

## THIRD DIVISION

[ G.R. No. 174835, March 22, 2010 ]

**ANITA REYES-MESUGAS, PETITIONER, VS. ALEJANDRO AQUINO REYES, RESPONDENT.**

### D E C I S I O N

**CORONA, J.:**

This is a petition for review on certiorari<sup>[1]</sup> seeking to reverse the June 23, 2006 and September 21, 2006 orders<sup>[2]</sup> of the Regional Trial Court of Makati (RTC), Branch 62 denying the petitioner's motion to cancel a notice of *lis pendens*.

Petitioner Anita Reyes-Mesugas and respondent Alejandro A. Reyes are the children of Lourdes Aquino Reyes and Pedro N. Reyes. Lourdes died intestate, leaving to her heirs, among others, three parcels of land, including a lot covered by Transfer Certificate of Title (TCT) No. 24475.

On February 3, 2000, respondent filed a petition for settlement of the estate of Lourdes,<sup>[3]</sup> praying for his appointment as administrator due to alleged irregularities and fraudulent transactions by the other heirs. Petitioner, her father Pedro and Arturo, a sibling of the petitioner, opposed the petition.

On August 30, 2000, a compromise agreement<sup>[4]</sup> was entered into by the parties whereby the estate of Lourdes was partitioned. A decision<sup>[5]</sup> dated September 13, 2000 was rendered by the RTC pursuant to the said compromise agreement. The compromise agreement with respect to TCT No. 24475 is reproduced below:

5. That the parties hereto hereby agree to recognize, acknowledge and respect:

5.1. the improvements found on the parcel of land covered under TCT No. 24475 of the Registry of Deeds of Rizal consisting of two lots namely Lot 4-A and Lot 4-B of the new survey with two (2) residential houses presently occupied and possessed as owners thereof by Antonio Reyes and Anita Reyes-Mesugas to constitute part of their shares in the estate of Lourdes Aquino Reyes;

5.2 further, the improvement consisting of a bakery-store under lease to a third party. The proceeds thereof shall be shared by Antonio Reyes and Pedro N. Reyes;

5.3 that the expenses for the partition and titling of the

property between Antonio Reyes and Anita Reyes-Mesugas shall be equally shared by them.

On December 7, 2004, petitioner filed a motion to cancel *lis pendens* annotation for TCT No. 24475<sup>[6]</sup> in the RTC in view of the finality of judgment in the settlement of the estate. Petitioner argued that the settlement of the estate proceeding had terminated; hence, the annotation of *lis pendens* could already be cancelled since it had served its purpose.

Respondent opposed the motion and claimed that the parties, in addition to the compromise agreement, executed "side agreements" which had yet to be fulfilled. One such agreement was executed between petitioner<sup>[7]</sup> and respondent granting respondent a one-meter right of way on the lot covered by TCT No. 24475. However, petitioner refused to give the right of way and threatened to build a concrete structure to prevent access. He argued that, unless petitioner permitted the inscription of the right of way on the certificate of title pursuant to their agreement, the notice of *lis pendens* in TCT No. 24475 must remain.

In its order<sup>[8]</sup> dated January 26, 2006, the RTC denied the motion to cancel the notice of *lis pendens* annotation for lack of sufficient merit. It found that the cancellation of the notice of *lis pendens* was unnecessary as there were reasons for maintaining it in view of petitioner's non-compliance with the alleged right of way agreement between the parties. It stated that:

A careful perusal of the compromise agreement dated September 13, 2000 revealed that one of the properties mentioned is a parcel of land with improvements consisting [of] two hundred nine (209) square meters situated in Makati covered under TCT No. 24475 of the Registry of Deeds [of] Rizal in the name of Pedro N. Reyes married to Lourdes Aquino Reyes and form[s] part of the notarized right of way agreement on TCT No. 24475, considering that the movant Anita Reyes is still bound by the right of way agreement, the same should be complied with before the cancellation of the subject annotation.<sup>[9]</sup> (Citations omitted)

Petitioner filed a notice of appeal.<sup>[10]</sup> Because the denial of a motion to cancel the notice of *lis pendens* annotation was an interlocutory order, the RTC denied the notice of appeal as it could not be appealed until the judgment on the main case was rendered.<sup>[11]</sup> A motion for reconsideration was filed by petitioner but the same was also denied.<sup>[12]</sup>

Hence, this petition.

We find for petitioner.

A compromise is a contract whereby the parties, by making reciprocal concessions, avoid litigation or put an end to one already commenced.<sup>[13]</sup> Once submitted to the court and stamped with judicial approval, it becomes more than a mere private contract binding upon the parties; having the sanction of the court and entered as