

MANUEL DONATO, PLAINTIFF AND APPELLANT, VS. GEORGE M. LACK ET AL., DEFENDANTS AND APPELLANTS.

G.R. No. 5147. November 25, 1911

Ponente: TRENT, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-5147/>

TRENT, J.:

In this cause both the plaintiff and defendants have appealed from the judgment of the Court of First Instance of the city of Manila, Hon. Charles S. Lobingier presiding, denying relief to both parties, and have each presented separate bills of exceptions, with their corresponding assignments of error. That judgment (omitting the findings of fact and the discussion of the law) is as follows:

"The court finds that plaintiff is not entitled to recover in this action and that defendants are not entitled to recover on their counterclaim, but this finding is without prejudice to a future action on the contract in question.

"It is, therefore, considered and adjudged that the plaintiff take nothing by his complaint and the defendants nothing by their counterclaim, but that they recover their costs."

On the 30th day of October, 1904, by a public instrument, executed by the plaintiff and defendants, the latter leased from the former for a term of five years, to begin on November 15, 1904, at a monthly rental of P600, payable semiannually, a building in the city of Manila. The building at the time of the execution of the lease was in process of construction and was to be completed at the time fixed for the beginning of the term. The building was to consist of three floors, the first to be used by the defendants for the storage and sale of meats and provisions, and the second and third to be divided into rooms suitable for offices or living rooms. In January, 1907, by agreement of the parties, the rental was reduced from P600 to P500 a month. The defendants occupied the building from November 15, 1904, up to and including February 15, 1908, and paid the rents in accordance with the contract. Under the original lease, no provision was made for the making of necessary repairs by the landlord, but on the 16th of May, 1905, a modification of the lease was executed in writing whereby the rent was to be paid monthly and the landlord undertook to make all necessary repairs not due to the fault of the tenants.

The complaint sets up the original lease executed by the parties, and alleges that the defendants, on the 15th of February, 1908, vacated the leased property and refused to continue the performance of their contract; that defendants have failed to pay the rent for the month of February, 1908; that plaintiff has been damaged by the vacation of the property by the defendants in the sum of P12,600, consisting of the rent which under the lease would have accrued to the plaintiff, less whatever plaintiff might receive from the building in case he should be able to rent it to others; and that defendants, on demand, have failed and refused to perform their obligation under the lease and to pay the rent due. The prayer is for the recovery of P12,600, as damages for the breach of the contract, with interest and costs.

The defendants demurred to the complaint on the ground that the same stated no cause of action, and to the overruling of this demurrer they duly excepted. Thereafter defendants answered, setting up as a special defense

that plaintiff had consented to the termination of the lease, and that plaintiff had himself violated the contract by failure to make the necessary repairs, and setting up by way of counterclaim, the damages caused them by plaintiff's breach of the contract.

Whether this case be treated as an action for damages for breach of contract or one to recover rents, the result will be the same. If, as contended by the defendants, the breach of this contract of lease was committed by the plaintiff, then he is entitled to no recovery whatever from the time defendants vacated the building and rescinded said contract. The trial court made no findings of fact on this point.

There is no doubt that the plaintiff was under contractual obligation to make the necessary repairs upon the building not due to the fault of the defendants. The following supplemental contract, executed May 16, 1905, clearly establishes this fact:

"This is to certify that the owner of the above-mentioned property and the lessors thereof have agreed that payments after November 16, of this year shall be made monthly in advance.

"The parties concerned have also agreed that the repairs it needs, which are not made necessary through fault of the tenants, shall be made at the expense of the owner of the property and paid for by him.

"In witness whereof, we affix our names.

"MANL. DONATO.

"LACK & DAVIS.

"BY J. L. DAVIS."

Within a few months after the defendants began to occupy the building in question it became apparent that same was in bad condition and constantly deteriorating. It had been built of green lumber and the shrinkage of the material opened seams so that in every storm the rain entered the rooms, rendering practically all of them unfit for occupancy. At this time nearly every room in the building was occupied by the tenants of the defendants, but said tenants were forced to move out on account of the discomfort and damage due to the entrance of the rain and the lack of privacy occasioned by the opening of the inner partitions and the warping of the doors so that they could not be closed.

Notwithstanding the numerous demands made upon the plaintiff by the defendants to comply with the provisions of the supplemental contract by repairing the building, he refused to do so. The record clearly and conclusively establishes the breach of the contract on the part of the plaintiff.

With reference to the defendants' counterclaim, the trial court found that the evidence was not sufficiently definite to justify a judgment in their favor. We can not say that this finding of fact is openly and manifestly against the weight of the evidence.

The judgment appealed from in so far as it authorizes either of the parties to bring another action upon the same contract is reversed; in all other respects it is affirmed, without cost. So ordered.

Johnson, Carson, and Moreland, JJ., concur.

DISSENTING

TORRES, J.,

With due respect for the opinion of the majority, the undersigned, in compliance with the duty his position imposes, believes that the contract of lease, violation whereof is the basis of the complaint entered by the plaintiff, Manuel Donato, is an established fact, unmooted by the parties, and that in the absence of plain proof that the defendants had a just reason for leaving the leased house before the expiration of the time stipulated, thereby breaking the agreement, the terms binding the contracting parties should be observed, with damages to the owner of the property.

If the property became uninhabitable through the fault of the owner, the plaintiff, because he did not make the repairs requested by the tenants, this fact should be investigated and duly proved. The defectiveness and bad condition of said house and the repairs made on it are not fully established, with a detailed statement in such terms that the abandonment of the property by the tenants, who remained in it for more than three years, can be held to be justified.

The reasons inducing the abandonment of the house which the tenants occupied, and which they used for their business for three years should be fully proved in this suit, so that it may appear that the contract recognized and admitted by both parties was not violated.

The judgment of the lower court dismissing the cross-complaint of the defendants, which has been affirmed by the majority, demonstrates the groundlessness of this counter-claim, which was doubtless made for the purpose of offsetting the complaint of the owner of the property, as well as the baselessness of their allegations. Amid the incompleteness of the evidence adduced in the attempt to justify the violation of the contract by the lessor, the existence of the contract itself, the source of the mutual rights and obligations of the lessor and the lessees, stands out as the only plain and undeniable fact.

It does not, therefore, appear to be made dear and demonstrated in the suit that the property was rendered uninhabitable by the lessor's failure to make the necessary and timely repairs, and that thus the terms of the contract were violated in such manner that the lessees had to leave the property through fault of the owner.

It accordingly appears proper to the undersigned that the judgment appealed from should be annulled and the case remanded to the lower court for a new hearing to make plain the facts alleged by the lessees. Evidence should be taken to determine wherein the property was defective and incomplete, from what parts of the house the leakages came when it rained, showing the rooms and floors into which they made their way, whether there were leaks in the roof of the house, how long since the same were noticed, and what kinds of repairs the lessor made at the request of the tenants. With the evidence already taken and the new evidence thus gathered, the suit should then be decided in accordance with law.

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.