



SUPREME COURT OF THE PHILIPPINES
PUBLIC INFORMATION OFFICE

RECEIVED
APR 22 2022

Republic of the Philippines
Supreme Court
Manila

BY: _____
TIME: _____

FIRST DIVISION

**REPUBLIC OF THE
PHILIPPINES, represented by
the DEPARTMENT OF PUBLIC
WORKS AND HIGHWAYS,**
Petitioner,

G.R. No. 243900

Present:

GESMUNDO, C.J., Chairperson
CAGUIOA,
LAZARO-JAVIER,
LOPEZ, M.,
LOPEZ, J., JJ.

— versus —

EDESIO T. FRIAS, SR.,
Respondent.

Promulgated:

OCT 06 2021

X-----X

DECISION

LOPEZ, J., J.

This is a Petition for Review on *Certiorari* under Rule 45 of the Revised Rules of Court seeking the reversal of the Decision¹ of the Court of Appeals (CA) dated August 31, 2018 and its Resolution² dated December 18, 2018 in C.A. G.R. CV No. 04642-MIN. The Decision of the CA affirmed the Decision³ dated January 26, 2016 rendered by Branch 33 of the Regional Trial Court (RTC) of Butuan City which set the just compensation due to Edesio T. Frias (*Frias*) at ₱737.83 per square meter (*sq. m.*) based on the just

¹ Penned by Associate Justice Tita Marilyn Payoyo-Villordon, with Associate Justices Romulo V. Borja and Oscar V. Badelles concurring; *rollo*, pp. 40-47.

² *Id.* at 49-50.

³ *Id.* at 42.

compensation of another land similarly situated in Baan Riverside, Butuan City.⁴

The Antecedents

The facts as culled from the CA decision, shows that the Republic of the Philippines (*Republic*) through the Department of Public Works and Highways (*DPWH*) instituted a case for Expropriation of the 468 sq. m. parcel of land covered by Original Certificate of Title No. P-4462 situated at Barangay Baan, Butuan City. The acquisition of the subject land is part of the implementation of the DPWH's Cotabato-Agusan River Basin Development Project.⁵

On January 16, 2006, , the Republic filed a Motion for the Issuance of a Writ of Execution and deposited in the Office of the Clerk of Court the amount of Eighty One Thousand Nine Hundred Pesos ₱81,900.00, representing the assessed value of the subject land. The said motion was granted by the trial court in a Resolution dated February 3, 2006 and a Writ of Possession was subsequently issued. On even date, the trial court issued an Order of Expropriation finding the propriety of the expropriation of the subject property for public use.⁶

Meanwhile, on the subject of just compensation, the parties agreed to enter into a compromise agreement. However, the case dragged on for several years even after the completion of the project because of so many postponements granted by the trial court, at the behest of the Republic, in order to give ample time for the latter to come up with the specific amount to pay Frias.⁷

Unfortunately, even after several years, no compromise agreement was reached by the parties. Thus, upon the manifestation of Frias' counsel during the hearing on August 29, 2014 and without objection of the Republic's counsel, the trial court dispensed with the appointment of the Board of Commissioners. Consequently, the parties were made to submit their respective position papers.⁸

The Republic submitted in evidence the Tax Declaration of the subject property which shows its market value at ₱90.00 per sq. m., as well as the BIR Zonal Valuation which indicated the zonal value at ₱263.14 per sq. m. The

⁴ *Id.*

⁵ *Id.* at 11-12.

⁶ *Id.* at 12.

