

**G & L ASSOCIATED BROKERAGE, INC., PETITIONER, VS.
HON. SEVERINO B. DE CASTRO, JR., IN HIS CAPACITY AS PRESIDING
JUDGE OF BRANCH 82, REGIONAL TRIAL COURT OF QUEZON CITY,
AND AUTOM...**

Ponente: VIDAL, M.D., J.

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VIDAL, M.D., J.:

Before Us is a Petition[1] for Certiorari under Rule 65 of the Revised Rules of Court with prayer for a Writ of Preliminary Injunction and Restraining Order under Rule 58 which seeks to annul and set aside the Order[2] dated 26 February 2003 issued by public respondent Judge Severino B. De Castro of the Regional Trial Court of the National Capital Judicial Region, Branch 82 of Quezon City in Civil Case No. C-19801 and the subsequent Order[3] dated 25 April 2006, denying the Motion for Reconsideration of said Decision. The fallo of the aforesaid Decision reads:

“WHEREFORE, premises considered, the Motion For Leave etc. dated January 30, 2003 filed by counsel for the plaintiff is hereby DENIED for lack of merit.

Conformably with the Order dated February 18, 2003, the continuation of the presentation of plaintiff's evidence shall proceed as scheduled on April 24, 2003 at 8:30 a.m.

Let a copy of this order be furnished counsels for the plaintiff and defendant.

SO ORDERED.”

THE FACTS

Plaintiff G & L Associated Brokerage Inc.(herein after Petitioner) filed a Complaint for Specific Performance with damages dated 14 April 1999 against defendant Automax Trans System Corp.(hereinafter Private Respondent) and assigned before public respondent Judge Severino De Castro(hereinafter public respondents.

The complaint alleges that sometime on February 13, 1997, Petitioner and Private Respondent entered into an agreement whereby for and in consideration of petitioner's two (2) trade i

“The heirs of the late Jose B.L. Reyes and the late Dr. Edmundo A. Reyes, represented by Leonor R. Garmsen seek to eject the defendants from a parcel of land situated at Brgy.39, Zone 4, Marulas A. Grace Park, Caloocan City on the ground that the latter have long been occupying the premises belonging to them without paying any rental and that they already need the property for their own use.

JOSE B.L. Reyes and Edmundo A. Reyes are the registered owners in fee simple afore-described parcel of land as shown in T.C.T No. 274185 of the Registry of Deeds at Caloocan City. Plaintiffs acquired the property by virtue of inheritance upon the death of Jose B.L Reyes on December 27, 1994 and the death of Edmundo A. Reyes on Sept. 21, 1987.

The lot was being leased by several persons when the houses thereat were gutted by fire that razed the area to

the ground sometime in December, 1993. Immediately thereafter, the defendants occupied the premises without the prior consent of the plaintiffs and have since been occupying the property thru mere tolerance of the plaintiffs without paying any rent to the latter.

x x x x x

In their letter dated July 3, 2000, addressed to defendants Juanito Sicat and Letlet Sicat, plaintiffs, thru counsel, asked that defendants pay rent in the amount of P119.00 a month retroactive to January, 2000, in addition to her unpaid rents in the amount of three thousand nine hundred nine pesos (P3,909.00) and vacate the premises within fifteen days (15) from receipt. Defendants failed to comply thereto up to the present.

In their letter to defendants Antonio Sonza and Carmencita Sonza, plaintiffs, thru counsel asked that defendants pay rent in the amount of P164.50 a month retroactive to January, 2000 in addition to their unpaid rentals in the amount of P4,680.00 for the period from July, 1992 to December, 1998, plus P987.00 for the period from January to June, 2000 and to vacate the premises they are occupying within fifteen (15) days from receipt thereof. Despite receipt of the letter on July 7, 2000, defendants refused to comply thereto up to the present.”

