

FOURTEENTH DIVISION

[CA-G.R. SP NO. 77596, September 13, 2006]

**G & L ASSOCIATED BROKERAGE, INC., PETITIONER, VS.
HON. SEVERINO B. DE CASTRO, JR., IN HIS CAPACITY AS
PRESIDING JUDGE OF BRANCH 82, REGIONAL TRIAL COURT OF
QUEZON CITY, AND AUTOMAX TRANS SYSTEM CORPORATION,
RESPONDENTS.**

DECISION

VIDAL, M.D., J.:

Before Us is a Petition¹ for Certiorari under Rule 65 of the Revised Rules of Court with prayer for a Writ of Preliminary Injunction and Restraining Order under Rule 58 which seeks to annul and set aside the Order² dated 26 February 2003 issued by public respondent Judge Severino B. De Castro of the Regional Trial Court of the National Capital Judicial Region, Branch 82 of Quezon City in Civil Case No. C-19801 and the subsequent Order³ dated 25 April 2006, denying the Motion for Reconsideration of said Decision. The fallo of the aforesaid Decision reads:

"WHEREFORE, premises considered, the Motion For Leave etc. dated January 30, 2003 filed by counsel for the plaintiff is hereby DENIED for lack of merit.

Conformably with the Order dated February 18, 2003, the continuation of the presentation of plaintiff's evidence shall proceed as scheduled on April 24, 2003 at 8:30 a.m.

Let a copy of this order be furnished counsels for the plaintiff and defendant.

SO ORDERED."

THE FACTS

Plaintiff G & L Associated Brokerage Inc. (herein after Petitioner) filed a Complaint for Specific Performance with damages dated 14 April 1999 against defendant Automax Trans System Corp. (hereinafter Private Respondent) and assigned before public respondent Judge Severino De Castro (hereinafter public respondents).

The complaint alleges that sometime on February 13, 1997, Petitioner and Private Respondent entered into an agreement whereby for and in consideration of petitioner's two (2) trade i

"The heirs of the late Jose B.L. Reyes and the late Dr. Edmundo A. Reyes, represented by Leonor R. Garmsen seek to eject the defendants from a parcel of land situated at Brgy.39, Zone 4,

Marulas A. Grace Park, Caloocan City on the ground that the latter have long been occupying the premises belonging to them without paying any rental and that they already need the property for their own use.

JOSE B.L. Reyes and Edmundo A. Reyes are the registered owners in fee simple afore-described parcel of land as shown in T.C.T No. 274185 of the Registry of Deeds at Caloocan City. Plaintiffs acquired the property by virtue of inheritance upon the death of Jose B.L Reyes on December 27, 1994 and the death of Edmundo A. Reyes on Sept. 21, 1987.

The lot was being leased by several persons when the houses thereat were gutted by fire that razed the area to the ground sometime in December, 1993. Immediately thereafter, the defendants occupied the premises without the prior consent of the plaintiffs and have since been occupying the property thru mere tolerance of the plaintiffs without paying any rent to the latter.

x x x x x x

In their letter dated July 3, 2000, addressed to defendants Juanito Sicat and Letlet Sicat, plaintiffs, thru counsel, asked that defendants pay rent in the amount of P119.00 a month retroactive to January, 2000, in addition to her unpaid rents in the amount of three thousand nine hundred nine pesos (P3,909.00) and vacate the premises within fifteen days (15) from receipt. Defendants failed to comply thereto up to the present.

In their letter to defendants Antonio Sonza and Carmencita Sonza, plaintiffs, thru counsel asked that defendants pay rent in the amount of P164.50 a month retroactive to January, 2000 in addition to their unpaid rentals in the amount of P4,680.00 for the period from July, 1992 to December, 1998, plus P987.00 for the period from January to June, 2000 and to vacate the premises they are occupying within fifteen (15) days from receipt thereof. Despite receipt of the letter on July 7, 2000, defendants refused to comply thereto up to the present."

The fallo of the MTC Decision⁴ *supra* rendered by the Metropolitan Trial Court states:

"WHEREFORE, Judgment is hereby rendered in favor of the plaintiffs, ordering the defendants and all persons claiming right under them as follows:

- 1. To vacate the portion of the lots they are respectively occupying, by removing the structures they have erected thereat and deliver possession of the lot to the plaintiffs thru the latter's legal representative, Leonor Reyes Garmsen;**