⁷ *Id.*

⁸ *Id.*

Republic asserted that the valuation of the property should be between ₱90.00 and ₱263.14 per sq. m.⁹

On the other hand, Frias fixed the fair market value of the property at ₱980.00 per sq. m. based on the significant developments and the valuation of the adjacent properties at the time of the taking.¹⁰

Frias likewise submitted a copy of a Deed of Absolute Sale between the Republic and Cruzita Montejo-Taala¹¹ over the 300 sq. ms. of land similarly situated in Baan riverside and likewise used for the construction of the DPWH Lower Agusan Development Project.¹²

On January 26, 2016, the RTC rendered a Decision setting the just compensation at ₱737.83 per sq m based on the market value of another land similarly situated in Baan Riverside, Butuan City, which was likewise used for the construction of the Lower Agusan Development Project.¹³ Thus, the RTC ruled that for the expropriation of 468 sq. ms. of his land, Frias is entitled to ₱345,304.44 plus legal interest of 12% from December 14, 2005 until June 30, 2013 and 6% from July 1, 2013 until fully paid.¹⁴

The Republic filed a motion for reconsideration, which was denied by the RTC in its Order¹⁵ dated February 22, 2017.

Assigning error in the RTC for its determination of just compensation based on the Deed of Absolute Sale, the Republic filed an appeal before the CA¹⁶ which rendered a Decision,¹⁷ dated August 31, 2018, upholding the decision of the RTC. It found that the RTC, in the exercise of its discretion in determining the just compensation, acted based on established rules, correct legal principles and competent evidence.¹⁸ It likewise found that the Republic was given reasonable opportunity to comment or object to the documents submitted by Frias, since the RTC's decision was rendered more than nine months after the Republic received Frias's position paper with attached documents.¹⁹ The dispositive portion of the said decision reads as follows:

⁹ *Id.*

¹⁰ *Id.*

¹¹ As culled from the Petition for Review on *Certiorari* dated February 28, 2019; *id.* at 32.

¹² *Id.* at 44.

¹³ *Id.* at 42.

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.* at 42-43.

¹⁷ *Id.* at 40-47.

¹⁸ *Id.* at 45.

¹⁹ *Id.*

WHEREFORE, foregoing premises considered the instant appeal is **DENIED**. The Decision dated 26 January 2016 of the Regional Trial Court, Branch 33, Butuan City in SP Civil Case No. 1267 is **AFFIRMED**.

SO ORDERED.²⁰ (Emphasis in the original)

Thereafter, the Republic filed its Motion for Reconsideration,²¹ dated September 14, 2018, which was denied in the Resolution²² dated December 18, 2018.

On August 6, 2019, Frias, through the Public Attorney's Office (*PAO*), filed his Comment,²³ prompting the Republic, through the OSG to file its Reply²⁴ thereto on December 27, 2019.

Issues

I

Whether the Court of Appeals committed an error in ruling that petitioner's right to due process was not violated

II

Whether the Court of Appeals committed an error in affirming the amount of just compensation determined by the trial court

Our Ruling

In the present petition, the Republic avers that its right to due process was unduly infringed since it was denied the opportunity to scrutinize the authenticity and veracity of Frias' documentary submissions after the RTC dispensed with the convening of a Board of Commissioners (*BOC*) in the determination of just compensation.²⁵

This Court disagrees.

The essence of procedural due process is embodied in the basic requirement of notice and a real opportunity to be heard. Procedural due process simply means the opportunity to explain one's side or the opportunity

²⁰ *Id.* at 47.

²¹ *Id.* at 15-17.

²² *Id.* at 49-50.

²³ *Id.* at 74-82.

²⁴ *Id.* at 86-94

²⁵ *Id.* at 31.

to seek a reconsideration of the action or ruling complained of. "To be heard" does not mean only verbal arguments in court; one may also be heard through pleadings. Where the opportunity to be heard, either through oral arguments or pleadings, is accorded, there is no denial of procedural due process.²⁶

In *Landbank of the Phils. v. Manzano*,²⁷ this Court ruled that in expropriation cases, a party cannot allege lack of due process when he or she was given every reasonable opportunity to present his or her case before the courts, either through oral arguments or the filing of pleadings, thus:

Petitioner was not deprived of due process since it was given every reasonable opportunity to ventilate its claims and objections.

