# **SECOND DIVISION**

# [ G.R. No. 178431, November 12, 2012 ]

# V.C. PONCE COMPANY, INC., PETITIONER, VS. MUNICIPALITY OF PARAÑAQUE AND SAMPAGUITA HILLS HOMEOWNERS ASSOCIATION, INC., RESPONDENTS.

### DECISION

# **DEL CASTILLO, J.:**

"It is a settled rule that relief will not be granted to a party  $x \times x$  when the loss of the remedy at law was due to his own negligence, or to a mistaken mode of procedure."[1]

Before the Court is a Petition for Review<sup>[2]</sup> on Certiorari of the March 23, 2007 Decision<sup>[3]</sup> of the Court of Appeals (CA), as well as its June 4, 2007 Resolution,<sup>[4]</sup> in CA-G.R. SP No. 91791, which dismissed V.C. Ponce Company, Inc.'s (VCP) Petition for *Certiorari*. The CA held that VCP's resort to a petition for *certiorari* under Rule 65 of the Rules of Court was inappropriate and that the trial court's rejection of the commissioners' appraisal report did not amount to a grave abuse of its discretion. The *fallo* of the assailed Decision reads:

**WHEREFORE**, the petition is **DISMISSED**. Public respondent judge's Decision dated 10 March 2005 and Order dated 15 August 2005 in Civil Case No. 94-0009 for Expropriation are **AFFIRMED**.

#### SO ORDERED.<sup>[5]</sup>

The assailed June 4, 2007 Resolution denied VCP's Motions for Extension of Time to file motion for reconsideration, and consequently, dismissed its Motion for Reconsideration for belated filing. [6]

#### Factual Antecedents

On October 5, 1987, respondent Municipality (now City) of Parañaque (municipality) filed a complaint<sup>[7]</sup> against petitioner VCP for the expropriation of its property, which is located in the municipality's Barrio San Dionisio and covered by Transfer Certificate of Title (TCT) No. 116554.<sup>[8]</sup> The municipality intended to develop the property for its landless residents, in line with the Presidential Commission on Urban Poor's classification of the site as an area of priority development.<sup>[9]</sup> Respondent Sampaguita Hills Homeowners Association, Inc. (SHHAI), consisting of the property's actual occupants, who are also the intended beneficiaries of the action, intervened in the case.<sup>[10]</sup>

On August 23, 2002, the Regional Trial Court (RTC) of Parañaque, Branch 274, sustained the municipality's right to expropriate the said property<sup>[11]</sup> and to a writ of possession.<sup>[12]</sup> The trial court also informed the parties in the same Order of the reckoning period for the determination of just compensation, thus:

The defenses having thus been ruled [upon], the Court hereby declares that the plaintiff has the lawful right to take the property sought to be **expropriated** for the public use or purpose described in the complaint, upon the payment of just compensation to be determined **as of the date** of the taking of the property or the filing of the complaint, whichever came first.<sup>[13]</sup>

The parties did not file any objection to the above Order and proceeded to submit the names of their respective nominees for commissioner. On February 26, 2003, the trial court appointed three commissioners<sup>[14]</sup> to assist in ascertaining the just compensation.<sup>[15]</sup> The trial court defined the scope of the commissioners' work as follows:

(1) [T]o undertake the evaluation for purposes of determining just compensation on the property as described and delineated in paragraph 3 of the amended complaint, taking into consideration several factors for assessment with reckoning time of the filing of the complaint and the taking of the property and incidental periods reasonable and fair in determining just compensation; [16]

On March 15, 2004, commissioners Bienvenido Reyes and Jose Marleo Del Rosario informed the trial court that VCP did not participate in the meetings despite notification<sup>[17]</sup> and that, due to time constraints,<sup>[18]</sup> the commissioners denied<sup>[19]</sup> VCP's request for an additional four months to submit its independent valuation of the property.<sup>[20]</sup> The commissioners also informed the court that Cenon Astudillo, VCP's choice for commissioner, did not contribute to the commission's work due to his frequent absences.<sup>[21]</sup>