2. **Each of defendants Alejandro Abrera, Rogelio Gan, Rolando Tapia, Fernando Carabeo, Dan Solero, Arnold Solero, Romeo Nicdao, Jaime Cruz, Rolando Villfranca, Aurora Dizon, Lita Jeruz, Albero Acaso, Jose Macababad, Rolando Balagtas, Mario Cailes, Rosario Dimagiba, to pay plaintiffs the amount of P105.00 per month as reasonable compensation for their continued use of the premises from January, 1994 until the premises is vacated;**
3. **Defendant Honorata Ponce to pay the amount of Fifteen Thousand Pesos (P15,000.00) representing her rental arrears as of December, 1997 and the amount of One Thousand Three Hundred Ninety Pesos (P1,390.00) per month thereafter until the premises is vacated;**
4. **Defendant Elena Gemzon to pay plaintiffs her arrears in rent in the amount of Nine Thousand Three Hundred Eighty-two(P9,382.00) as of May, 2000 and the sum of One Thousand Five Hundred Ninety-Eight and 50/100 (P1,598.50) per month thereafter until the premises is fully vacated;**
5. **Defendants Juanito Sicat and Letlet Sicat to pay plaintiffs their rentals in arrears in the amount of Three Thousand Nine Hundred Nine Pesos (P3,909.00) as of December, 1999 and the sum of One Hundred Nineteen Pesos (P119.00) per month thereafter until the premises is finally vacated;**
6. **Defendants Antonio Sonza and Carmencita Sonza to pay plaintiffs their unpaid rentals in the amount of Four Thousand Six Hundred Eighty Pesos (P4,680.00) for the period from July, 1992 to December, 1998 and the sum of One Hundred Sixty-Four and 50/100 (P164.50) per month from January, 2000 until the premises is vacated;**
7. **Defendants Reynaldo Garcia and Emerenciana Garcia to pay plaintiffs their back rentals for their use of lots 64, 74, 88 and 89 in the total amount of Forty-Nine Thousand Six Hundred Thirty-Seven and 50/100(P49,637.50) as of May, 2000 and the sum of Three Thousand One Hundred Thirty-Nine and 50/100 per month thereafter until the four lots have been fully vacated;**
8. **Defendants to solidarily reimburse to plaintiffs the amount of Twenty Thousand Pesos (P20,000.00) as and for attorney's fees; and**
9. **Defendants to pay the costs of this suit.**

SO ORDERED."

Aggrieved by the aforesaid decision, Petitioners ANTONIO SONZA, CARMELITA SONZA, JUANITO SICAT and LETLET SICAT(hereinafter Petitioners) filed their Notice of Appeal⁵ on 14 August 2001 before the court *a quo*, which, as stated earlier affirmed the MTC decision:

Hence, Petitioners come now before us assigning the following errors upon the court *a quo*,:

A.

THE HONORABLE REGIONAL TRIAL COURT OF CALOOCAN CITY, BRANCH 128, COMMITTED AN ERROR IN HOLDING THAT PETITIONERS ARE IN ARREARS OF RENT FOR THEIR LEASE OF THEIR RESPECTIVE LEASES OVER THE PROPERTY IN QUESTION[;]⁶

B.

THE HONORABLE REGIONAL TRIAL COURT OF CALOOCAN CITY, BRANCH 128, COMMITTED AN ERROR IN HOLDING THAT THERE WAS PRIOR DEMAND TO VACATE THE PREMISES LEASED WHEN THE AMENDED COMPLAINT WAS FILED BEFORE THE HONORABLE METROPOLITAN TRIAL COURT OF CALOOCAN CITY[;]⁷

C.

THE HONORABLE REGIONAL TRIAL COURT OF CALOOCAN CITY, BRANCH 128, COMMITTED AN ERROR IN HOLDING THAT PETITIONERS ARE NOT ENTITLED TO ACQUIRE THE LOT THEY ARE LEASING[;]⁸

D.

THE HONORABLE REGIONAL TRIAL COURT OF CALOOCAN CITY, BRANCH 128 COMMITTED AN ERROR IN NOT DISMISSING THE APPEALED CASE, THERE BEING NO PRIOR BARANGAY CONCILIATION BETWEEN PETITIONERS AND RESPONDENTS[;]⁹

The Petition is unimpressed with merit.

Anent the **1st** and **2nd** assigned errors, Petitioners submit that, contrary to findings made by the court *a quo*, they have paid the amount of rents that Respondents were demanding from them. They allege that Petitioners ANTONIO SONZA and CARMELITA SONZA paid and/or deposited the amount of P6,983.00 with the PCIBank in July 2000 when Respondents demanded the payment of P5,667.00¹⁰ and on the part of Petitioners JUANITO SICAT and LET LET SICAT they allegedly paid Respondents by depositing or paying the amount of P4,551 in July 2000 with the same bank when the Respondent demanded the payment of P3,909.00.¹¹ It is Petitioners contention that they have been religiously paying their rentals as evidenced by the bank deposit slips.

On this line, the court *a quo* was not persuaded, ratiocinating in this wise: