

THIRD DIVISION

[G. R. NO. 130348, September 03, 2007]

**MIGUEL SORIANO, JR. AND JULIETA SORIANO, PETITIONERS,
VS. ANTERO SORIANO AND VIRGINIA SORIANO, RESPONDENTS.**

D E C I S I O N

CHICO-NAZARIO, J.:

In this Petition for Review on *Certiorari*^[1] under Rule 45 of the Rules of Court, as amended, petitioner spouses Miguel Soriano, Jr. and Julieta Soriano seek: (1) the *reversal* of the *18 August 1997 Decision*^[2] of the Court of Appeals, in CA-G.R. SP No. 44365; (2) the *dismissal* of the complaint for ejectment filed by herein respondents; and (3) the *issuance* of a temporary restraining order enjoining the Metropolitan Trial Court (MeTC) and herein respondents, and all persons acting in behalf of the latter, from conducting proceedings relative to the writs of execution and demolition issued in Civil Cases No. 3856 and No. 94-0001 until final resolution of the present petition.

The assailed Court of Appeals decision affirmed *in toto* an earlier *Decision*^[3] of the Regional Trial Court (RTC), Branch 255, Las Piñas, dated 3 April 1997, in two consolidated cases, Civil Cases No. 96-0148 and No. 96-0148(A), affirming *in toto* the *Joint Decision*^[4] of the MeTC, Branch 79, Las Piñas, dated 15 April 1996, in Civil Cases No. 3856 and No. 94-0001.

The case filed before the MeTC involved a Complaint^[5] for Ejectment filed by respondents, spouses Antero Soriano and Virginia Soriano, before the MeTC, Branch 79, Las Piñas, on 24 February 1994. In said complaint, respondents prayed for the following relief against petitioners, spouses Miguel Soriano, Jr. and Julieta Soriano:

1] To vacate the premises covered by TCT NO. S33221 of the Register of Deeds of the Province of Rizal.

2] Ordering the defendants to pay the plaintiffs for the use of the premises, from January 1994 up to the dates defendants vacates (sic) the premises, the amount of Two Thousand Six Hundred Sixty Two Pesos (P2,662.00) per month plus 12% per annum with an increment of 10% every three (3) years beginning 1994.

3] Payment of attorney's fees in the amount of Ten Thousand Pesos (P10,000.00) and Three Thousand Pesos (P3,000.00) per appearance.^[6]

Essentially, the facts are:

On 5 October 1981, respondents, spouses Antero Soriano and Virginia Soriano, and petitioners, spouses Miguel Soriano, Jr. and Julieta Soriano, as lessors and lessees

respectively, entered into a 20-year period *Contract of Lease*^[7] over a 420 square meter parcel of land^[8] situated at Pamplona, Las Piñas, Metro Manila. The leased property was intended as the site of a building still to be constructed at that time, "to be used exclusively by the LESSEE in that area."^[9]

Part of the terms and conditions of said contract was a provision against the sublease or assignment by the lessees of the subject property to third persons absent the written consent of the lessors, viz:

6. The LESSEE shall not sublease or assign the leased area or any portion thereof, without first securing the written consent of the LESSOR;

Alleging violation of the aforequoted condition, on 24 February 1994, respondents filed a complaint for ejectment against petitioners before the MeTC, Branch 79, Las Piñas, docketed as Civil Case No. 3856. In the complaint, respondents averred that:

7] That sometime December 1993, the defendants (sic) spouses were surprised to learn that the lessees, under the guise of being the owner, were subleasing the same to third persons.

8] That plaintiffs secured a copy of the "Contract of Lease" entered into by the defendants and a certain Marilou P. Del Castillo x x x.

9] That upon further investigation, the plaintiffs were further surprised to learn that the premises were likewise being leased to a Beauty Parlor, Photography Shop, Auto Supply Dealer and a Money Changer.

