assailed in this petition for review on *certiorari* are the Decision¹ dated January 12, 2006 and the Resolution² dated June 28, 2006 issued by the Court of Appeals in CA-G.R. CV No. 77427.

* Designated Acting Member, per Special Order No. 1299 dated August 28, 2012.

¹ Penned by Associate Justice Hakim S. Abdulwahid with Associate Justices Remedios A. Salazar-Fernando and Estela M. Perlas-Bernabe (now a member of this Court.), concurring, *rollo*, pp. 155-163.

² Penned by Associate Justice Hakim S. Abdulwahid, with Justices Mario L. Guariña III and Estela M. Perlas-Bernabe (now a member of this Court.), concurring, *id.* at 207-208.

The antecedent facts are as follows:

On December 1, 1982, the Spouses Mauro and Elisa Anchales (Spouses Anchales), respondents' predecessors, filed with the then Court of First Instance, Branch 9, now Regional Trial Court, Branch 46, of Urdaneta, Pangasinan (Urdaneta RTC), a Complaint³ for ownership, delivery of possession, damages with preliminary injunction and attachment against the spouses Augusto and Rosalia Yadno (Spouses Yadno), Orani Tacay (Orani), and the spouses Laura Yadno and Pugsong Mat-an (Spouses Mat-an), petitioners' predecessors, docketed as Civil Case No. U- 3882. The Spouses Mat-an and Orani did not file their Answer, thus, they were declared in default. The Spouses Yadno were also declared in default so the Spouses Anchales were allowed to present their evidence *ex-parte*. The Spouses Yadno filed a motion for reconsideration of the Order declaring them in default, but the RTC denied the motion and submitted the case for decision. On September 14, 1987, the Urdaneta RTC rendered its Decision,⁴ the dispositive portion of which reads:

WHEREFORE, judgment is hereby rendered:

1. Declaring the plaintiffs as the absolute owners of the land in question;
2. Ordering the defendants Augusto Yadno and Rosalia Yadno to vacate the premises of the land in question and restore the possession thereof to the plaintiffs;
3. Ordering the said defendants to remove their house constructed which is still standing on the premises in question;
4. Ordering the defendants Augusto Yadno, Rosalia Yadno, Orani Tacay, Laura Yadno and Pugsong Mat-an to pay jointly and severally the plaintiffs the amount of 400 cavans of palay representing the harvest for the last six (6) years up to and including the years 1982 and 1983 until they actually vacate and deliver the premises to the plaintiffs; and
5. That the said defendants are hereby ordered to pay jointly and severally the plaintiffs the sum of ₱10,000.00 as attorney's fees.

³ *Rollo*, pp. 114-121.

⁴ *Id.* at 122-127.

Other claims of plaintiffs for damages are hereby denied for lack of evidence.

With costs against all the defendants solidarily.

SO ORDERED.⁵

The decision became final and executory. A Writ of Execution was issued on September 20, 1988.⁶ The sheriff of the Urdaneta RTC issued a Notice of Levy dated October 10, 1988 on the property registered under the name of Orani, one of the defendants, covered by TCT No.T-13845 of the Register of Deeds of Baguio City. The notice of levy was annotated at the back of the title on November 7, 1988.⁷ A public auction was held on November 14, 1988 and Mauro Anchales emerged as the highest bidder.⁸ A Certificate of Sale⁹ dated December 20, 1988 was issued to Mauro Anchales which was registered with the Register of Deeds of Baguio City on August 7, 1989. The Sheriff's Final Certificate of Sale¹⁰ was issued on March 7, 1991 and was annotated at the back of TCT No. 13845 on April 3, 1991.

Earlier, on February 10, 1989, petitioners' predecessors, the Spouses Mat-an, filed with the RTC of Baguio City (Baguio RTC), Branch 7, an Action¹¹ for injunction and damages with prayer for writ of preliminary injunction against respondents' predecessors, the Spouses Anchales, Spouses Yadno, and the Provincial Sheriff of the RTC Branch 46, Urdaneta, Pangasinan, docketed as Civil Case No. 1651-R, the subject of the instant petition. In their Complaint, the Spouses Mat-an claimed that on December 16, 1988, the Provincial Sheriff of Urdaneta, without any authority from the trial court, indiscriminately levied and conducted a public auction sale of the property registered under the name of Orani Tacay covered by TCT No. 13845, thus, saving the real property of the Spouses Yadno covered by TCT

⁵ *Id.* at 127.

⁶ Records, p. 185.

⁷ *Id.* at 168.

⁸ *Id.*

⁹ *Id.* at 185-186.

