

APOLONIA MIRANDA, REMEDIOS GUANZON, SOCORRO GUANZON, LEOPOLDO GUANZON, FILOTEA GUANZON, PAULINA GUANZON, AND LIDUVINA GUANZON, PLAINTIFFS-APPELLEES, VS. ARSENIO REYES, DEFENDANT...

G.R. No. L-24791. August 29, 1969

Ponente: MAKALINTAL, J.

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MAKALINTAL, J.:

The plaintiffs were the owners of a parcel of urban land situated in Malate, Manila, and covered by transfer certificate of title No. 45643. In 1957 they mortgaged it to the Republic Bank for P12,000.00. For non-payment of the indebtedness the mortgage was fore-closed extra-judicially pursuant to Act No. 3135. At the public sale conducted by the Sheriff of Manila on September 30, 1963, the highest bidder was the defendant Arsenio Reyes, for the sum of P16,415.00. The certificate of sale was issued to him on the same date. On September 19, 1964, before the expiration of the one-year redemption period, the plaintiffs, through their lawyer, sent a letter to the Republic Bank and to the defendant Reyes, with an offer to redeem in this wise:

...

"That by this means the mortgagors (Liduvina Guanzon et al.,) wished to inform you that they want to exercise their right of redemption pursuant to law and therefore tender to you the amount of P16,415 which is the purchase price that you paid, with one (1) percent interest per month plus any tax and assessments which may be shown by you to have been paid, also with the same rate of interest.

That if within two (2) days upon receipt of this letter we do not hear from you or if you refuse to accept this tender, we will accordingly consign the aforesaid amount in court."

The defendant received the aforesaid letter on September 24, 1964, on which date he sent the following reply addressed to the plaintiffs' lawyer:

"Received your letter of September 19, 1964 the 24th instant.

"Your client is welcomed (sic) to effect the repurchase stated in your letter."

The plaintiffs received the foregoing reply on September 29. The day before, however, that is, on September 28, they filed the complaint in this case (Civil Case No. 58465, Court of First Instance of Manila) accompanied by the consignment of the sum of P18,373.86 in Court (representing principal and interest for 11 months and 28 days), and prayed that the defendant be ordered to accept the same as full satisfaction of the redemption price of the property and that the plaintiffs be released from whatever obligations they had in connection with the extra-judicial foreclosure of the mortgage.

The defendant answered, with a counterclaim that he be declared absolute owner of the said property and that the plaintiffs be required to pay P500.00 a month as reasonable rental for the premises, aside from damages and

attorney's fees.

On the foregoing facts, entirely stipulated by the parties, the trial court rendered judgment for the plaintiffs, ordering them, however, to add to the amount judicially deposited the sum of P198.87 for sheriff's fees, assessments and documentary stamps, with interest thereon at 1% per month from the date they were disbursed until payment. From the said judgment the defendant has come to us on appeal and raised two issues, to wit:

"1. Whether or not the con-signation by plaintiffs was properly made when the tender of payment was not refused by the defendant but was in fact willingly accepted. . . . on the very same day defendant received the said tender of payment.

"2. Whether or not the amount deposited in the Clerk of Court is the sufficient and proper amount of redemption price as provided by law."

On the first issue the defendant invokes Article 1256 of the Civil Code, which provides that "if the creditor to whom tender of payment has been made refuses without just cause to accept it, the debtor shall be re-leased from responsibility by the consignment of the thing or sum due." The defendant points out that far from rejecting the tender of payment he in fact accepted in his letter of September 24, 1964; and consequently there was no justification for the consignment of the amount due in court.

The law must be reasonably interpreted and the realities of the situation in each case taken into account so that the purpose of the law may not be defeated. It is true the defendant sent his letter of acceptance on September 24, 1964, but it was not received by the plain-tiffs until September 29. In the meantime the redemption period of one year was about to expire. The plaintiffs therefore did the most prudent thing under the circumstances by filing the action and depositing the redemption money in court. The defendant bewails this step as "unduly dragging. . . (him) to an expensive and protracted litigation." This is a pharisaical attitude to adopt. If the litigation has become expensive and protracted the defendant has no-body to blame but himself, for the consignment was no less an effective and timely tender of payment than the one which had been extrajudicially made, and all that the defendant had to do was to withdraw the amount deposited, without going through the rigmarole of filing an answer and contesting the validity of the deposit just because there had been no unjustified refusal to accept the said tender.

But then the defendant now questions, under the second issue, the sufficiency of the amount deposited, and claims that aside from the principal indebtedness and the interest thereon at 1% per month, it should have included assessments and taxes, plus interest thereon at the same rate, and sheriff's fees, citing Article 1257 and 1233 of the Civil Code.[1]

The simple answer to this argument is that when the plaintiffs tendered payment in their letter of September 19, 1964 they did so not only with respect to the purchase price of P16,415.00 paid by the defendant for the property, but also the "1% interest per month plus any tax and assess-ments which may be shown by you to have been paid also with the same rate of interest." As it was, the defendant was entirely agreeable to the offer, as shown by his reply of September 24, but did not itemize therein the corresponding additional amounts to which he believed he was entitled. In the absence of such itemization by the defendant, even if no action had been filed and the matter had been settled solely on the basis of the extrajudicial tender of payment and its acceptance, the parties would still have had to deter-mine the actual amount of the interest due as well as the taxes and assessments which had been paid by the defendant. That they had to be determined by the court instead has in no wise caused him any prejudice, since after all the addi-tional items awarded by the Court even exceeded what the defendant was willing to accept in his letter of September 24, which did not include sheriff's fees.

This case is an example of needless litigation which serves no purpose except to aggravate the load of the courts,

and which could have been avoided by simple observance of the elementary norms of substantial justice.

The judgment appealed from is affirmed, with treble costs against the defendant-appellant.

Concepcion, C.J., Dizon, Sanchez, Castro, Fernando, Capistrano, Teehankee, and Barredo, JJ., concur.
Reyes, J.B.L., and Zaldivar, JJ., is on leave.

[1] ART. 1257.

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The consignment shall be ineffectual if it is not made strictly in consonance with the provisions which regulate payment.

ART. 1233. A debt shall not be understood to have been paid unless the thing or service in which the obligation consists has been completely delivered or rendered, as the case may be.

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