10] That the subleasing of the premises was made by the lessees sans the implied or express consent of the Lessors.

x x x x

12] That on December 1993, plaintiffs sent to the defendants a "Notice to Vacate" x x x.

13] That up to the present time, the defendants has (sic) not yet vacated the premises.^[10]

As proof of the above-quoted allegations, respondents offered in evidence the following: 1) a copy of a contract^[11] of lease executed by and between Miguel Soriano, Jr. and Marilou P. Del Castillo on 3 July 1993; 2) the affidavit of Marilou P. Del Castillo essentially corroborating the averments in the complaint respecting the Contract of Lease between her and petitioners; 3) various affidavits of third parties with whom petitioners allegedly subleased various portions of the subject property; and 4) a Questioned Document Report by the National Bureau of Investigation (NBI) stating that the signature of Marilou P. Del Castillo on the Joint Venture Agreement presented by respondents was a forgery.

On the other hand, petitioners denied violating the subject contract of lease they signed with respondents and contradicted the existence of the alleged sublease agreement with one Marilou P. Del Castillo, as well as those with various other third

persons. Petitioners, instead, maintain that what existed between them and the third parties, including Marilou P. Del Castillo, were *joint venture agreements*; and that the Contract of Lease between Marilou P. Del Castillo and petitioners was a falsified document considering that the signatures of petitioner Julieta Soriano, the witnesses and of the Notary Public were all claimed to be forgeries. Petitioners then presented the supposed Joint Venture Agreement^[12] entered into by and between them and Marilou P. Del Castillo.

In the *interregnum*, before the complaint for ejectment could be resolved by the MeTC, petitioners filed a petition for consignation of rental fees for the period of January to June 1994 with the MeTC. The claim for consignation, docketed as Civil Case No. 94-0001, was grounded on the contention that respondents refused to encash the checks paid to them for the rent of the subject property.

The MeTC consolidated the two civil actions, they being closely related.

On 15 April 1996, the MeTC promulgated a Joint Decision on the consolidated cases. The trial court found in favor of respondents. The dispositive of the consolidated ruling reads:

WHEREFORE, judgment is rendered in favor of the plaintiffs and against defendants ordering the latter and all persons claiming rights under them to vacate the premises in question and surrender possession thereof to the former; to pay plaintiff the sum of P2,662.00 a month from January, 1994 and monthly thereafter until the subject premises is actually vacated; to pay plaintiff P10,000.00 as reasonable attorney's fees and cost of suit.

The consignation case is ordered dismissed together with the counterclaim without pronouncement as to costs.^[13]

Based on the arguments and evidence presented by the parties, the MeTC found that the contract that existed between petitioners and Marilou P. Del Castillo was a sub-lease contract and not a joint venture agreement. Much weight was given by said trial court on the following documentary evidence: 1) affidavit of Marilou P. Del Castillo stating that the contract she entered into with Julieta Soriano was a sublease agreement, especially as said affidavit was corroborated by the affidavits of two other witnesses; and 2) the Questioned Document Report No. 843-1094 issued by the NBI stating that the signature of Marilou P. Del Castillo on the *Joint Venture Agreement* presented by petitioners was a forgery. It ratiocinated that:

It is this court (sic) considered view that the defendants failed to overcome the presumption of validity of contract. They having the one who put in issue the genuineness and due execution of the sub contract of lease have the burden of proof to prove otherwise. On the part of the plaintiffs, they have proven at the very least, that the Joint Venture Agreement has a semblance of forgery.