On even date, the commissioners submitted their appraisal report,<sup>[22]</sup> stating that they considered sales data of properties within the vicinity from the years 1994 to 2003, and tax declarations from the years 1996 to 2003.<sup>[23]</sup> Based on these, they determined the just compensation at P1,150.00 per square meter.<sup>[24]</sup>

The trial court admitted the report into the records, after both parties manifested that they were not objecting thereto, [25] and declared the case submitted for decision. [26]

# Ruling of the Trial Court

On March 10, 2005, Judge Fortunito L. Madrona (Judge Madrona) rendered his

Decision rejecting the report. The trial court explained that just compensation, as Section 4 of Rule 67 of the Rules of Court provides, [27] must reflect the value and character of the property sought to be expropriated, at the time it was taken or at the time the complaint for expropriation was filed, whichever came first. Applying this rule to the facts of the case, the reckoning period should have been the time of filing of the complaint in 1987 because it took place before the taking of the property in 2002. The report violated this rule by using data from 1996 onwards.

The trial court then made an independent finding based on the evidence already on hand. It determined that there exists, on record, a certification from the Office of the City Assessor, that the property's market value for the years 1985 to 1993 (which includes the year the complaint was filed) was P1,366,400.00.<sup>[28]</sup> This value roughly translates to P75 per square meter, for a total of P1,372,350.00. The dispositive portion of the trial court's Decision reads:

WHEREFORE, based then from [sic] the foregoing considerations, considering that the land was then a rawland in 1987 at the time of the filing of the Amended Complaint for expropriation, it is the determination of the Court that the just compensation for the expropriation of the parcel of land described as Lot No. 4598 of the Cad. Survey of Parañaque, located in San Dionisio, Parañaque City, containing an area of 18,298 square meters, registered under Transfer Certificate of Title No. 116554 of the Registry of Deeds of Parañaque City in the name of the defendant V.C. Ponce Co., Inc., is hereby fixed at P75.00 per square meter, or for an aggregate valuation of P1,372,350.00.

x x x x

SO ORDERED.[29]

VCP moved for a reconsideration, which the trial court denied in its Order dated August 15, 2005.<sup>[30]</sup>

VCP received its copy of the said Order on August 24, 2005.[31]

On October 21, 2005 or 58 days since VCP received the Order denying its Motion for Reconsideration, it filed with the CA a Motion for Extension of Time (MOTEX) to File Petition for *Certiorari*, [32] which the CA granted. [33]

VCP filed its Petition for *Certiorari* on November 7, 2005.<sup>[34]</sup> It justified its resort to the extraordinary remedy on the ground that "there is no appeal or plain, speedy and adequate remedy in the course of law that is available to the petitioner."<sup>[35]</sup> It assailed the trial court's rejection of the appraisal report as a grave abuse of discretion. VCP maintained that the appraisal, which is based on the property's value at the time of its taking in 2002, is correct. Assuming *arguendo* that the commissioners committed an error, the trial court should have recommitted the valuation to a new set of commissioners, instead of substituting its own judgment. <sup>[36]</sup> VCP insisted that the trial court's own valuation of P75.00 per square meter is

unrealistic and is unsupported by the evidence.<sup>[37]</sup> Lastly, VCP argued that the trial court committed grave abuse of discretion when it failed to impose legal interests on the just compensation from the time of taking until VCP is fully paid.<sup>[38]</sup> It prayed for the annulment of the trial court's Decision.<sup>[39]</sup>

After the parties had filed their respective memoranda, the CA received, on September 4, 2006, a Notice of Withdrawal of Appearance from VCP's counsel, Atty. Candice Marie T. Bandong, which notice contained VCP's conformity. [40]

# Ruling of the Court of Appeals

At the outset, the CA observed that an ordinary appeal under Rule 41 was available to petitioner and would have constituted a plain, speedy and adequate remedy to correct any perceived error in the RTC Decision. VCP, for unknown reasons, failed to avail itself of the said remedy within the reglementary period. Having lost its right to appeal, VCP resorted to a Petition for *Certiorari* in the hope that it could nevertheless, obtain a reversal of the RTC Decision. The CA held that *certiorari* is unavailing as a substitute for a lost appeal. The CA brushed aside as unfounded VCP's excuse that an appeal would be slow and inadequate. Such excuse, it noted, would allow any litigant to avail itself of extraordinary remedies after they lose their right to appeal. [41]

