[G.R. No. 3018. August 07, 1906]

HIGINIO FRANCISCO YUNTI, PLAINTIFF AND APPELLANT, VS. THE CHINAMAN, DY-YCO, DEFENDANT AND APPELLEE.

DECISION

TORRES, J.:

Higinio Francisco Yunti, in his amended complaint filed in this case prayed the court that judgment be entered against the Chinaman Dy-Yco, declaring that the plaintiff is entitled to recover from the defendant: (1) The sum of 3,700 pesos, Philippine currency, as an indemnification for the breach of the contract of lease in question at the rate of 50 pesos for each unexpired month which the lease had yet to run from the 4th of August, 1905, to the 4th of October, 1911; (2) the sum of 2,000 pesos for damages caused to the property during his occupation thereof; and (3) the sum of 500 pesos spent by the plaintiff in the various litigations instituted as a result of the breach of the contract; and further asked that such other relief be granted him as the court deemed just and equitable.

The defendant demurred to this complaint upon the following grounds: (1) That the court had no jurisdiction of the subject-matter for the reason that the plaintiff in this case seeks to recover damages upon a judgment rendered in a justice court in an action to recover the possession of the, property in question, whereas, the two causes of action are inseparable; (2) that there was another action pending between the same parties for the same cause inasmuch as the breach of the contract which constitutes the cause of action alleged in this case was the basis of the action brought in the justice court of this city; (3) that the facts alleged in the complaint do not constitute a cause of action; and (4) that the complaint is ambiguous1, unintelligible, and uncertain, because it does not specify the different grounds upon which are based the claims for indemnification, and there being various remedies prayed for, the grounds assigned are confusedly set forth; and asked the court to sustain his demurrer with costs against the plaintiff.

The court made an order on the 14th of October, 1905, sustaining the demurrer, dismissing the complaint, and directing that the defendant recover from the plaintiff the costs of the proceedings.

The plaintiff excepted to this ruling of the court and subsequently presented his bill of exceptions, which was approved and sent to this court. It appears that the plaintiff and appellant filed his printed brief in this court, but the appellee has failed to file a reply thereto.

An examination of the complaint and the nature of the prayer thereof shows that the order of the court is not in conformity with the law.

The complaint filed in this case has for its object, not to recover the possession of the property as sought in the action brought in the justice court, but to recover the damages and the expenses incurred by the plaintiff. The statement made by the court below in the order appealed from to the effect that the property recovered as a result of a certain action for ejectment is the same property sought to be recovered in this case, together with the rent due and to become due in the year 1911 at the rate of 50 pesos per month, is therefore erroneous.

If it were true, as stated by the court below, that the defendant is guilty of a breach of the said lease as a result of his failure to pay the rent due, the greater is the reason why the action should have been permitted to continue. It is not proper in a case like this to dismiss the complaint, thereby preventing the filing of an answer setting forth the defense in full and preventing the proceedings from being carried on to their end without any legal reason therefor.

The lease having been terminated as a result of the final judgment rendered in the action for ejectment, there yet remains to be discussed the consequences of the breach of such contract, for which said breach the party responsible therefor is undoubtedly the only one liable. That liability may be translated into indemnification for damages and this is what the plaintiff seeks to recover in his complaint, and not the rent due or to become due for the use of the property as erroneously stated in the order appealed from. The question as to whether the defendant, after the rescission of the lease, was bound by the terms thereof and is also liable for damages as alleged, should be discussed in a separate action and settled by a final judgment in accordance with the evidence submitted by both parties. Article 1106 of the Civil Code provides:

"Indemnity for losses and damages includes not only the amount of the loss which may have been suffered, but also that of the profit which the creditor may have failed to realize, reserving the provisions contained in the following articles."

Article 1556 of the same code provides:

"If the lessor or lessee should not comply with the obligations mentioned in the preceding articles, they may request the rescission of the contract and indemnity for losses and damages, or only the latter, leaving the contract in force."

The lessee must return the property at the expiration of the lease in the same condition in which he received it, except what may have been destroyed or impaired by time or by unavoidable causes. (Art. 1561 of the Civil Code.)

From the terms of the complaint and the prayers therein contained, it clearly appears that the facts therein alleged give rise to an undoubted cause of action based upon the provisions. of the law,' and it further appears that the present action had for its object the recovery of the damages specified upon the different grounds set put in the complaint. Therefore the order of the court below sustaining the demurrer to the complaint has no legal foundation and should be reversed.

For the reasons hereinbefore stated the order of the court dated October 14,1905, is hereby reversed. Let this decision be communicated to the judge of the Court of First Instance so that he may direct the defendant to answer the complaint within ten days and proceed with the trial of the case in accordance with the law; without special condemnation as to costs. After the expiration of twenty days from the date hereof, let judgment be entered in accordance herewith, and ten days thereafter the records be remanded to the Court of First Instance for proper action. So ordered.

Arellano, C. J., Mapa, Carson, Willard, and Tracey, JJ., concur.

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