¹⁰ *Id.* at 168.

¹¹ *Rollo*, pp. 92-97.

No. T-88740 situated at Dungon, Sison, Pangasinan. The Spouses Mat-an further argued that Orani died on December 28, 1986, which was before the Urdaneta RTC had rendered its decision on September 14, 1987, thus Orani's property covered by TCT No 13845 became the estate of her legal heirs and had since been with a distinct personality which cannot be subjected to levy.

On April 13, 1990, both counsels in the Baguio RTC case moved¹² that the injunction case filed therewith be archived in view of the pending case for partition involving the Yadno and Mat-an Spouses.

On April 30, 1991, the Spouses Anchales filed a motion with the Urdaneta RTC for the issuance of title in their favor. The RTC issued its Order¹³ dated July 2, 1991 directing the Spouses Yadno, Orani and the Spouses Mat-an to produce and surrender the duplicate owner's copy of TCT No. T- 13845 within 15 days from receipt of the Order. The Spouses Mat-an assailed this Order with us which we dismissed in a Resolution dated December 12, 1991. Subsequently, in an Order¹⁴ dated May 20, 1994, the RTC authorized the Register of Deeds of Baguio City to cancel TCT No. T- 13845 and correspondingly issue a new owner's duplicate copy of the same in the name of Mauro Anchales. Later, the RTC issued another Order¹⁵ dated June 14, 1994 directing the Register of Deeds of Baguio City to annul the title of Orani and to issue another title in lieu thereof to Mauro Anchales immediately upon receipt of the Order. Consequently, TCT No. 60513 was issued to Mauro Anchales on July 6, 1994.¹⁶

On September 16, 1997, petitioners' predecessors, the Spouses Mat-an, filed with Baguio RTC an *Ex-Parte* Motion¹⁷ for the revival of their injunction case filed therewith, a motion for admission of

¹² *Id.* at 30.

¹³ Records, p. 188.

¹⁴ *Id.* at 168 and 204.

¹⁵ *Id.*

¹⁶ *Id.* at 169.

¹⁷ *Id.* at 37.

supplemental complaint and a motion for substitution¹⁸ of defendants Mauro and Eliza Anchales who had already died. In their Supplemental Complaint,¹⁹ the Spouses Mat-an assailed the levy and sale of the Orani property as illegal and the Orders dated July 2, 1991, May 20, 1994 and June 14, 1994 for being void and of no legal effect. They claimed that the decision rendered by the Urdaneta RTC in Civil Case No. U-3882 was null and void in so far as Orani was concerned, since she had died before the decision was rendered and her intestate estate was not impleaded to substitute her before the rendition of the judgment.

In an Order²⁰ dated October 22, 1997, the Baguio RTC granted the Motion to Revive the Case, and on February 9, 1998, admitted the Supplemental Complaint. The RTC subsequently ordered the defendants to file their answer to the complaint. Accordingly, defendants filed their Answer with Counterclaim.²¹

The Spouses Mat-an moved²² to drop the Spouses Yadno as defendants in the case, which the RTC granted in an Order dated January 3, 2002.

Subsequently, defendants filed a Motion to Dismiss²³ on the ground that the Baguio RTC had no jurisdiction to enjoin the Urdaneta RTC, since that latter court is a court of coordinate jurisdiction. The Spouses Mat-an filed their Opposition.

On August 21, 2002, the Baguio RTC issued its Order²⁴ granting the Motion to Dismiss.

¹⁸ *Id.* at 53; Substituted by Johnny Anchales, Belmore Anchales, Benson Anchales, Brigitte Anchales Harasymiuk, Rita A. Kawa and Nenita Anchales.

¹⁹ *Id.* at 99-107.

²⁰ *Id.* at 56.

²¹ *Id.* at 134-142.

²² *Id.* at 132-139.

²³ *Id.* at 143-144.

²⁴ *Rollo*, pp. 147-149; Per Judge Clarence J. Villanueva.

In so ruling, the RTC said:

There is no doubt Orani Tacay was defendant in Civil Case No.-3882. And so, the decision rendered in said case, dated September 14, 1987, is binding and effective on said Orani Tacay and her co-defendants (Augusto Yadno, Rosalia Yadno, Laura Yadno and Pugsong Mat-an). And so to enforce said judgment by way of writ of execution, the property/properties of said defendants can be levied upon to satisfy the judgment.

The property (covered by TCT T-13845) levied upon belongs to the intestate estate of Orani Tacay. And the only legal heirs of the deceased Orani Tacay are Lauro Yadno and [Augusto Yadno], who are all defendants in said Civil Case U-3882.