The fallo of the MTC Decision[4] supra rendered by the Metropolitan Trial Court states:

“WHEREFORE, Judgment is hereby rendered in favor of the plaintiffs, ordering the defendants and all persons claiming right under them as follows:

- To vacate the portion of the lots they are respectively occupying, by removing the structures they have erected thereat and deliver possession of the lot to the plaintiffs thru the latter's legal representative, Leonor Reyes Garmesen;
- Each of defendants Alejandro Abrera, Rogelio Gan, Rolando Tapia, Fernando Carabeo, Dan Solero, Arnold Solero, Romeo Nicdao, Jaime Cruz, Rolando Villfranca, Aurora Dizon, Lita Jeruz, Albero Acaso, Jose Macababad, Rolando Balagtas, Mario Cailles, Rosario Dimagiba, to pay plaintiffs the amount of P105.00 per month as reasonable compensation for their continued use of the premises from January, 1994 until the premises is vacated;
- Defendant Honorata Ponce to pay the amount of Fifteen Thousand Pesos (P15,000.00) representing her rental arrears as of December, 1997 and the amount of One Thousand Three Hundred Ninety Pesos (P1,390.00) per month thereafter until the premises is vacated;
- Defendant Elena Gemzon to pay plaintiffs her arrears in rent in the amount of Nine Thousand Three Hundred Eighty-two(P9,382.00) as of May, 2000 and the sum of One Thousand Five Hundred Ninety-Eight and 50/100 (P1,598.50) per month thereafter until the premises is fully vacated;
- Defendants Juanito Sicat and Letlet Sicat to pay plaintiffs their rentals in arrears in the amount of Three Thousand Nine Hundred Nine Pesos (P3,909.00) as of December, 1999 and the sum of One Hundred Nineteen Pesos (P119.00) per month thereafter until the premises is finally vacated;
- Defendants Antonio Sonza and Carmencita Sonza to pay plaintiffs their unpaid rentals in the amount of Four Thousand Six Hundred Eighty Pesos (P4,680.00) for the period from July, 1992 to December, 1998 and the sum of One Hundred Sixty-Four and 50/100 (P164.50) per month from January, 2000 until the premises is vacated;

- Defendants Reynaldo Garcia and Emerenciana Garcia to pay plaintiffs their back rentals for their use of lots 64, 74, 88 and 89 in the total amount of Forty-Nine Thousand Six Hundred Thirty-Seven and 50/100(P49,637.50) as of May, 2000 and the sum of Three Thousand One Hundred Thirty-Nine and 50/100 per month thereafter until the four lots have been fully vacated;

- Defendants to solidarily reimburse to plaintiffs the amount of Twenty Thousand Pesos (P20,000.00) as and for attorney's fees; and

- Defendants to pay the costs of this suit.

SO ORDERED.”

Aggrieved by the aforesaid decision, Petitioners ANTONIO SONZA, CARMELITA SONZA, JUANITO SICAT and LETLET SICAT(hereinafter Petitioners) filed their Notice of Appeal[5] on 14 August 2001 before the court a quo, which, as stated earlier affirmed the MTC decision:

Hence, Petitioners come now before us assigning the following errors upon the court a quo,:

A.

THE HONORABLE REGIONAL TRIAL COURT OF CALOOCAN CITY, BRANCH 128, COMMITTED AN ERROR IN HOLDING THAT PETITIONERS ARE IN ARREARS OF RENT FOR THEIR LEASE OF THEIR RESPECTIVE LEASES OVER THE PROPERTY IN QUESTION[;][6]

B.

THE HONORABLE REGIONAL TRIAL COURT OF CALOOCAN CITY, BRANCH 128, COMMITTED AN ERROR IN HOLDING THAT THERE WAS PRIOR DEMAND TO VACATE THE PREMISES LEASED WHEN THE AMENDED COMPLAINT WAS FILED BEFORE THE HONORABLE METROPOLITAN TRIAL COURT OF CALOOCAN CITY[;][7]

C.

