

Republic of the Philippines Supreme Court

Manila

SUPREME COURT OF THE DHILLIONNES TIME

THIRD DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court, Third Division, issued a Resolution dated **February 5, 2020**, which reads as follows:

"G.R. No. 249847 (Republic of the Philippines, represented by the Department of Public Works and Highways [DPWH] v. Felicitascion Cuadra [formerly Spouses Ernesto, Cuadra and Felicitascion Cuadra]). – The Court NOTES the payment by the Office of the Solicitor General, in compliance with the Resolution dated November 27, 2019, of P1,000.00 for Sheriff's Trust Fund fee under O.R. No. 0269761 dated December 4, 2019.

After a perusal of the records of the case, this Court resolves to deny the Petition for Review on *Certiorari*¹ for failure of petitioner to sufficiently show any reversible error in the assailed Decision² dated February 14, 2019 and Resolution³ dated October 9, 2019 of the Court of Appeals in CA-G.R. CV No. 107629, which would warrant the exercise of this Court's appellate jurisdiction.

Nonetheless, considering that the delay in the payment of just compensation is a forbearance of money and, as such, is necessarily entitled to earn interest.⁴ In this case, the balance amounting to P725,000.00, which is the difference between the final amount adjudged by the Court of P1,000,000.00 and the initial payment made by petitioner in the amount of P275,000.00, should earn legal interest as a forbearance of money.

The Court have upheld that this difference between the initial payment and the final amount of just compensation should earn interest at the rate of 12% *per annum* from the time of taking, when the property owner was deprived of the property, until July 1, 2013, when the legal interest on loans and forbearance of money was reduced to 6% *per annum*. Accordingly, from

Rollo, pp. 10-26.

² Penned by Associate Justice Pablito A. Perez, with Associate Justices Celia C. Librea-Leagogo and Samuel H. Gaerlan (now a Member of this Court), concurring; id. at 34-45.

Id. at 46-48.

⁴ Republic of the Philippines, represented by the Department of Public Works and Highways v. Spouses Aurora Silvestre and Rogelio Silvestre, and Natividad Gozo (formerly known as "QQQQ"), G.R. No. 237324, February 6, 2019.

July 1, 2013 onwards, the legal interest on the difference between the final amount and initial payment is 6% *per annum*.⁵

In this case, petitioner filed the expropriation complaint on December 10, 2007, but it was able to take possession of the property on November 27, 2008, when the Regional Trial Court issued the writ of possession. Thus, a legal interest of 12% *per annum* shall accrue from November 27, 2008 until June 30, 2013 on the balance of P725,000.00. From July 1, 2013 until the finality of the Resolution of the Court, the balance of P725,000.00 shall earn interest at the rate of 6% *per annum*. Thereafter, the total amount of just compensation shall earn legal interest of 6% *per annum* from the finality of this Resolution until full payment thereof.

WHEREFORE, the petition is **DENIED**. The Decision dated February 14, 2019 and the Resolution dated October 9, 2019 of the Court of Appeals in CA-G.R. CV No. 107629 are hereby **AFFIRMED** with **MODIFICATION** in that the respondent is entitled to the following:

(a) The amount of $\mathbb{P}725,000.00$ pertaining to the unpaid portion of the just compensation which shall be the difference between the principal amount of $\mathbb{P}1,000,000.00$ and the amount of initial deposit of $\mathbb{P}275,000.00$;

(b) the twelve percent (12%) *per annum* legal interest imposed on the balance amounting to $\mathbb{P}725,000.00$ is to be reckoned from November 27, 2008 up to June 30, 2013, and thereafter, or from July 1, 2013, the legal interest at the rate of six percent (6%) *per annum* shall be imposed thereon until the finality of this Resolution; and

(c) the total amount of just compensation shall earn legal interest at the rate of six percent (6%) per annum from the finality of this Resolution until full payment thereof.

SO ORDERED." (Gaerlan, J., no part, due to his prior participation in the Court of Appeals; Delos Santos, J., designated as Additional Member per Raffle dated February 3, 2020.)

Very truly yours,

MISAEL DOMINGO C. BATTUNG III Division Clerk of Court

Id.

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COURT OF APPEALS CA G.R. CV No. 107629 1000 Manila

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The Presiding Judge REGIONAL TRIAL COURT Branch 172, 1440 Valenzuela City (Civil Case No. 267-V-07)

PUBLIC INFORMATION OFFICE Supreme Court, Manila

LIBRARY SERVICES Supreme Court, Manila

Judgment Division JUDICIAL RECORDS OFFICE Supreme Court, Manila

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