

MANUEL BANSON, PETITIONER, VS. COURT OF APPEALS, 9TH DIVISION AND SPOUSES ARTHUR DIOCAMPO AND MERLENE DIOCAMPO, RESPONDENTS.

G.R. No. 110580. July 13, 1995

Ponente: QUIASON, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-110580/>

QUIASON, J.:

This is a petition for review on certiorari to set aside the decision of the Court of Appeals (which affirmed the decision of the Regional Trial Court, Branch 14, Roxas City in Civil Case No. V-6193) and its Resolution dated May 20, 1993 in CA-G.R. SP No. 29689.

I

On December 19, 1991, private respondents purchased the land denominated as Lot No. 517 of Capiz (Roxas City) Cadastre from Rosa E. Blandura. Subsequently, Transfer Certificate of Title No. T-27376 was issued in the name of private respondents.

Prior to their purchase, private respondents inquired from Blandura about the two houses on the land. Blandura informed them that the houses belonged to petitioner and his co-defendant, Amado Berdugo, to whom she first offered to sell the land. When petitioner and his co-defendant failed to signify their intention to buy the houses, Blandura sent to petitioner and Berdugo, eviction letters dated August 16, 1990 (Exh."F"), October 20, 1990 (Exh."G") and October 29, 1990 (Exh."H").

On February 21, 1992, private respondents also wrote petitioner and Berdugo a demand letter to vacate, which was also ignored by the latter. Private respondents then instituted in the Municipal Trial Court in Cities, Branch 2, Roxas City, Civil Case No. V-396 an action for unlawful detainer.

On June 22, 1992, the Municipal Trial Court found that petitioner and Berdugo were not bona fide lessees as the oral lease contract, which was on a month-to-month basis, was terminated by the original owner in 1983, long before private respondents purchased the property. Thereafter the possession of petitioner and Berdugo was merely tolerated by Blandura. As such, their occupancy carried with it the implied obligation to vacate the premises upon demand. Furthermore, the Municipal Trial Court ruled that P.D. No. 1517, the Urban Land Reform Law, and B.P. Blg. 877, the New Rental Law, were not applicable to said case as petitioner and Berdugo were no longer lessees of Blandura. Hence, it rendered a decision, the dispositive part of which reads as follows:

"WHEREFORE, finding the defendants, MANUEL BANSON and AMADO BERDUGO, not legitimate lessees of portion of Lot 517, Capiz (Roxas City) Cadastre, and finding furthermore that they are unlawfully withholding possession of the said Lot 517 from plaintiffs, Spouses ARTHUR DIOCAMPO and MERLENE DIOCAMPO, with malevolence and malice to the prejudice of said plaintiffs, judgment is hereby rendered ordering the defendants MANUEL BANSON and AMADO BERDUGO, their heirs, successors and assigns, as well as, any person claiming right and authority under them or acting for and in their behalf found within the

premises of Lot 517, to vacate the premises of said Lot 517, by removing their houses therefrom within thirty (30) days from receipt of this Judgment at their own expense, and restore plaintiffs in the premises by surrendering physical possession of said premises; and to pay to plaintiffs the sum of P1,000.00 severally to plaintiffs as reasonable compensation for the use and occupancy of the portions of Lot 517, with interest at six (6) percent per annum counting or commencing from the month of March, 1992 until fully paid.

"The defendants are further ordered to pay severally plaintiffs for attorney's fees in the sum of TEN THOUSAND PESOS (P10,000.000) each, and costs of this suit" (Rollo, pp. 69-70).

Petitioner and Berdugo then appealed to the Regional Trial Court, Branch 14, Roxas City (Civil Case No. V-6193) which affirmed the decision of the Municipal Trial Court. The Regional Trial Court found that petitioner and his co-defendant were not bona fide lessees of the lot in question, that their "continued occupation of the portions of Lot No. 517 was just, to say the least, a mere tolerance, if not a usurpation and that a usurper has no more right to the use and enjoyment of the premises and is a possessor in bad faith" (Rollo, p. 35).

The Court of Appeals affirmed the decision of the Regional Trial Court (CA-G.R. SP No. 29689) and made the crucial finding that the lease contract was on a monthly basis and therefore one with a definite period.

II

The petition is bereft of merit.

The issues raised by petitioner boil down to: (1) whether the provisions of P.D. No. 1517, B.P. Blg. 25, B.P. Blg. 877 and R.A. No. 7279 are applicable to his case; and (2) whether the Court of Appeals erred in affirming the award of P10,000.00 as attorney's fees in favor of respondents.

Batas Pambansa Blg. 25, approved on April 10, 1979, was repealed by B.P. Blg. 877, approved on June 12, 1985. While B.P. Blg. 877 suspended the effectivity of paragraph (1) of Article 1673 of the Civil Code of the Philippines, insofar as it refers to residential units covered by said decree and deprived the lessor from ejecting the lessee except on the grounds provided in Section 5 thereof, the said decree was explicit that the suspension of said Article of the Civil Code did not apply to a lease which was for a definite period.

Section 6 of B.P. Blg. 877 provided:

"Application of the Civil Code and Rules of Court of the Philippines. - Except when the lease is for a definite period, the provision of paragraph (1) of Article 1673 of the Civil Code of the Philippines, insofar as they refer to residential units [including lands] covered by this Act, shall be suspended during the effectivity of this Act, but other provisions of the Civil Code and the Rules of Court on lease contracts, insofar as they are not in conflict with the provision of this Act shall apply" (*Italics supplied*).

The Court of Appeals found that the contract of lease was "on a monthly basis" and therefore the contract was for a definite period. Settled is the rule that findings of fact of the trial courts and the Court of Appeals are conclusive upon the Supreme Court when supported by substantial evidence (*Guinsatao v. Court of Appeals*, 218 SCRA 708 [1993]).

A lease contract "on a month-to-month basis" provides for a definite period and may be terminated at the end of every month (*Lesaca v. Cuevas*, 125 SCRA 384 [1983]; *Cruz, v. Puno, Jr.*, 120 SCRA 497 [1983]; *Rantael v. Court of Appeals*, 97 SCRA 453 [1980]). After the demands to vacate were served on petitioner and Berdugo, the two became usurpers and no longer bona fide lessees (*Vda. de Kraut v. Lontok*, 7 SCRA 281 [1963]).

Presidential Decree No. 1517 (Proclaiming Urban Land Reform In The Philippines) and R.A. No. 7279 (An Act Providing For a Comprehensive and Continuing Urban Development and Housing Program) are of no application.

Petitioner is not a "legitimate tenant," the intended beneficiary under said laws.

Likewise, the contested lot does not fall under the coverage of Section 28 of R.A. No. 7279. The said law only covers lands in urban areas, including existing areas for priority development, zonal improvement sites, slum improvement, resettlement sites, and other areas that may be identified by the local government units as suitable for socialized housing.

With regard to the award of attorney's fees, petitioner did not raise this issue in his appeal to the Regional Trial Court or the Court of Appeals. Hence, the rule that an error not raised in the lower courts cannot be raised for the first time on appeal to the Supreme Court is operative in the case at bench (*Santos v. Intermediate Appellate Court*, 145 SCRA 592 [1986]).

WHEREFORE, the petition is DENIED.

SO ORDERED.

Padilla, (Chairman), Davide, Jr., Bellosillo, and Kapunan, 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.