

FIRST DIVISION

[G.R. No. 166518, June 16, 2009]

**NATIONAL HOUSING AUTHORITY, PETITIONER, VS. HEIRS OF
ISIDRO GUIVELONDO, REGIONAL TRIAL COURT OF CEBU CITY,
BRANCH 19, AND THE COURT OF APPEALS, RESPONDENTS.**

D E C I S I O N

PUNO, J.:

Before us is a petition for review on *certiorari* under Rule 45 seeking the reversal of the Decision^[1] of the Court of Appeals (CA) in CA G.R. SP No. 85807 affirming the omnibus order^[2] of the Regional Trial Court (RTC), Branch 19, Cebu City, and the order^[3] denying the reconsideration thereof.

This case is an offshoot of G.R. No. 154411, promulgated on June 19, 2003, entitled **National Housing Authority (NHA) v. Heirs of Guivelondo**, in which we resolved once and for all the validity of the order of expropriation issued by the RTC of Cebu City, Branch 11, condemning the properties of respondents located in Barangay Carreta, Cebu City at P11,200.00 per square meter and the propriety of the garnishment against petitioner's funds and personal properties for the payment of just compensation to respondents. Pending the final resolution of G.R. No. 154411, a writ of execution was issued on January 14, 2001 by the RTC, Branch 11 in the amount of P104,641,600.00, as computed from respondents' 9,343 square meters of land valued at P11,200.00 each. Pursuant to said writ of execution, the court sheriff of RTC, Branch 11, Mr. Pascual Abordo, commenced levy and garnishment upon NHA properties, which included bank deposits in various banks. Hence, on June 16, 2001, the Philippine National Bank (PNB) and the Land Bank of the Philippines (LBP) released the amount of P24,305,774.82 to respondents, bringing the balance of the unsatisfied just compensation to P80,335,825.18. On December 26, 2001, petitioner's account with the Philippine Veterans' Bank (PVB) was garnished in the amount of P24,305,774.82, which then brought the computed balance of unpaid just compensation to P80,299,506.72, though the PVB had yet to release said amount to respondents. On July 10, 2003, the Development Bank of the Philippines (DBP) released the garnished amount of P78,754,907.07, further bringing down the balance to P1,544,299.65. Subsequently, on July 31, 2003, upon the release by the LBP of the garnished amount of P1,474,299.65, the payment of respondents' just compensation seemed to have been fully satisfied, save for the release of the earlier garnished amount of P24,305,774.82. Finally, on August 28, 2003, the amount of P36,318.46 was remitted to respondents by the PVB, prompting Sheriff Abordo to issue a notice of lifting or discharge of levy/garnishment to the PNB, LBP, DBP, PVB and to the General Manager/Property Custodian of NHA.

On October 8, 2003, Sheriff Abordo received a letter from respondents' counsel requesting the former for the listing of the garnished and released accounts of

petitioner. In his reply letter dated October 9, 2003, Sheriff Abordo summarized said garnishments and revealed that there was an unsatisfied amount of P70,300.00. Hence, in his progress report to the RTC, Branch 11, dated October 14, 2003, Sheriff Abordo informed the court to wit:

Further, undersigned Sheriff respectfully informs the Honorable Court that when he prepared his aforesaid Reply Letter and made a reconciliation of the garnished and released accounts of plaintiff, he discovered that he **inaccurately** reflected in his Progress Report dated July 14, 2003 a balance of **P80,229,206.72** where it should have been **P80,299,206.72** which, as stated in the same report "**was arrived at after deducting from the total just compensation of P104,641,600.00 the garnished and released money deposits of NHA with PNB and Landbank in the amount of P24,305,774.82 and the garnished but not yet released /claimed money deposit of NHA with**" Philippine Veterans Bank in the amount of P36,618.46. In other words, by mathematical computation: $P104,641,600.00 - P24,305,774.82 - P36,618.36 = \mathbf{P80,299,206.72}$ and not P80,229,206.72. The balance reflected in the undersigned Sheriff's Progress Report dated July 14, 2003 is short by P70,000.00, hence, this did not result to over satisfaction of the judgment of the Honorable Court.