Defendant's negative assertion of facts cannot be given more weight than that of plaintiffs' positive stand. What the court has in mind in setting the clarificatory hearing is to illicit from Marilou del Castillo which contract did she enter into with Julieta Soriano, face to face with the defendants and

plaintiffs. This way the Court would be in a position to observe the demeanor of all the parties concern (sic) as well as the intended witness herself. It was however unfortunate that it did not materialize.^[14]

Anent the issue of consignation, the MeTC held that there was no valid tender of payment, viz:

In the consignation case, it appears from the evidence of defendants that it was sometime in the third week of December, 1993 that they tendered to the plaintiffs checks representing rentals from January to June, 1994. Clearly, when the defendants tender payment as a prerequisite of consignation, the rentals are not yet due. Valid tender of payment therefore is wanting.^[15]

On appeal to the RTC, the assailed joint decision was affirmed *in toto* in a decision promulgated on 3 April 1997. In acknowledging that the contract of lease between petitioners and respondents was indeed violated, the RTC gave premium to the letter of one Ma. Lourdes R. Acebedo, Executive Vice-President of Acebedo Optical Co., Inc. dated 22 October 1993. According to the RTC, the letter-proposal^[16] embodies the provisions of a lease agreement for a period of one month as well as the conformity of petitioner Julieta Soriano. The subject letter is hereunder quoted in full:

October 22, 1993

Ms. JULIET[A] B. SORIANO
House of Abraham Bldg.
281 Real Street, Pamplona
Las Piñas, Metro Manila

Dear Ms. Soriano:

This is to formalize the discussion arranged by our Messrs. Ernesto Victa and Ramil Mendoza for us to use the front space of your establishment in connection with our Project: Oplan Silip Mata from October 23 to November 23, 1993. That upon your conforme of this proposal letter we are to pay the amount of three thousand five hundred (P3,500.00) pesos Philippine Currency for the use of the space. Furthermore (sic) we will pay you the sum of twenty (P20.00) pesos per day for electric consumption.

We hope you will find the foregoing proposal acceptable by signifying your conforme on the space provided below. We thank you for your accommodation for this project.

Very truly yours,

ACEBEDO OPTICAL CO., INC.

By: (Sgd.)
MA. LOURDES R. ACEBEDO

Conforme:

(Sgd.)

JULIET[A] B. SORIANO

For the court, the existence of the letter bolsters the claim of respondents that portions of the subject property were indeed subleased to third parties without their concurrence, in definite violation of the provisions of the contract of lease.

On 7 April 1997, petitioners, through their counsel, the law firm Rico & Associates, received their copy of the decision of the RTC.

On 17 April 1997, or ten days later, petitioners moved for the reconsideration of the RTC decision.

On 6 May 1997, the RTC denied^[17] petitioners' motion for reconsideration.

On 28 May 1997, petitioners received a copy of the aforesaid denial. On the other hand, petitioners' counsel received a copy of the same on 2 June 1997.

On 6 June 1997, from the adverse decision of the RTC, petitioners' counsel went on to file a motion for extension of time to file petition for review before the Court of Appeals. On 18 June 1997, petitioners filed the petition for review docketed as CA-G.R. SP No. 44365.

Meanwhile, on 20 June 1997, acting on respondents' Motion for Execution of Judgment dated 7 April 1997, the RTC rendered an Order,^[18] the full text of which is quoted hereunder:

It appears in the record that the defendants were served with a copy of the decision of this Court on April 7, 1997. The running of the period to appeal, however, was interrupted when the defendants filed their motion for reconsideration on April 17, 1997. So that from April 7, 1997 up to the filing of the motion for reconsideration on April 17, 1997, ten (10) days have already been consumed, and there are but five (5) days remaining within which to perfect appeal or [file] petition for review. The order dated May 6, 1997, denying defendant's (sic) motion for reconsideration, was received by the defendants, through their collaborating counsel, Atty. Miguel Soriano, on May 28, 1997. So that if the defendants received the order on the said date, they have but up to June 2, 1997 to interpose a petition. As no appeal or petition for review was perfected up to this date, as admitted by Atty. Soriano in open court on said date (in the afternoon), then the decision of this Court has already become final and executory.

WHEREFORE, and in view of the foregoing, the motion for execution of judgment dated April 7, 1997, filed by the plaintiffs, is hereby granted.

By authority of the ruling in *Salientes vs. Intermediate Appellate Court* (246 SCRA 150) and other related cases already decided, whereby