THE HONORABLE REGIONAL TRIAL COURT OF CALOOCAN CITY, BRANCH 128, COMMITTED AN ERROR IN HOLDING THAT PETITIONERS ARE NOT ENTITLED TO ACQUIRE THE LOT THEY ARE LEASING[;][8]

D.

THE HONORABLE REGIONAL TRIAL COURT OF CALOOCAN CITY, BRANCH 128 COMMITTED AN ERROR IN NOT DISMISSING THE APPEALED CASE, THERE BEING NO PRIOR BARANGAY CONCILIATION BETWEEN PETITIONERS AND RESPONDENTS[;][9]

The Petition is unimpressed with merit.

Anent the 1st and 2nd assigned errors, Petitioners submit that, contrary to findings made by the court a quo, they have paid the amount of rents that Respondents were demanding from them. They allege that Petitioners ANTONIO SONZA and CARMELITA SONZA paid and/or deposited the amount of P6,983.00 with the PCIBank in July 2000 when Respondents demanded the payment of P5,667.00[10] and on the part of Petitioners JUANITO SICAT and LET LET SICAT they allegedly paid Respondents by depositing or paying the amount of P4,551 in July 2000 with the same bank when the Respondent demanded the payment of P3,909.00.[11] It is Petitioners contention that they have been religiously paying their rentals as evidenced by the bank deposit slips.

On this line, the court a quo was not persuaded, ratiocinating in this wise:

“An examination of the purported receipts, and as correctly observed by the trial court, there is no showing that

the deposits in the account of the plaintiff were payment of rentals, or that the deposits were made with the knowledge of the plaintiff and for what rental paid. As claimed by the plaintiff, the deposits made by the defendant in plaintiff's bank which they claim to be payments for the rents, were not properly receipted to be considered as rental payments. What they should have done, as a matter of practice, was to present the defendant receipts to the plaintiffs representatives who would have in turn issued the corresponding Official Receipt in the name of the paying defendants. This procedure was not observed.”[12]

We find nothing wrong from the above-quoted pronouncement of the court a quo. Apart from the well-recognized doctrine that its finding is entitled to highest degree of respect, the best proof of payment is the receipt which devolve upon the Petitioners to show. As explicitly held by the Supreme Court in the case of Philippine National Bank vs. Court of Appeals and Carmelo H. Flores(256 SCRA 309): It is cardinal rule in the law on evidence that the best proof of payment is the receipt.

Petitioners, likewise, insist that they were not served demand to vacate the premises.[13] This stance runs counter to the evidence extant in the records. As borne-out by the available evidence, demand to vacate was particularly made per letter[14] dated 03 July 2000 to Petitioners JUANITO SICAT and LETLET SICAT as well as the letter[15] on the same date to Petitioners ANTONIO SONZA and CARMENCITA SONZA. In fact, The MTC took note of this in its decision supra which was sustained by the court a quo in the assailed Decision supra.

Evidently, there is no reason to disturb the factual findings made by the Metropolitan Trial Court and the court a quo as the same are entitled to highest degree of respect absent any showing that it overlooked, misapplied or misunderstood some facts or circumstances therefor.[16]

Regarding the 3rd assigned error, Petitioners aver that they should have been afforded the right of first refusal to buy the portion they are leasing citing Section 6 of Presidential Decree (P.D.) No. 1517 which provides:

“Section 6. Land Tenancy in Urban Land Reform Areas.--Within the Urban Zones legitimate tenants who have resided in the land for ten years or more who have built their homes on the land and residents who have legally occupied the lands by contract, continuously for the last ten years shall not be dispossessed of the land and shall be allowed the right of first refusal to purchase the same within a reasonable time and reasonable prices under the terms and conditions to be determined by the Urban Zone Expropriation and Land Management Committee enacted by Section 8 of the Decree.”[17] (underscoring supplied)

It is clear from the aforequoted Decree that the benefits thereunder applies only to legitimate tenants. In the instant case, Petitioners failed to override the finding of the court a quo that they are not legitimate tenants in the premises. Neither did they present sufficient evidence showing that they fall within the ambit of Section 6 of PD 1517 supra.