Petitioner submitted before the commissioners its position paper and dispensed with the need for further hearing. Its position paper contained its own valuations, comments, and objections to respondents' position paper.

x x x x

During the hearing set by the Regional Trial Court, petitioner opted to present documentary evidence that was already incorporated in its position paper. Thus, it would have been unnecessary and repetitive for the trial court to receive the same pieces of evidence.

A party cannot invoke deprivation of due process if he or she was given the opportunity of a hearing, through either oral arguments or pleadings. The hearing does not have to be a trial-type proceeding in all situations. In *National Power Corporation v. Spouses Chiong*:

A formal hearing or trial was not required for the petitioner to avail of its opportunity to object and oppose the majority report. Petitioner could have filed a motion raising all possible grounds for objecting to the findings and recommendations of the commissioners. It could have moved the trial court to remand the report to the commissioners for additional facts. Or it could have moved to expunge the majority report, for reasons petitioner could muster. Petitioner, however, failed to seize the opportunity to register its opposition or objections before the trial court. It is a bit too late in the day now to be asking for a hearing on the pretext that it had not been afforded due process.²⁸ (Citations omitted and emphasis supplied)

In the first place, it is undeniable that the Republic was given every opportunity to be heard during the hearings before the RTC. It does not escape this Court's attention that the Republic was presented with an avenue to voice its protest, but chose not to object to the motion of Frias or to the RTC's decision to dispense with the need to constitute the BOC. On this note, the

²⁶ *Zalamea v. Ocampo*, G.R. No. 195433, January 15, 2020.

²⁷ 824 Phil. 339 (2018).

²⁸ *Id.* at 365-366.

Court deems it proper to revisit the Order²⁹ dated February 22, 2017, where the RTC ruled as follows:

Records reveal that after the issuance of a writ of possession on February 3, 2006, **the parties had agreed to enter into a compromise agreement, hence no Board of Commissioner was constituted. On several occasions, postponements were granted by the court, at the behest of the plaintiff, in order to give time for the plaintiff to come up with the specific amount to pay the defendant, viz.:**

1. June 5, 2007- Atty. Charina A. Soria of the Office of the Solicitor General informed the court that the parties are still on the final stage of finalizing the compromise agreement x x x.
2. May 28, 2008- The government, through DPWH still lacks funds to pay the landowners, and to give time to the government to come up with the said amount, the case was set to another date x x x.
3. August 6, 2008- Atty. Leilani Corvera- Empeso requested for another date to pave the way for the government to tender the respective amounts to defendants (Fnas and Arlan for Sp. Civil Case No. 1270) as just compensation x x x.
4. January 29, 2009 - Atty. Empeso manifested that she was informed that fund will be available already and hopefully, it is just a matter of time by which the said amounts can be delivered to the land owners as payment of the just compensation x x x.
5. May 8, 2009- DPWH has to wait for the availability of funds within which to pay the just compensation of the affected land owners in this case x x x.
6. July 24, 2009- Atty. Empeso asked for a resetting because the government has still no money to pay the just compensation of the affected land x x x.
7. November 9, 2009- Still, plaintiff has no money to pay the just compensation x x x.
8. March 5, 2010- Parties have agreed that they are already in the process of settlement, awaiting for the availability of funds from the national government x x x.
9. May 31, 2010- still waiting for availability of funds x x x.
10. Feb.17, 2011- Atty. Roland Gualberto C. Salise manifested that the draft of the proposed settlement was lost in transit and need[ed] time to reconstruct the same x x x.
11. April 12, 2011- Defendants submitted a settlement proposal x x x.

²⁹

Rollo, pp. 80A-81.

D

12. June 1 2011- Plaintiff's Comment on the settlement proposal x x x .

13. June 2, 2011- Atty. Salise asked for a deferment on the ground that there was an imperative need that a relocation survey be first conducted on the 388 s.m lot in Baan to determine the actual value of the property x x x.

