LIGAYA S. SANTOS, PETITIONER, VS. COURT OF APPEALS AND PHILIPPINE GERIATRICS FOUNDATION, INC., RESPONDENTS.

G.R. No. 135481. October 23, 2001

Ponente: QUISUMBING, J.

Read online (full-text search, related cases, audio case brief): https://batas.org/library/g-r-no-135481/

QUISUMBING, J.:

Petitioner Ligaya S. Santos seeks reversal of the decision dated June 23, 1998, of the Court of Appeals, and its resolution dated September 15, 1998, in CA-G.R. SP No. 46629, ordering petitioner to vacate and surrender possession of the contested premises (on Lions Road, Villegas St., Ermita, Manila) to private respondent Philippine Geriatrics Foundation, Inc. (PGFI), and to pay rentals and the costs of suit. The CA set aside the decision dated September 16, 1997 of the Manila Regional Trial Court, Branch 46, in Civil Case No. 97-82946, which affirmed the decision dated February 26, 1997 of the Manila Metropolitan Trial Court, Branch 12, in Civil Case No. 150316.

The factual antecedents of this case, as found by the Court of Appeals,[1] are as follows:

In 1969, private respondent PGFI occupied the ground floor of the Geriatrics Center on Lions Road, Mayor Antonio J. Villegas Street, Ermita, Manila, upon the invitation of the president of the Philippine Federation of Medical Practitioners. In 1971, PGFI built a gymnasium adjacent to said building. This was later on converted into a canteen and leased to one Victor Jimenez. Jimenez later on vacated the space after he failed to pay rentals therefor.

In 1989, petitioner occupied the canteen by virtue of a letter-contract[2] executed between her and Vicente Pulido, president of PGFI.

Meanwhile, the City Mayor of Manila requested PGFI to vacate its office at the Geriatrics Center. It agreed and planned to transfer to the canteen beside the Geriatrics Center. On December 27, 1993,[3] PGFI asked petitioner to vacate said space in a letter advising the latter of the termination of the lease contract. However, petitioner refused to vacate. In the meantime, the city government of Manila forcibly ejected PGFI from the Geriatrics Center on January 7, 1995. On October 11, 1995,[4] PGFI through counsel, sent another demand letter to petitioner asking her to pay rentals in arrears and to vacate the canteen space within ten days of receipt of the letter. Still, petitioner refused.

Thereafter, PGFI filed an ejectment case against petitioner with a prayer for the payment of rentals in arrears for the period September 15, 1993 to September 30, 1995 totaling P36,750.00. The parties agreed that the only issue to be resolved was whether or not petitioner may be ejected from the premises on the ground of non-payment of rentals.[5]

The Metropolitan Trial Court (MeTC) dismissed the complaint on the ground that PGFI failed to establish the existence of a lease contract between the parties.[6] PGFI claimed that the contract had been lost when it was forcibly ejected from the Geriatrics Center.[7] The contract was a letter-offer signed by petitioner and addressed

to PGFI, stating petitioner's intention to lease PGFI's canteen under certain terms and conditions. It was later on signed by Pulido as PGFI president, indicating its conformity with the terms thereof.[8]

To prove the existence of the contract, PGFI presented affidavits of its trustees and officers[9] and presented to the trial court an unsigned photocopy[10] of the same. However, the trial court refused to admit the photocopy as secondary evidence. Consequently, in a decision dated February 26, 1997,[11] the MeTC ruled that there is no evidence that would warrant ejectment of petitioner from the subject premises.

On appeal, the Regional Trial Court (RTC) affirmed the decision of the MeTC. PGFI filed a motion for reconsideration on October 6, 1997 and a motion to treat said motion as a motion for new trial on October 27, 1997, on the ground of newly discovered evidence.[12] A few days earlier, on October 11, 1997,[13] PGFI found its copy of the lease contract signed by petitioner and Pulido, as well as by its other trustees. PGFI presented said contract to the RTC, which rejected it as "forgotten evidence".[14]

PGFI raised the matter to the Court of Appeals (CA), which reversed the ruling of the RTC. According to the CA, the unsigned copy of the lease contract that was presented before the trial court qualified as secondary evidence under Rule 130 of the Revised Rules of Court. The CA noted that PGFI was able to prove the existence and due execution of the lease contract through the affidavits of its witnesses. Finally, the contents of the contract itself were proven through the unsigned copy held by PGFI. There is, thus, a valid lease contract executed between the parties, contrary to the ruling of the trial court.