A fortiori, for failure to adduce the quantum of proof in support of their claims, the same must necessarily be rejected. The ruling of the Supreme Court in the case of Montaña vs. Mendoza, (392 SCRA 541) is essentially relevant, thus:

“In civil cases, the party having the burden of proof must establish his case by preponderance of evidence.”

Regarding the 4th assigned error, Petitioners aver that the case should be dismissed for want of the required Barangay Conciliation pursuant to Section 412 of the Local Government Code[18] which provides:

“SEC. 412 Conciliation.-(a)Pre-condition to filing of complaint In Court-No complaint, petition, action or proceeding involving any matter within the authority of the lupon shall be filed or instituted directly in court or any government office for adjudication, unless there has been a confrontation between the parties before the lupon chairman or the pangkat, and that no conciliation or settlement has been reached as certified by the lupon secretary or pangkat secretary as attested by the lupon or pangkat chairman or unless the settlement has been

repudiated by the parties thereto.”[19]

Petitioners' contention is misplaced.

The aforecited Section must be correlated with Section 408 of the Local Government Code which provides for the matters to be brought within the authority of the Lupon, thus:

“The Lupon of each Barangay shall have authority to bring together the parties actually residing in the same city or municipality for amicable settlement of all disputes except:

x x x”

Clearly, absent showing of clear and sufficient proof that the parties reside in the same city or municipality, there is no compelling reason to overrule the finding of the court a quo that the parties reside in different localities. As correctly found by the MTC, Respondents are residents of San Juan City while Petitioners in Caloocan City. Thus, being residents of different cities, the requirement of Barangay conciliation does not apply in the case at bar.

Factual findings of the court a quo are generally binding on us especially when in complete accord with the findings of the Metropolitan Trial Court.[20] The general rule admits of certain exceptions to wit (a.) where there is grave abuse of discretion; (b.) when the finding is grounded entirely on speculations, surmises or conjectures; (c.) when the inference is manifestly mistaken; (d.) when the judgment was based on a misapprehension of facts; (e.) when the factual findings are conflicting (f.) when in making findings, it went beyond the issues of the case and the same are contrary to the admissions of both appellant and appellee; (g.) when it overlooked certain relevant facts not disputed by the parties and which, if properly considered, would justify a different conclusion; (h.) where the findings of fact are contrary to those of the trial court, or are mere speculations, without citation of specific evidence, or where the facts set forth by the petitioners are not disputed by respondent, or where the findings of fact are premised on the absence of evidence and are contradicted by the evidence on record.[21]

Definitely, there is a hiatus of evidence on record showing that the instant case falls within the aforecited exceptions.

WHEREFORE, premises considered and for evident lack of merit, the instant petition is hereby DENIED. The assailed Decision and Order, supra of the Court a quo are hereby AFFIRMED in toto.

Reyes, and Lampas Peralta, JJ., concur.

[1] Rollo, pp.2-19

[2] Rollo, pp.20-24

[3] Rollo, p.25

[4] Rollo, pp.109-111

[5] Rollo, p.112

[6] Rollo, p.8

[7] Rollo, p.9

[8] Rollo, p.10

[9] Rollo, pp.14-15

- [10] Rollo,p.8
- [11] Ibid
- [12] Rollo,p.22
- [13] Rollo, p.9
- [14] Rollo, p.73
- [15] Rollo, p.74
- [16] Philippine Airlines vs. Court of Appeals, 417 SCRA 196
- [17] Rollo,p.14
- [18] Rollo,p.15
- [19] Ibid
- [20] Philippine Air Lines vs. Court of Appeals, 417 SCRA 196
- [21] Ibid

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