There were no intestate proceedings instituted in the proper court with respect to the properties left by Orani Tacay. And so, her (Orani Tacay's) properties are not in *custodia legis*.

Since the land covered by TCT T-13845 belongs to the defendants, then the Deputy Sheriff who levied on said property to satisfy the judgment in Civil Case U-3882 just acted within his authority and in accordance with the rules. As correctly pointed by the defendants-movants, the proper remedy is to file the appropriate motion/pleading to this effect with the RTC, Branch 46, Urdaneta, which rendered the judgment. This is so because this court (RTC, Branch 46, Urdaneta) has exclusive jurisdiction over the execution proceedings.²⁵

The Spouses Mat-an appealed the decision to the CA, which rendered its Decision dated January 12, 2006 dismissing the appeal.

The CA found that the issue involving Civil Case No. U-3882, which was decided by the Urdaneta RTC, must be resolved by that court and the Baguio RTC had no authority to interfere with the processes of the Urdaneta RTC which is a coordinate court; that the Spouses Mat-an would like the Baguio RTC to enjoin the sheriff from auctioning the subject property which cannot be done as it had been levied pursuant to a lawful order of the Urdaneta RTC which placed the property under *custodia legis*, hence, beyond the authority of a co-equal court.

The Motion for Reconsideration filed by petitioners' predecessors was denied in a Resolution dated June 28, 2006.

²⁵

Id. at 148.

Petitioners, as heirs of the Spouses Mat-an, filed the instant petition claiming that the CA committed a reversible error in affirming the Baguio RTC's order dismissing the complaint for the following reasons:

- (1) The Supplemental Complaint of the late PLAINTIFFS Laura Yadno and Pugsong Mat-an in Civil Case No. 1651-R before the court *a quo* explicitly alleges that the property in litigation was not in *custodia legis* but already sold at public auction and Transfer Certificate of Title No. T-13845- in the name of the late Orani Tacay had already been cancelled and Transfer Certificate of Title No. 60513 was already issued to the late DEFENDANT Mauro Anchales on July 6, 1994;
- (2) The main action in Civil Case No. 1651-R before the court *a quo* is for quieting of title, recovery of ownership and reconveyance of the property in litigation, in which case the policy of judicial stability is inapplicable thereto;
- (3) The prayer of the late PLAINTIFFS Laura Yadno and Pugsong Mat-an in their Supplemental Complaint for the court *a quo* to declare “as null and void *ab initio* Transfer Certificate of Title No. T-60513 issued to the (late) defendant Mauro Anchales” is only incidental to the main action to quiet title, recovery of ownership, and reconveyance of the property in litigation “by directing the Register of Deeds for Baguio City to restore Transfer Certificate of Title No. T-13845” and, therefore, the policy of judicial stability is inapplicable to Civil Case No. 1651-R before the court *a quo*; and
- (4) The late DEFENDANTS Mauro Anchales and Eliza Anchales flagrantly violated the policy of judicial stability and the prohibition against forum shopping in securing, and the Regional Trial Court of Urdaneta, Pangasinan, committed grave abuse of discretion, as it was utterly devoid of jurisdiction in issuing the July 2, 1991, May 20, 1994 and June 14, 1994 Orders in Civil Case No. U-3882 during the pendency of Civil Case No. 2175 before the Regional Trial Court of Baguio City. Hence, the said July 2, 1991, May 20, 1994 and June 14, 1994 Orders are null and void *ab initio* and the court *a quo* will not violate the policy of judicial stability if it resolved these issues in Civil Case No. 1651-R before it.²⁶

The main issue for resolution is whether the CA committed a reversible error when it affirmed the Baguio RTC's dismissal for lack of jurisdiction the complaint filed with it by petitioners' predecessors, the Spouses Mat-an.

²⁶*Id.* at 23-24.

We rule in the negative.

In their Complaint for injunction and damages and issuance of a writ of preliminary injunction filed before the Baguio RTC, which was docketed as Civil Case No. 1651-R, petitioners' predecessors assailed the validity of the judgment issued by Branch 46 of the Urdaneta RTC in Civil Case No. U-3882 for being null and void. They claimed that Orani Tacay, one of the party defendants in Civil Case No. U-3882, had already died before the judgment was rendered but was not duly substituted by either her heirs or the administrator of her estate. Thus, the judgment was never binding and had never attained finality as against Orani or her intestate estate; that the levy and execution, as well as the subsequent sale at public auction of Orani's property to satisfy the judgment in Civil Case No. U-3882 were all null and void, because of the total nullity of the judgment sought to be enforced. In their Supplemental Complaint, petitioners' predecessors argued that the Orders dated July 2, 1991, May 20, 1994, and June 14, 1994 issued by the Urdaneta RTC were also all null and void.