Until several years had passed, no compromised agreement was reached by the parties. **During the hearing on August 29, 2014, although it was defendant's counsel who manifested that the formation of the Board of Commissioners be dispensed with, Atty. Siegfred A. Ausa, counsel for the plaintiff, did not offer any objection to the manifestation of Atty. Paula Sheena Paler de Guzman. Hence, the court granted the said manifestation for purposes of expediting the proceedings, but required the parties to submit their respective position papers x x x.**³⁰ (Emphasis added and underscoring supplied)

This Court has previously recognized that the appointment of commissioners to ascertain just compensation for the property sought to be taken is a mandatory requirement. Thus, "trial with the aid of the commissioners is a substantial right that may not be done away with capriciously or for no reason at all."³¹ In the instant case however, this Court finds justification in the trial court's decision to dispense with the appointment of the BOC. In the above-cited Order dated February 22, 2017, the RTC explained that after the issuance of the writ of possession on February 3, 2006, no constitution of the BOC was made as both parties had agreed to enter into a compromise agreement. Further, during the hearing on August 29, 2014, when Frias moved to dispense with the appointment of the commissioners, petitioner's counsel interposed no objection. Since delays due to the Republic's postponements have halted the parties' negotiations and prolonged the proceedings, the RTC granted the motion to dispense with the appointment of the commissioners and required the parties to submit their respective position papers instead.

In fact, the Republic does not deny acquiescing to the proposal and decision to dispense with the appointment of commissioners. Clearly, its claim that it was deprived of due process when the RTC decided to forego with constituting the BOC is merely an afterthought deserving of scant consideration.

Likewise, this Court agrees with the CA that the Republic was given ample opportunity to comment, or object to the Deed of Absolute Sale and other documents submitted by Frias to the RTC. This Court upholds the following findings of the CA which the Republic failed to refute:

³⁰ *Id.*

³¹ *Republic v. Spouses Silvestre*, G.R. No. 237324, February 6, 2019.

On the matter of the Republic's assertion that it was denied due process when it was not given the opportunity to scrutinize appellee's attached documents on his position paper, this Court finds that **the Republic was in fact given reasonable opportunity to comment or object to the said documents.**

As can be gleaned from the records of this case, appellee's position paper was received by the Republic on 15 April 2015. The trial court rendered its decision on 26 January 2016. The Republic had nine months to question comment or object on appellee's position paper as well as the attached documents thereto, or even move for a hearing for the said purpose but the Republic never did such thing.

The Republic's inaction for nine months cannot be brushed aside now for the simple fact that it has been afforded a fair and reasonable opportunity to be heard and yet it failed to exercise the same. x x x.

It must be emphasized that the essence of due process is simply an opportunity to be heard. So long as the party is given the opportunity to advocate his/her cause or defend his/her interest in due course, it cannot be said that there was denial of due process. Records will show that the Republic has been given ample opportunity to ventilate its arguments through pleadings and that the same pleadings were acknowledged in the text of the questioned ruling.³² (Emphasis supplied)

Further, it has been settled that any defect in the observance of due process is cured by the filing of a motion for reconsideration.³³ In *Zalamea v. Ocampo*,³⁴ this Court, on the basis of its earlier pronouncements in *Gonzales v. Civil Service Commission*³⁵ and *Autencio v. Mañara*,³⁶ found that the inability to file counter-affidavits by the parties therein was cured by the numerous chances they had to thresh out their defenses in the filing of their motion for reconsideration, petition for review, and petition for *certiorari*.

Simply put, the denial of due process cannot be successfully invoked by a party who was afforded the opportunity to be heard, such as the Republic in this case, which was able to file its motion for reconsideration of the RTC Decision and appeal the same before the CA. The Court, applying the well-established doctrine that defects in procedural due process may be cured when the party has been afforded the opportunity to appeal or to seek reconsideration of the action or ruling complained of,³⁷ finds untenable the Republic's allegations that its right to due process was violated.

