

MANUEL ERNESTO GONZALES, PETITIONER, VS. VICENTE MATEO ET AL., RESPONDENTS.

G.R. No. 49020. February 28, 1944

Ponente: OZAETA, J.

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OZAETA, J.:

Respondents, doing business as an unregistered partnership under the name and style "Samahang Sabuñgang Malaya," leased to the petitioner their cockpit situated in Malolos, Bulacan, under a written contract entered into on January 5, 1937, for the period of six years ending December 31, 1942, at the agreed yearly rental of P100, upon the following conditions:

"a.—Ang lahat ng kailangan na gagawin sa bahay-sabungan ay ipagagawang lahat ni G. Ernesto Gonzales sa kanyang sariling gugol na ang samahan ay walang sinasagot.

"b.—Kung makaraan na ang anim (6) na taong pagkabuwis o pagkaupa, ang lahat ng mejora na nailagay ni G. Gonzales ay maiiwan sa samahan na di na pagbabayaran nito.

"c.—Ang bahay-sabungan at ang lupang kinatitirikan nito, ay ang samahan ang magbabayad ng buwis, at ang bayad ng arrendamiento ng lupa ang samahan din ang magbabayad."

Before using said cockpit the petitioner as lessee made some improvements thereon. He placed the posts on slabs of stone, without cementing them and without using jointpins to brace them up in spite of respondent Isidro Bautista's advertence thereto.

On September 12, 1937, a cockfight was held in said cockpit with a large attendance. The building broke down and was thereafter never used by the petitioner.

The respondent lessors demanded of the petitioner that he either reconstruct the cockpit or pay them the sum of P3,000 as damages in addition to the unpaid rentals. Petitioner refused to comply with such demand, alleging that under his contract he was not obligated to make repairs, but only improvements, on the building and that its collapse was due to hidden defects which the lessors had concealed from him. Hence this suit was brought by the lessors against the lessee, which was sustained by the Court of First Instance of Bulacan, by which the lessee was ordered to reconstruct the cockpit or pay to the lessors its value in the sum of P3,000 plus the rentals for the last five years amounting to 1N500 and the costs. Upon appeal to the Court of Appeals the latter modified that judgment by reducing the damages from P3,000 to P1,000. Not contented with that reduction, and insisting on complete absolution from any liability, the defendant lessee appealed to this Court by certiorari.

Upon the stipulations of the contract in relation to the facts found by the Court of Appeals as above set forth, we find no reason to disturb the conclusions of that court and reverse its judgment. It is evident that petitioner accepted the cockpit in question from respondents in the condition in which it was found at that time under the express agreement that all that was necessary to put it in use had to be done by the petitioner at his own expense without any obligation on the part of the respondents to reimburse him or pay for the improvements thus made

upon the expiration of the lease. While it is true that under the law (paragraph 2, article 1554 of the Civil Code) it is the duty of the lessor to make on the building leased all repairs necessary in order to keep it in serviceable condition for the purpose for which it was intended, the parties were at liberty to stipulate the contrary; and in the instant case it is obvious that the lessors were relieved of that duty and the lessee assumed it in their stead, considering the very moderate, if not nominal, rent he was to pay, with the obligation on the part of the lessors to pay the real estate taxes, and the relatively big profits the lessee was to realize from the operation of the cockpit, netting P30 to P40 a week and P800 on days of pintakasi (special holidays for cockfights), according to the Court of Appeals. We cannot accept the interpretation urged by the petitioner, that he was not obligated to make repairs, but only improvements, on the building. He was clearly obligated to do all that was necessary to put the building in serviceable condition, at his own expense. Of course, any work done by the lessee on the building for that purpose was necessarily an improvement thereof; and that was the reason why in condition (b) above quoted it was stated that all improvements shall be for the benefit of the lessors without any obligation on their part to pay therefor upon the expiration of the lease.

The collapse of the building in question on the occasion of the heavily attended cockfight of September 12, 1937, was not due to any hidden defect but to the fact that thru petitioner's negligence in making the repairs he failed to place the posts on firm, solid, and sound foundation in spite of one of the lessors' advertence to him on the matter.

Under article 1563 of the Civil Code, "the lessee is liable for any deterioration or loss suffered by the thing leased, unless he proves that it took place without his fault." And under article 1101 of the same Code, any person guilty of negligence in the fulfilment of his obligations, or who in any manner whatsoever shall fail to comply with the terms thereof, shall be liable for any damage caused thereby.

The judgment appealed from, being in accordance with law, is hereby affirmed, with costs.

Yulo, C. J., Horrilleno, Paras, and Bocobo, JJ., concur.

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