Notably, the Decision dated September 14, 1987 of the Urdaneta RTC, issued in Civil Case No. U-3882 which petitioners sought to assail in their complaint filed in the Baguio RTC had long become final and executory. In the said Decision, the Urdaneta RTC ordered, among others, that: “defendants Augusto Yadno, Rosalia Yadno, Orani Tacay, Laura Yadno and Pugsong Mat-an to pay jointly and severally the plaintiffs the amount of 400 cavans of palay representing the harvest for the last six years up to and including the years 1982 and 1983 until they actually vacate and deliver the premises to the plaintiffs.” Since Orani was one of the defendants adjudged to be jointly and severally liable to respondents' predecessors, the Spouses Anchales, her property was levied on October 10, 1988 by virtue of a Writ of Execution dated September 20, 1988 issued in the said case. The notice of levy was annotated at the back of Orani's TCT No. 13845 on November 7, 1988 and the property was sold to Mauro Anchales who emerged as the

highest bidder. A certificate of sale was issued to Mauro Anchales on December 20, 1988 and was registered and annotated on TCT No. 13845 on August 7, 1989. As no redemption was made within the one-year period for doing so, the sheriff's sale became absolute. Subsequently, the Urdaneta RTC issued an Order dated July 2, 1991 which directed the defendants in said case to produce and surrender to the court their duplicate owner's copy of TCT No. T-13845. And on the May 20, 1994 and June 14, 1994 Orders of the Urdaneta RTC, the Register of Deeds of Baguio City was authorized to cancel TCT No. 13845 in Orani's name and to correspondingly issue a new owner's duplicate copy in the name of Mauro Anchales and to annul Orani's title and to issue another title to Mauro Anchales, respectively. Notably, the last three Orders which petitioners claimed to be void were merely the consequence of the execution of judgment dated September 14, 1987 in Civil Case No. U-3382 which had already been enforced when Orani's property was levied upon and sold at public auction with Mauro Anchales as the highest bidder.

We find that the Baguio RTC correctly dismissed the case for injunction with damages filed with it, since it had no jurisdiction over the nature of the action. Petitioners' predecessors could not in an action for injunction with damages filed with the Baguio RTC sought the nullification of a final and executory decision rendered by the Urdaneta RTC and its subsequent orders issued pursuant thereto for the satisfaction of the said judgment. This would go against the principle of judicial stability where the judgment or order of a court of competent jurisdiction, the Urdaneta RTC, may not be interfered with by any court of *concurrent* jurisdiction (*i.e.*, another RTC), for the simple reason that the power to open, modify or vacate the said judgment or order is not only possessed by but is restricted to the court in which the judgment or order is rendered or issued.²⁷

²⁷ *Tiu v. First Plywood Corporation*, G.R. Nos. 176123 and 185264, March 10, 2010, 615 SCRA 117, 129, citing *Philippine Commercial International Bank v. Court of Appeals*, G.R. No. 114951, July 17, 2003, 406 SCRA 575, 602.

The long standing doctrine is that no court has the power to interfere by injunction with the judgments or decrees of a court of concurrent or coordinate jurisdiction. The various trial courts of a province or city, having the same or equal authority, should not, cannot, and are not permitted to interfere with their respective cases, much less with their orders or judgments.²⁸ A contrary rule would obviously lead to confusion and seriously hamper the administration of justice.²⁹

Petitioners argue that the decision of the Urdaneta RTC had never attained finality as against defendant Orani because it was rendered after Orani's death and without her having been substituted by her intestate estate; that her intestate estate cannot be held liable to the satisfaction of the judgment debt because in legal contemplation, no judgment was ever rendered either against her or her intestate estate.

This argument should have been presented before the Urdaneta RTC as it was the court which rendered the decision and ordered the execution sale of the Orani property and thus should settle the whole controversy.³⁰ Moreover, it appears that the Urdaneta RTC was not apprised at all of Orani's death, since there was no notice of her death filed with it. In fact, in their Comment filed with us, respondents allege that:

The defendants spouses Mauro Anchales and Elisa Anchales pointed out in paragraph 4 of their Answer to the original Complaint and in paragraph 11 of their Answer to the supplemental complaint that the plaintiff spouses Laura Yadno Mat-an and Pugsong Mat-an never informed the trial court (RTC, Branch 46, Urdaneta, Pangasinan) about such alleged death of Orani Tacay.