Futhermore, undersigned Sheriff respectfully informs the Honorable Court that the amount released by Philippine Veterans Bank is only P36,318.46 albeit its letter dated December 26, 2001 stated an amount of P36,618.46 (short by P300).^[4] (emphases in the original)

On November 6, 2003, seeking to claim the unsatisfied amount of P70,300.00, respondents filed with the RTC a motion for the issuance of an alias writ of execution. On November 12, 2003, respondents likewise filed a motion for payment of interest anchored on the premise that petitioner made piecemeal payments of the judgment amount, causing a 32-month delay in the full satisfaction thereof which entitled respondents to the payment of a legal interest of 12% per annum. To simplify matters, respondents confined their claim to the interest for the principal amount of P80,335,825.18 reckoned from October 31, 2000, the date the entry of judgment was issued, to July 2003, when the last garnishment took place, without including the P70,300.00 yet to be satisfied in the said principal amount.

Pursuant to a motion for inhibition filed by petitioner on August 4, 2003, the case was re-raffled to the RTC, Branch 19, which ordered petitioner to file its comment/opposition to both motions. After hearing the case, the RTC, Branch 19 issued an omnibus order dated February 16, 2004, disposing of the issues as follows:

WHEREFORE, on the Motion for Issuance of an Alias Writ of [E]xecution, the same is GRANTED. Let an Alias Writ of Execution issue to satisfy the shortage amount of Php70,300.00.

Defendants' Motion for Payment of Interest is likewise GRANTED. Plaintiff is hereby directed to pay the defendants within five (5) days from receipt hereof the amount of Php25,695,746.15 representing interest of 12%

p.a. for thirty two (32) months of the unsatisfied portion of the just compensation in the amount of Php80,299,206.72. Plaintiff is further directed to pay interest of 12% p.a. on the Php25,695,746.15 interest from the date the five-day period given by the Court expired until the same is paid.

x x x

SO ORDERED.^[5]

On February 24, 2004, petitioner filed a motion for reconsideration which was denied by the RTC, Branch 19 in an order dated July 27, 2004. Aggrieved, petitioner filed a petition for review on certiorari with the CA which was denied for lack of merit in a decision dated December 16, 2004, ratiocinating thus:

We now come to the question on whether respondent judge was correct in imposing interest of 12% per annum for the delay in payment of just compensation by petitioner sans an explicit pronouncement for such provision in the decision. We rule in the affirmative on the following reasons:

1) A judgment is not confined to what appears on the face of the decision but also those necessarily included therein or necessary thereto. Where a legal provision exists providing for legal interest, the same not only constitute judicial notice, but by operation of law, becomes inherent in every decision.

2) The imposition of interest at the time the decision was rendered would be purely conjectural and speculative considering that delay in the payment could only be ascertained at the time following after the rendition of the decision. The remedy for any delay may be ventilated during the execution stage as in this case. Delay takes the nature of a supervening event between the rendition of the decision and its due execution, and the judge may take cognizance of it not only for the purpose of expediency but also to prevent multiplicity of suits. At any rate, the judge is now familiar with the history and development of the case, and it is he who can give the most prudent assessment over an issue such as that of delay and the concomitant damages for the delay.

x x x

Conversely, [w]e also find nothing irregular in issuance of the alias writ of execution by respondent judge covering the deficiency in the actual judgment amount. The rule is that the execution must conform substantially to that ordained or decreed in the dispositive part of the decision. Therefore, upon report of the sheriff of a deficiency in the execution of the judgment amount, an alias writ of execution covering said deficiency is proper.^[6]

Hence, petitioner filed the instant petition for review, where it argues that the CA gravely erred in affirming the RTC when it granted respondents' motion for issuance of an alias writ of execution and motion for payment of interest, considering that