The CA ruled that petitioner's failure to abide by the terms stated in the contract, particularly the payment of rentals, warranted her eviction from the premises. The dispositive portion of the CA decision reads:

> "WHEREFORE, this petition is hereby GRANTED. The Decision of the Regional Trial Court affirming the decision of the Metropolitan Trial Court which dismissed plaintiff's complaint is hereby SET ASIDE and a new one is rendered ordering the defendant Ligaya Santos, a.k.a. Ligaya Salvador, to vacate the premises in question subject of the complaint and surrender possession thereof to plaintiff; and to pay the plaintiff the sum of P24,500.00 as unpaid rentals from September 15, 1993 to September 30, 1995 at the rate of P1,000.00 a month as provided in the letter-contract and the further sum of P1,000.00 a month from October, 1995 until she vacates the premises as reasonable compensation for the use and occupancy thereof, and to pay the costs of suit.
>
> Costs against respondent.
>
> SO ORDERED."[15]

Hence, this petition for review wherein petitioner alleges that the CA erred:

> - . ...IN HOLDING THAT THE RESPONDENT WAS ABLE TO ESTABLISH THE FACT OF THE EXECUTION OF THE LETTER-CONTRACT OF LEASE.
>
> - . ...WHEN IT ADMITTED AS NEWLY FOUND EVIDENCE THE ALLEGEDLY SIGNED LETTER-CONTRACT OF LEASE EVEN THOUGH THE SAME WAS NOT FORMALLY OFFERED IN EVIDENCE DURING TRIAL.
>
> - ...IN ITS DECISION, DATED JUNE 23, 1998, SETTING ASIDE THE DECISION OF THE REGIONAL TRIAL COURT AFFIRMING THE DECISION OF THE METROPOLITAN TRIAL COURT WHICH DISMISSED THE COMPLAINT OF THE PLAINTIFF.[16]

Petitioner stresses that no lease contract had been executed between her and PGFI. She points out that the contents of the copy of the alleged contract must correspond exactly with the contents of the original. However, without the parties' signatures, the copy presented by PGFI cannot be legally considered as a copy of the original contract.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

Even the affidavits of PGFI's witnesses are insufficient, according to petitioner, since none of those witnesses had the opportunity to compare the copy with the original. She claims that the copy did not even exist during the time of the execution of the alleged original contract, nor was it copied a short time thereafter, since the copy was merely "reconstructed" by PGFI president Pulido during the trial of the ejectment case. Petitioner cites in support of this assertion the statement of the CA that Pulido "correctly recalled" the contents of the contract when he presented an unsigned copy thereof during trial.[17]

Petitioner contends that the original copy of the contract can no longer be considered in evidence since it was not formally offered during trial, having been found only after the trial was terminated.

Moreover, petitioner argues that the CA could no longer reverse the ruling of the RTC since it had already attained finality. According to her, when PGFI filed before the RTC a motion to treat its motion for reconsideration as one for new trial on the ground of newly discovered evidence, it effectively abandoned its motion for reconsideration and its supplemental motion for reconsideration. When the RTC denied PGFI's latter motion, there was nothing left for the RTC to consider, not even the previous motion for reconsideration. Without said motion for reconsideration, the RTC decision became final, according to petitioner.

Consequently, petitioner claims that PGFI can no longer question the merits of the decision of the trial court, but only the propriety of the order of the RTC that denied PGFI's motion to treat its motion for reconsideration as a motion for new trial.

On the other hand, private respondent PGFI contends that the loss of the original contract was due to its eviction from the Geriatrics Center, which petitioner does not dispute. It argues that the unsigned copy of the letter-contract qualifies as secondary evidence under Rule 130, Section 5 of the Revised Rules of Court. PGFI points out that as required by the Rules, it sufficiently proved the existence and due execution of the original, as well as its contents, through the affidavits of its trustees who were signatories to the original contract.[18] It further points out that even one who was not a party to a contract may attest to its existence and due execution.[19]

PGFI contends that the original contract should no longer be an issue since secondary evidence had already been presented proving its existence and execution. However, the original serves to confirm what was proven through the unsigned copy.

PGFI further argues that there is a conclusive presumption that a tenant is not permitted to deny the title of his landlord at the time of the commencement of the relation of landlord and tenant between them.[20]

We first address the procedural question raised by petitioner. We do not share petitioner's view that PGFI in effect abandoned its motion for reconsideration before the RTC when it moved to treat such motion for reconsideration as a motion for new trial;[21] that when the latter motion was denied, there was nothing else for the court to consider and so the RTC decision became final. Nothing in the Rules of Court supports this contention.

