

**JULIETA ILAO & FELICIDAD REALTY CORPORATION,
PETITIONERS, VS. THE HON. COURT OF APPEALS, MARCOS QUIROZ
& SALVADOR PALAMING, RESPONDENTS.**

G.R. No. 100188. February 04, 1993

Ponente: GRINO-AQUINO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-100188/>

GRINO-AQUINO, J.:

This petition for review seeks reversal of the adverse decision dated May 22, 1991 of the Court of Appeals in CA-G.R. CV No. 21776 entitled, "Julieta Ilao, et al. vs. Marcos Quiroz, et al.," dismissing petition-er's appeal from the judgment of the Regional Trial Court, National Capital Region, Branch 93-Quezon City in Civil Case No. 47297 for damages.

On November 25, 1985, at around 9:30 a.m., Julieta Ilao was on board an Isuzu Gemini sedan bearing Plate No. PBZ-200 owned by her employer, Felicidad Realty Corporation, and driven by the company driver, Francisco Tomilloso, on her way to work in Cubao, Quezon City. While the car was at a full stop at the intersection of Aurora Boulevard and Katipunan Road in Loyola Heights, Quezon City, an International Harvester truck with Plate No. NCZ-179, owned by Marcos Quiroz, and driven by his employee, Salvador Palaming, bumped the rear portion of the sedan which was badly damaged as a result of the accident. It was brought to the INTECO Repair Shop in Quezon City for repairs.

The car mishap was reported to the police and thereafter, Criminal Case No. 43663 was filed against the truck driver in the Regional Trial Court of Quezon City, Branch 101 entitled. "People of the Philippines vs. Salvador Palaming." On October 17, 1986, the Court convicted Palaming of simple imprudence under Art. 365, par. 2 of the Revised Penal Code and imposed on him a penalty of one (1) month imprisonment.

The company's car carried a comprehensive own-damage insurance coverage from the Central Surety and Insurance Company. On January 2, 1986, the insurance company paid the insured, Felicidad Realty Corporation, through Mrs. Ilao, P10,270.81 on its Own-Damage Claim No. PC-85/70, Policy No. PC-HO-01968/85. The insured executed in favor of the insurance company a Release of Claim with Loss and Subrogation Receipt (Exhs. 3 and 4). Ilao allegedly paid out of her own funds, the balance of P8,181.16, on INTECO's repair bill. The cash receipt (Exh. C) shows however that that amount was only a "partial payment of Invoice No. 2153."

When Mrs. Ilao's demands on the truck owner, Marcos Quiroz, for payment of her damages, was not heeded, she filed Civil Case No. 47297 entitled, "Julieta Ilao and Felicidad Realty Corporation vs. Marcos Quiroz and Salvador Palaming," in the Regional Trial Court of Quezon City, Branch 93.

On November 29, 1988, the trial court rendered judgment in plaintiffs' favor, ordering the defendants to jointly and severally pay:

1. P8,181.16 plus legal interest thereon from the filing of the complaint until full payment;
2. P10,800.00 as cost for the use of another car during all the time that the Isuzu Gemini was under repair; and

3. P5,000.00 by way of attorney's fees, and the costs of suit.

The defendant appealed to the Court of Appeals (CA-G.R. CV No. 21776). While they did not dispute their liability for the car accident, they questioned the cost of the repairs supposedly paid, and the amount of damages allegedly suffered by Mrs. Ilao. Their main objection to the award of actual damages by the trial court was that the same was mainly based on oral testi-mony of the appellee, Mrs. Ilao, without adequate evi-dence to back it up.

On May 22, 1991, the Court of Appeals rendered a decision reversing the judgment of the trial court. The appellate court found insufficient proof of the actual damages claimed.

Ilao filed this petition for review, alleging that the appellate court erred:

1. in holding that there was no adequate proof of her claim for damages; and
2. in setting aside the trial court's award of attorney's fees and the costs of suit.

The petition has no merit.

The records show that the damaged car was insured under a comprehensive own-damage policy with the Central Surety & Insurance Company; that it had undergone com-plete repairs by authority of the insurance company (Exh. 5 dated December 20, 1985) which specified that the cost of repairs should not exceed P14,420.00 on labor and replaced parts. Actually, the insurance company paid the insured P10,270.81 only (Exh. 4) on January 2, 1986 in consideration of which the latter signed a Release of Claim with Loss and Subrogation Receipt (Exh. 3), releasing the insurance company from all actions on account of all injuries and damages arising from the accident. This receipt released the insurance company from all further liability under its policy with the Felicidad Realty Corporation and subrogated it into the insured's right to recover what it paid, up to the amount of P10,270.81, from the owner and/or driver of the offending truck. Although Ilao alleged that the total cost of repairs of the damaged motor vehicle was P18,181.16, the bill for repairs, which was the best evidence of the cost of repairs, was not presented to the court. The receipt, Exhibit "C," shows that the INTECO Repair Shop was paid only P8,181.16 on January 10, 1986. No receipt proving that the Felicidad Realty Corporation paid INTECO the sum of P10,270.81 which it had received from the insurance company, was presented in evidence. We only have Mrs. Ilao's word for it.

If the repairs had cost P18,161.16 as claimed by Mrs. Ilao, it is strange why the insurance company paid the insured P10,270.81 only, instead of P14,420.00, which was the limit of its liability under Exhibit 5.

Petitioner's claim for P10,800.00 as rentals supposedly paid to Gregorio Manahan for the use of a Toyota Crown at P300.00 per day while the damaged compa-ny car was being repaired, was not proved. The receipts for car rentals paid, if any, were not submitted to the trial court. The car rental contract (Exh. D) only proves that there was an agreement between Mrs. Ilao and Gregorio Manahan for the lease of a Toyota car for P300.00 per day. It does not prove that the contract was performed, i.e., that she in fact used Manahan's car and paid the rentals due under the contract.

As plaintiff, the petitioner had the burden of proving her claims against the private respondent (Sec. 1, Rule 132, Rules of Court). The Court of Appeals correctly found that she failed to discharge that burden of proof.

In view of the dismissal of their complaint, the plaintiffs' claim for attorney's fees has no basis.

WHEREFORE, finding no reversible error in the decision of the Court of Appeals, the petition for review is DENIED.

SO ORDERED.

Cruz, (Chairman), Padilla, and Bellosillo, JJ., concur.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.