

THIRD DIVISION

[G.R. No. 141324, July 08, 2003]

SPOUSES VIRGINIA JUNSON AND EMILIO JUNSON AND CIRILA TAN, PETITIONERS, VS. SPOUSES BENEDICTA B. MARTINEZ AND ANTONIO MARTINEZ, RESPONDENTS.

DECISION

CORONA, J.:

This is a petition for review from the decision of the Court of Appeals dated March 19, 1999, and its resolution dated December 28, 1999 denying petitioners' motion for reconsideration.

The antecedent facts follow.

Respondent spouses Antonio and Benedicta Martinez are the registered owners of several parcels of land located at E. Jacinto Street, Sangandaan, Kalookan City, as evidenced by TCT Nos. C-37014, C-48916, C-39002, and C-37015. Petitioner spouses Emilio and Virginia Junson and Cirila Tan are lessees of a portion thereof where they erected their respective houses: 117 E. Jacinto Street for petitioner spouses Junson and 135 E. Jacinto Street for petitioner Cirila Tan, both at Sangandaan, Kalookan City.

On June 21, 1985, Benedicta Martinez separately entered into written agreements with petitioner spouses Junson and Cirila Tan. In said agreements, petitioners were allowed to continue leasing the portions occupied by their respective houses on a month-to-month basis. It was likewise agreed that, upon three months' notice, either of the parties may terminate said agreements.

Sometime in March, 1988, respondents notified Cirila Tan that they needed the land occupied by said petitioner for their own use. Consequently, respondents gave petitioner Tan three months within which to vacate the property, rent-free. Respondents then stopped collecting rentals from petitioner Tan.

A similar notice was given by respondents to petitioner spouses Junson in May, 1988. Accordingly, respondents stopped collecting rentals from them beginning June, 1988.

Despite the notices, petitioners failed to vacate the property. Instead, petitioners paid their respective rentals by depositing the same in a bank in the name of respondent Benedicta Martinez.

On July 18, 1994, petitioners filed petitions for consignment with the Metropolitan Trial Court (MeTC) of Caloocan City and thereafter deposited their rentals with said court. Meanwhile, for failure of petitioners to vacate the subject property,

respondents brought the matter before the *barangay lupon*. After the parties failed to settle their dispute, respondents filed unlawful detainer cases against petitioners. The consignment cases earlier filed by petitioners and the unlawful detainer cases filed by respondents were consolidated.

On August 18, 1995, the MeTC, Branch 53, of Caloocan City rendered a decision^[1] in favor of respondents, the dispositive portion of which read:

WHEREFORE, judgment is rendered dismissing the two (2) petitions for consignment for want of cause of action. In the ejectment cases, judgment is rendered in favor of the plaintiffs Spouses Antonio Martinez and Benedicta Martinez, and against the defendants, ordering the latter as follows:

1. Ordering defendants Spouses Emilio Junson and Virginia Torres-Junson in Civil Case No. 21464 and defendant Cirila Tan in Civil Case No. 21465, and all persons claiming title or right under them and to remove their houses from and vacate plaintiff's lot located at 117 E. Jacinto Street, Sangandaan, Caloocan City;
2. Ordering defendants to pay reasonable compensation for their continued use and occupation of the subject premises from the time of the filing of the complaints until the same is finally vacated, computed at the rate of P100.00 a month; and
3. Ordering the defendants to pay the plaintiffs the sum of P5,000.00 as and for attorney's fees.

SO ORDERED.^[2]

Petitioners appealed to the Regional Trial Court (RTC)^[3] which affirmed the questioned decision *in toto*.

Aggrieved, petitioners elevated the matter to the Court of Appeals and alleged that: (a) the RTC erred in finding that petitioners' lease contracts were terminated on or about May 1988; (b) the RTC erred in finding that private respondents withdrew their tolerance by letters dated July 26, 1994 addressed to petitioners; (c) the RTC erred in finding that private respondents' certification to file action is valid and that their complaints complied with the prescribed *barangay lupon* conciliation procedure; and (d) the RTC erred in ordering petitioners to vacate the premises and to pay attorney's fees.

On March 19, 1999, the Court of Appeals^[4] denied the petition and affirmed the decision of the trial court. Petitioners' motion for reconsideration was likewise denied.

Hence, the instant petition raising the following errors: (a) the RTC erred in finding that petitioners' lease contacts were terminated on or about May, 1988, transforming petitioners' occupancy to one of tolerance by private respondents; (b) the RTC erred in finding that private respondents withdrew their tolerance by letters dated July 26, 1994 addressed to petitioners; (c) the RTC erred in finding that private respondents' certification to file action is valid and that their complaints