³² *Rollo*, pp. 45-46.

³³ *Zalamea v. Ocampo*, *supra* note 26.

³⁴ *Id.*

³⁵ 524 Phil. 271 (2006).

³⁶ 489 Phil. 752 (2005).

³⁷ *Vivo v. Phil. Amusement and Gaming Corporation*, 721 Phil. 34, 42-43 (2013).

On the amount of just compensation, the Republic assails the Deed of Absolute Sale between the Republic and Cruzita Montejo-Taala, which was used by the RTC as a basis to fix the amount of just compensation, since it was neither authenticated nor the veracity thereof attested to during trial. The Republic believes that the same constitutes hearsay evidence.³⁸

In *The Manila Banking Corp. v. Bases Conversion & Dev't. Authority*,³⁹ this Court defined just compensations as follows:

x x x as the full and fair equivalent of the property taken from its owner by the expropriator. The measure is not the taker's gain, but the owner's loss. The word 'just' is used to intensify the meaning of the word 'compensation' and to convey thereby the idea that the equivalent to be rendered for the property to be taken shall be real, substantial, full, and ample. Such 'just'-ness of the compensation can only be attained by using reliable and actual data as bases in fixing the value of the condemned property. Trial courts are required to be more circumspect in its evaluation of just compensation due the property owner, considering that eminent domain cases involve the expenditure of public funds.⁴⁰

The determination of just compensation is a judicial function because what is sought to be determined is a full, just, and fair value due to the owner of a condemned property with an equally important consideration that the payment of the same entails the expenditure of public funds. This can only be attained by reception of evidence consisting of reliable and actual data, and the circumspect evaluation thereof. Thus, issues pertaining to the value of the property expropriated are questions of fact.⁴¹

In this regard, this Court is not a trier of facts and questions of fact are beyond the scope of the judicial review of this Court under Rule 45. Moreover, factual findings of the trial court, when affirmed by the CA, are generally binding on this Court.⁴²

Nonetheless, a judicious review of the case still convinces this Court that the CA was correct in upholding the amount of just compensation determined by the RTC. Thus, this Court fully concurs with the following findings of fact of the RTC, as sustained by the CA in its Decision:

In arriving at the amount of [P]737.83 per square meter as just compensation, the trial court took into consideration the Deed of Sale between the Republic and Cruzita Z. Montejo-Taala for the 300-square

³⁸ *Rollo*, pp. 32-33.

³⁹ 824 Phil. 193 (2018).

⁴⁰ *Id.* at 214-215.

⁴¹ *Republic v. Barcelon*, G.R. No. 226021, July 24, 2019.

⁴² *Id.*

④

meter land similarly situated in Baan riverside and was likewise used for the construction of the Lower Agusan Development Project.

This is not to say that it was the only document scrutinized by the trial court. In its decision, the trial court took into account all the conditions of the subject property for the correct determination of just compensation. For instance, the trial court was clear that it cannot simply subscribe to the Republic's postulation that the just compensation should be between the assessed value as shown in the tax declaration and the zonal value as shown by the BIR Department Order No. 16-2800 dated 21 August 1998. It has long been established that zonal valuation, although one of the indices of the fair market value of real estate, cannot by itself be the sole basis of just compensation in expropriation cases.

The trial court likewise held that appellee failed to submit evidence that would support his claim of a [P]980.00 per square meter valuation.

