

JESUS CUENCO, PETITIONER, VS. TALISAY TOURIST SPORTS COMPLEX, INCORPORATED AND MATIAS B. AZNAR III, RESPONDENTS.

G.R. No. 174154. July 30, 2009

Ponente: NACHURA, J.

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NACHURA, J.:

For resolution are the Partial Motion for Reconsideration[1] filed by petitioner and the Motion for Reconsideration[2] filed by respondents of the Decision[3] of the Court dated October 17, 2008.

The factual background of the case is as follows:

Petitioner leased from respondents the Talisay Tourist Sports Complex for the operation of a cockpit. The lease was for a period of two (2) years, but was subsequently renewed for a period of four (4) years. Compliant with the lease contract, petitioner gave respondents a deposit equivalent to six (6) months' rental, amounting to Five Hundred Thousand Pesos (P500,000.00), to answer for whatever damages may be caused to the premises during the period of the lease.

Upon expiration of the lease contract on May 8, 1998, a public bidding was conducted. The contract was awarded to a new lessee. Thus, petitioner demanded the return of the amount deposited. However, petitioner's four (4) demand letters remained unheeded. Thus, petitioner filed a complaint for sum of money, damages and attorney's fees before the Regional Trial Court (RTC) of Cebu City.

The trial court ruled in favor of petitioner and directed the respondents to return the full amount of the deposit plus interest of three percent (3%) per month from August 18, 1998 until full payment thereof. On appeal, the Court of Appeals (CA) reversed the decision of the trial court. Hence, petitioner filed a petition for review on certiorari[4] before this Court.

On October 17, 2008, the Court rendered a Decision,[5] the dispositive portion of which reads:

WHEREFORE, the petition is PARTLY GRANTED. The Decision of the Court of Appeals is hereby REVERSED AND SET ASIDE. The Decision of the RTC in Civil Case No. CEB-22847 is hereby REINSTATED with the following modifications:

(1) Talisay Tourist Sports Complex, Inc. is solely liable to return the amount of the deposit after deducting the amount of the two-months arrears in rentals; and

(2) The rate of legal interest to be paid is SIX PERCENT (6%) on the amount due computed from October 21, 1998, and TWELVE PERCENT (12%) interest, thereon upon finality of this decision until full payment thereof.

SO ORDERED.[6]

Unsatisfied, both parties moved for reconsideration. Petitioner moves for partial reconsideration as he denies that

he overstayed for two months in the leased premises. On the other hand, respondents aver that the expenses they incurred for the repair of the cockpit amounting to Twenty-four Thousand Nine Hundred Pesos (P24,900.00) should be deducted from the amount of deposit that will be returned to petitioner. They also pray that the Court reconsider its decision and issue a new one affirming the decision of the Court of Appeals.

The motions for reconsideration filed by the contending parties are substantially factual and must be denied for lack of merit.

As a rule, the Supreme Court is not a trier of facts. In a petition for review on certiorari, it is discretionary upon the Court whether it will look into the factual determinations of the lower courts. However, due to the conflicting findings of the RTC and the CA, the Court took exception and reviewed the records of the case to arrive at a judicious resolution of the controversy, i.e., whether petitioner is entitled to the return of the amount of the deposit.

Borne out by the records of the case is the testimony of Ateniso Coronado that petitioner continued to hold cockfights for two months beyond the expiration of the lease contract. Such declaration was neither questioned nor denied by petitioner during the trial of the case in the RTC and on appeal before the CA. Neither was it contested by petitioner in his Memorandum[7] filed with this Court. Binding is the finding of the CA on the matter, viz.:

Witness Ateniso Coronado whose credibility has not been impeached, and whose testimony has neither been overthrown by contradictory evidence, gave the most telltale factual account. There is no gainsaying that the contract of lease between herein parties for the occupation and use of the complex expired on May 8, 1998, but appellee [petitioner] did not refute the pronouncement of witness that he (appellee) [petitioner] continued to hold cockfights during the months of June and July despite knowledge that his lease would no longer be renewed as evidenced by the very first letter he sent to appellants [respondents] dated June 8, 1998, and albeit the non-objection of appellants [respondents] on his extended stay. The assessment of rentals from appellee [petitioner] for two (2) extended months therefore came as a necessary consequence pursuant to Articles 1670 and 1687 of the Civil Code of the Philippines in relation to the contract of lease. The rental for the last month immediately preceding the expiration of the contract is pegged at P97,916.67, hence the two month extension requires a rent in the amount of P195,833.34.[8]

Well-settled is the rule that issues or grounds not raised below cannot be resolved on review by the Supreme Court, for to allow the parties to raise new issues is antithetical to the sporting idea of fair play, justice and due process. [9] Issues not raised during the trial cannot be raised for the first time on appeal and more especially on motion for reconsideration. Litigation must end at some point; once the case is finally adjudged, the parties must learn to accept victory or defeat.

Furthermore, on June 27 2007, the Court required the parties to submit their memoranda, and were apprised that no new issues may be raised; and the issues raised in the pleadings not included in the memoranda shall be deemed waived or abandoned, per Supreme Court Administrative Matter No. 99-2-04-SC.

As to the amount of repairs that respondents want to be credited in their favor, the RTC ruled, as affirmed by the CA, that the new lessee underwrote the repairs and not the respondents.[10] Thus, there is no basis for respondents' claim for reimbursement.

WHEREFORE, the Partial Motion for Reconsideration of Petitioner dated November 26, 2008 and the Motion for Reconsideration of Respondents dated November 25, 2008 of the Decision of the Court dated October 17, 20078 are hereby DENIED.

SO ORDERED.

Ynares-Santiago, (Chairperson), Carpio, Chico-Nazario, and Bersamin, JJ., concur.

[*] Additional member vice Justice Adolfo S. Azcuna (retired) per raffle dated April 27, 2009.

[**] Additional member vice Justice Alicia Austria-Martinez (retired) per raffle dated May 27, 2009.

[1] Rollo, pp. 339-342.

[2] Id. at 344-353.

[3] Id. at 320-338.

[4] RULES OF COURT, Rule 45.

[5] Supra note 3.

[6] Id. at 337.

[7] Id. at 281- 310.

[8] Id. at 39.

[9] General Credit Corporation v. Alsons Development and Investment Corporation, G.R. No. 154975, January 29, 2007, 513 SCRA 225, 226; Baluyut v. Poblete, G.R. No. 144435, February 6, 2007, 514 SCRA 370; Pascual v. People, G.R. No. 160540, March 22, 2007, 518 SCRA 730, 731; People v. Casela, G.R. No. 173243, March 23, 2007, 519 SCRA 30; People v. Nabong, G.R. No 172324, April 23, 2007, 520 SCRA 437, 439; Rizal Commercial Banking Corporation v. Commissioner of Internal Revenue, G.R. No. 168498, April 24, 2007, 522 SCRA 144; Ong Lim Sing, Jr. v. FEB Leasing and Finance Corporation, G.R. No. 168115, June 8, 2007, 524 SCRA 333; Fuentes v. Caguimbal, G.R. No. 150305, November 22, 2007, 538 SCRA 12.

[10] Rollo, p. 90.

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