A decision becomes final upon the lapse of the period to appeal therefrom, without an appeal[22] or motion for reconsideration or new trial having been filed.[23] The filing of a motion for reconsideration or new trial suspends the running of the period to appeal.[24] PGFI filed its motions in the RTC within the period to appeal.[25] Likewise, its petition for review before the CA was filed within the period of extension granted by the CA.[26] Thus, the RTC decision never became final, contrary to petitioner's claim.

We now proceed to discuss the merits of this case.

The parties anchor their respective arguments on the admissibility, or non-admissibility in the case of petitioner,

of the unsigned copy of the alleged letter-contract of lease executed between petitioner and PGFI.

Admittedly, the original copy of the contract was not presented during trial, so PGFI as plaintiff therein resorted to presentation of secondary evidence. It presented the disputed unsigned copy of the contract as well as affidavits of persons who saw the contract and signed thereon representing PGFI.

The Rules of Court provides, in case the original of the document is lost:

> SEC. 5. When original document is unavailable. -- When the original document has been lost or destroyed, or cannot be produced in court, the offeror, upon proof of its execution or existence and the cause of its unavailability without bad faith on his part, may prove its contents by a copy, or by a recital of its contents in some authentic document, or by the testimony of witnesses in the order stated. (Rule 130, Rules of Court).

Before the contents of an original document may be proved by secondary evidence, there must first be satisfactory proof of the following: (1) execution or existence of the original; (2) loss and destruction of the original or its non-production in court; and (3) unavailability of the original is not due to bad faith on the part of the offeror.[27] Proof of the due execution of the document and its subsequent loss would constitute the foundation for the introduction of secondary evidence.[28]

In the present case, the existence and due execution of the lease contract had been established by the affidavits of trustees of PGFI who were signatories thereto.[29] The loss of said contract was likewise established by the affidavit of Vicente Pulido, who attested to the fact that he kept the original and a duplicate copy[30] of the contract at the PGFI office at the Geriatrics Center. These copies were lost in the chaos that ensued when PGFI was forcibly evicted from its office. Without a place to immediately move to, its files and records were left for sometime[31] on the street where they were susceptible to theft. Secondary evidence, then, may be admitted to prove the contents of the contract.

The contents of the original document may be proved (1) by a copy; (2) by a recital of its contents in some authentic document; or (3) by the recollection of witnesses,[32] in the order stated.

There is testimonial evidence on record to prove the contents of the lost lease contract. The affidavits of the witnesses for PGFI contain a recital of the offer of petitioner to occupy the subject premises for a specified amount payable every month, and the conformity to these terms by the trustees of PGFI who signed thereon.[33] Thus, even dispensing with the unsigned copy that was presented at the trial of this case, there is still evidence of the contents of the contract in the form of testimonial evidence.

Petitioner's emphasis on the admissibility of the unsigned copy of the contract is misplaced. The contents of the lost original copy may not only be proved by a copy thereof but also by the testimony of witnesses.[34] At best, the original copy of the contract that was later found merely affirms what had already been established by secondary evidence.

When the original copy of the contract[35] was found, PGFI attempted to present it before the trial court by moving for a new trial on the ground of newly discovered evidence. On this point, we note that petitioner did not offer any objection as to the genuineness of the original contract or her signature thereon.[36] She objected only insofar as claiming that PGFI could no longer present the document since it was not offered in evidence during the trial of this case. We take this as an indication that, indeed, there is nothing questionable about the original contract insofar as its genuineness is concerned.

Having thus shown that a lease agreement exists between the parties, we come to the question of whether or not petitioner may be ejected from the subject premises for non-compliance with the terms of the agreement.

Under the contract, petitioner obligated herself to pay a monthly rental, denominated as donation per PGFI policy, to PGFI in the amount of P1,000.00 a month. The lease period was two years.[37] PGFI issued receipts,[38] whose existence and issuance petitioner admitted,[39] for petitioner's monthly payments which was eventually increased from P1,000.00 to P1,500.00. The agreement expired in December 1991. In December 1993, petitioner admittedly stopped paying PGFI,[40] while still occupying the subject premises.