The CA then held that, even if it were to rule that *certiorari* is proper, it would still dismiss the petition for *certiorari*. It held that grave abuse of discretion was not attendant in the trial court's rejection of the commissioners' report. The CA explained that the trial court has such authority as long as it finds just cause. The report's contravention of the principle regarding the proper reckoning period for the determination of just compensation is such a cause. [42]

Petitioner received the CA Decision on April 10, 2007.<sup>[43]</sup> On the 15th day from its receipt of the Decision, or on April 25, 2007, it filed, through registered mail, a MOTEX of time to file a Motion for Reconsideration on the ground that it has yet to engage the services of a new counsel.<sup>[44]</sup> On May 10, 2007, VCP again requested for *another* 15 days to file its Motion for Reconsideration.<sup>[45]</sup>

On May 25, 2007, which is 45 days since it received the CA Decision, VCP filed its Motion for Reconsideration through its new counsel.<sup>[46]</sup>

The CA denied petitioner's MOTEX in its Resolution dated June 4, 2007. It ratiocinated that the 15-day period for filing a Motion for Reconsideration cannot be extended. Thus, it dismissed VCP's Motion for Reconsideration for belated filing.<sup>[47]</sup>

#### Petitioner's arguments

Petitioner contends that the CA was unreasonably rigid in denying its MOTEX and Motion for Reconsideration. It urges the Court to appreciate its lack of counsel as a justification for its late filing.<sup>[48]</sup>

VCP maintains that the CA erred in holding that VCP should have appealed from the

RTC Decision, instead of resorting to *certiorari*. VCP contends that *certiorari* is proper because an appeal would have been inadequate, and would have further prolonged the resolution of this case, which has already dragged for more than two decades.<sup>[49]</sup>

Lastly, VCP insists that the CA erred in not finding the trial court guilty of grave abuse of discretion.<sup>[50]</sup>

## Respondents' arguments

Respondents insist that the CA was correct in denying petitioner's MOTEX to file Motion for Reconsideration. Jurisprudence has consistently ruled that the period for filing a Motion for Reconsideration is not extendible.

Besides, petitioner does not have a valid excuse for its belated filing. It consented to the withdrawal of its lawyer as early as August 29, 2006 (the date of the Notice of Withdrawal of Appearance). VCP then slept on its rights for eight months until the reglementary period for filing its Motion for Reconsideration lapsed on April 25, 2007. The Court should not reward VCP's negligence with a relaxation of the rules.

Further, respondents insist that the CA is correct in dismissing VCP's petition for *certiorari*. The Rules provide for an appeal of the RTC Decision but VCP neglected to avail of the said remedy within the reglementary period. There is no merit to VCP's contention that an appeal would not have been a speedy and adequate remedy considering that VCP's dilatory pleadings caused the protracted proceedings.<sup>[52]</sup>

Respondents aver that the CA was correct in ruling that the trial court did not commit a grave abuse of discretion. The trial court cannot accept an appraisal which disregards a basic legal principle.<sup>[53]</sup> Its action was consistent with jurisprudence and the rules.<sup>[54]</sup> Further, petitioner cannot claim that it was denied due process. Both parties were sufficiently informed by the trial court, in its August 23, 2002 Order, that the just compensation will be determined as of the date of filing of the complaint.<sup>[55]</sup> None of the parties objected to the said Order.<sup>[56]</sup>

#### **Issues**

- 1. Is petitioner's lack of counsel a justifiable excuse for the late filing of a Motion for Reconsideration?
- 2. Is a Petition for *Certiorari* the proper remedy to correct alleged errors in the trial court's Decision?

#### **Our Ruling**

The petition has no merit.

Period for filing a Motion for Reconsideration not extendible; failure to file Motion for