Section 5 of RA 8974 provides:

Section 5. Standards for the Assessment of the Value of the Land Subject of Expropriation Proceedings or Negotiated Sale - In order to facilitate the determination of just compensation, the court may consider, among other well-established factors, the following relevant standards:

- (a) The classification and use for which the property is suited;
- (b) The developmental costs for improving the land;
- (c) The value declared by the owners;
- (d) The current selling price of similar lands in the vicinity;
- (e) The reasonable disturbance compensation for the removal and/or demolition of certain improvements on the land and for the value of improvements thereon;
- (f) The size, shape or location, tax declaration and zonal valuation of the land;
- (g) The price of the land as manifested in the ocular findings, oral as well as documentary evidence presented; and
- (h) Such facts and events as to enable the affected property owners to have sufficient funds to acquire similarly-situated lands of approximate areas as those required from them by the government, and thereby rehabilitate themselves as early as possible.

From the foregoing, the trial court is correct in ruling that it cannot simply speculate on the market value of the property *sans* evidence to corroborate such claim. Appellee neither presented sworn statements from realtors for the value of the contiguous residential dwellings and commercial establishments nor did he present any other evidence to support his claim of significant developments of the adjacent properties at the time of taking.

It is clear, therefore, that the exercise of the trial court of its discretion in determining the just compensation was not done arbitrarily or capriciously. It was based on all established rules, upon correct legal principles and competent evidence.⁴³

⁴³

Rollo, pp. 44-45.

9

Unfortunately, the instant petition fails to demonstrate how the RTC, as affirmed by the CA, had acted arbitrarily, capriciously and whimsically in its evaluation of the evidence presented for the determination of just compensation. In fact, the Republic does not even argue that the amount of just compensation is grossly exorbitant or otherwise unjustified. As such, the amount of just compensation in favor of Frias was properly arrived at.

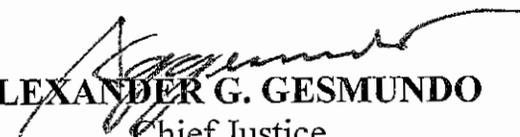
WHEREFORE, the instant petition is **DENIED** for utter lack of merit. The Court of Appeals' Decision dated August 31, 2018 and its Resolution dated December 18, 2018 in C.A. G.R. CV No. 04642-MIN are **AFFIRMED**. For the expropriation of his land by petitioner Republic of the Philippines, respondent Edesio T. Frias, Sr. is entitled to ₱345,304.44, plus legal interest of twelve percent (12%) from December 14, 2005 until June 30, 2013, and six percent (6%) from July 1, 2013 until fully paid as just compensation.

SO ORDERED.

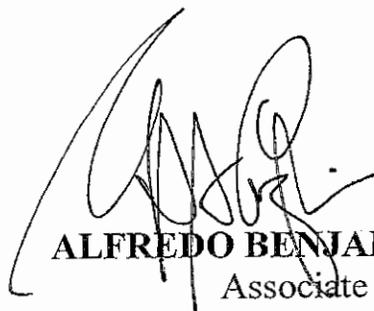


JHOSEP Y. LOPEZ
Associate Justice

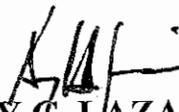
WE CONCUR:



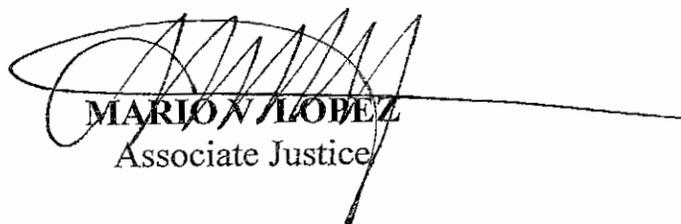
ALEXANDER G. GESMUNDO
Chief Justice
Chairperson



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice



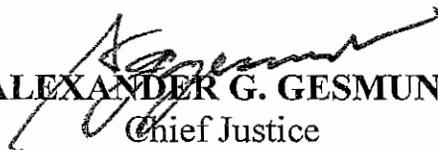
AMY C. LAZARO-JAVIER
Associate Justice



MARIO N. LOPEZ
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, 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.


ALEXANDER G. GESMUNDO
Chief Justice

9