We agree with the CA that after December 1991, with petitioner still in the premises, the lease was impliedly renewed on a month-to-month basis, per Article 1670, in relation to Article 1687, of the Civil Code.[41]

Article 1670 of the Civil Code provides:

> Art. 1670. If at the end of the contract the lessee should continue enjoying the thing leased for fifteen days with the acquiescence of the lessor, and unless a notice to the contrary by either party has previously been given, it is understood that there is an implied new lease, not for the period of the original contract, but for the time established in articles 1682 and 1687. The other terms of the original contract shall be revived. (Emphasis supplied.)

On the other hand, Article 1687 states:

> Art. 1687. If the period for the lease has not been fixed, it is understood to be from year to year, if the rent agreed upon is annual; from month to month, if it is monthly; from week to week, if the rent is weekly; and from day to day, if the rent is to be paid daily. xxx (Emphasis supplied.)

Petitioner's obligation to pay rentals did not cease with the termination of the original agreement. When she failed to remit the required amounts after December 1993, the time when she stopped paying, PGFI was justified in instituting ejectment proceedings against her. Thus, under Article 1673 of the Civil Code:

Art. 1673. The lessor may judicially eject the lessee for any of the following causes:

> (1) When the period agreed upon, or that which is fixed for the duration of leases under articles 1682 and 1687, has expired;
>
> (2) Lack of payment of the price stipulated;
>
> (3) Violation of any of the conditions agreed upon in the contract;
>
> xxx

Petitioner clearly violated the provisions of the lease when she stopped making payments to PGFI. Hence, we find no reason to disturb the findings and conclusions of respondent appellate court.

WHEREFORE, the instant petition is DENIED. The decision dated June 23, 1998, of the Court of Appeals, in CA-G.R. SP No. 46629 is AFFIRMED.

Costs against petitioner.

SO ORDERED.

Bellosillo, (Chairman), Mendoza, Buena, and De Leon, Jr., JJ., concur.

---

[1] Rollo, pp. 45-46.

[2] Id. at 95.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

[3] Id. at 129-130.

[4] Id. at 131.

[5] Id. at 48, 139.

[6] Id. at 48.

[7] Id. at 49.

[8] Id. at 48-49, 50.

[9] Records, pp. 140-164.

[10] Rollo, p. 94.

[11] Id. at 46.

[12] Ibid.

[13] Id. at 49.

[14] Id. at 50.

[15] Id. at 53.

[16] Id. at 28-29.

[17] Id. at 32, 50.

[18] Id. at 87.

[19] Id. at 88, citing Michael & Co. v. Enriquez, No. 10824, 33 Phil. 87, 89-90 (1915).

[20] RULES OF COURT, Rule 131, Section 2(b).

[21] PGFI filed in the RTC a "Motion to Treat and Consider Plaintiff-Appellant's Motion for Reconsideration and/or Supplement to the Motion for Reconsideration as Motion for New Trial on the Ground of Newly Discovered Evidence," CA Rollo, p. 167.

[22] Teodoro v. Court of Appeals, G.R. No. 103174, 258 SCRA 603, 607-608 (1996).

[23] See RULES OF COURT, Rule 36, Section 2.

[24] F.D. REGALADO, I REMEDIAL LAW COMPENDIUM 377 (7[th]ed., 1999).

[25] Records, pp. 243, 248, 275 and 317.

[26] CA Rollo, pp. 2, 5.

[27] R.J. FRANCISCO, EVIDENCE: RULES OF COURT IN THE PHILIPPINES, Rules 128-134, 68 (3[rd] ed., 1996).

[28] Vda. De Jacob v. CA, G.R. No. 135216, 312 SCRA 772, 783 (1999), citing Hernaez v. McGrath, No. L-4044, 91 Phil. 565, 573 (1952).

[29] Supra, note 9.

[30] Another copy was supposed to have been given to petitioner.

[31] Records, p. 145.

[32] Id. at 144; De Guzman v. Court of Appeals, G.R. No. 110122, 260 SCRA 389, 395 (1996).

[33] Records, pp. 141-142, 148, 152, 155, 158, 160, 163.

[34] RULES OF COURT, Rule 130, Section 5.

[35] Rollo, p. 95.

[36] CA Rollo, pp. 161-163; Rollo, pp. 33-35.

[37] Records, pp. 152, 158, 163; Rollo, pp. 50-51.

[38] Records, pp. 14-23, 31-33.

[39] Id. at 54, 57.

[40] Ibid.

[41] Rollo, pp. 51-52.

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

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.