

Title: **\*\*Manaloto et al. vs. Veloso III\*\***

Facts:

This case initiated from an unlawful detainer action filed by Ermelinda C. Manaloto and others (petitioners) against Ismael Veloso III (respondent), alleging failure to pay rentals for leased property in Quezon City. The Metropolitan Trial Court (MeTC) ruled in favor of petitioners, a decision reversed on appeal by the Regional Trial Court (RTC). The RTC's decision became final and executory following appeals to the Court of Appeals and the Supreme Court.

While the appeal was pending, respondent filed a Complaint for Breach of Contract and Damages against petitioners, claiming damages due to humiliation from the circulation of the MeTC decision among homeowners and failure of the petitioners to conduct repairs on the property. The RTC-Branch 227 dismissed this complaint for reasons including splitting of cause of action and lack of jurisdiction. The Court of Appeals partially agreed, finding that the case for breach of contract was rightly dismissed but the damages claim for humiliation should have proceeded.

Procedurally, the case journeyed from RTC dismissals to the Court of Appeals allowing the appeal, which then led to a partial modification of the RTC's original decision. The Supreme Court was petitioned to review the appellate court's decision.

Issues:

1. Whether the appeal of the RTC-Branch 227's resolution by respondent was filed within the permissible period.
2. Whether respondent is entitled to moral and exemplary damages.

Court's Decision:

The Supreme Court partially granted the petition, affirming with modifications the Court of Appeals' decision. It reiterated the "fresh period rule," allowing respondent's appeal as timely. The court recognized that respondent presented a cause of action for damages due to humiliation caused by petitioners. However, it faulted the Court of Appeals for awarding damages without a trial and thereby removed the damages award but reinstated the complaint for trial on its merits concerning the first cause of action.

Doctrine:

The "fresh period rule," which allows a litigant 15 days from the denial of a motion for reconsideration to file an appeal.

Class Notes:

1. Fresh Period Rule: A party has 15 days from receipt of the RTC's decision or from the denial of a motion for reconsideration to file an appeal to the Court of Appeals.
2. Cause of Action for Damages Due to Humiliation: A valid cause of action for damages exists if there's a right in favor of the plaintiff, a duty on the part of the defendant not to violate this right, and an act by the defendant breaching this duty resulting in damage to the plaintiff.
3. Articles 19 and 26 of the Civil Code address abuse of rights and acts against human dignity which do not necessarily constitute criminal offenses but can produce a cause of action for damages.

Historical Background:

This legal tussle between property lessors and lessee transcended from an ordinary leasing dispute into a significant legal battle concerning the rights to appeal and the broader implications of causing humiliation through the dissemination of court decisions. The journey through various judicial levels underscores the dynamic interplay between substantive rights and procedural rules within the Philippine legal system, highlighting the courts' pivotal role in balancing these aspects to ensure justice.