These contentions of spouses Mauro Anchales and Elisa Anchales that the trial court (RTC 46, Urdaneta Pangasinan) was never informed of the alleged death of Orani Tacay was never rebutted by Lauro Yadno Mat-An and Pugsong Mat-an in Civil Case No. 1651-R (RTC, Branch 7, Baguio City).

²⁸ *Ching v. Court of Appeals*, G.R. No. 118830, February 24, 2003, 398 SCRA 88, 93; 446 Phil. 121, 129 (2003).

²⁹ *Id.*

³⁰ *Tiu v. First Plywood Corporation*, *supra*, citing *Crystal v. Court of Appeals*, No. L- 35767, April 15, 1988, 160 SCRA 79, 84; 243 Phil. 244 (1988).

In fine, it is the fault of spouses Laura Yadno Mat-an and Pugsong Mat-an (now substituted by petitioners) in not informing the trial court (RTC 46, Urdaneta, Pangasinan) about the alleged death of Orani Tacay.

Petitioners never rebutted these allegations in their Rejoinder. The Baguio RTC had no jurisdiction to nullify the final and executory decision of the Urdaneta RTC. To allow it would open the floodgates to protracted and endless litigations, since the counsel or the parties, in an action for recovery of money, in case said defendant dies before final judgment in a regional trial court, is to conceal such death from the court and thereafter pretend to go through the motions of trial, and after judgment is rendered against his client, to question such judgment by raising the matter that the defendant was not substituted by her intestate heirs.³¹

Moreover, it also appears that petitioners' predecessors admitted that Orani's only legal heirs were Laura Yadno, petitioner's predecessor, and Augusto Yadno, who both became the absolute owners of the property from the moment of Orani's death. Notably, Laura and Augusto, together with Orani, were the original defendants in the case of recovery of sum of money filed with the Urdaneta RTC and who were adjudged jointly and severally liable to the Spouses Anchales. Thus, they cannot claim that they were deprived of such property, since the sale was done in accordance with the rules on the execution of judgment rendered against them.

Petitioners contend that the CA erred in its factual finding that the subject property was in *custodia legis* of the Urdaneta RTC when it is established that a new TCT No. 60513 had already been issued to Mauro Anchales; that such finding led to a wrong legal conclusion that the Baguio RTC is devoid of jurisdiction over the complaint on the policy of judicial stability.

³¹ *Heirs of Elias Lorilla v. Court of Appeals*, G.R. No. 118655, April 12, 2000, 330 SCRA 429, 438; 386 Phil. 638, 647 (2000).

We are not impressed.

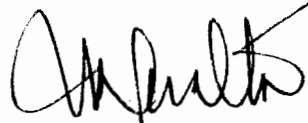
There is no dispute that the Orani property had been in *custodia legis* of the Urdaneta RTC when it was levied on October 10, 1988 and sold under a writ of execution for the satisfaction of the judgment rendered by the said court. The subsequent issuance of a new title of the Orani property in the name of Mauro Anchales was by virtue of a levy and an execution sale of the said property which was not redeemed within the one-year period. Thus, the Baguio RTC correctly ruled that it cannot, in an injunction case with damages filed with it, interfere with the judgment of the Urdaneta RTC and the subsequent orders issued pursuant thereto since it is beyond the former's authority as a co-equal court. It is the Urdaneta RTC which has a general supervisory control over its processes in the execution of its judgment with a right to determine every question of fact and law which may be involved in the execution.³²

Finally, petitioners' claim that the cause of action filed with the Baguio RTC is in reality an action to quiet title as well as for recovery of ownership and reconveyance is belied by the allegations stated in their complaint, which basically sought to nullify the final and executory judgment of the Urdaneta RTC, the levy and sale of the property, and the issuance of a new title in the name of Mauro Anchales.

WHEREFORE, the petition is **DENIED**. The Decision dated January 12, 2006 and the Resolution dated June 28, 2006 of the Court of Appeals in CA-G.R. CV No. 77427 are hereby **AFFIRMED**.

³² See *Paper Industries Corp. of the Philippines v. Intermediate Appellate Court*, G.R. No. L-71365, June 18, 1987, 151 SCRA 161, 167; 235 Phil. 162 (1987).

SO ORDERED.



DIOSDADO M. PERALTA
Associate Justice

WE CONCUR:



PRESBITERO J. VELASCO, JR.

Associate Justice
Chairperson



ROBERTO A. ABAD
Associate Justice




JOSE PORTUGAL PEREZ
Associate Justice



JOSE CATRAL MENDOZA
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



MARIA LOURDES P. A. SERENO
Chief Justice