THIRD DIVISION

[G.R. No. 208845, February 03, 2020]

ALLAN MAÑAS, JOINED BY WIFE LENA ISABELLE Y. MAÑAS, PETITIONERS, VS. ROSALINA ROCA NICOLASORA, JANET NICOLASORA SALVA, ANTHONY NICOLASORA, AND MA. THERESE ROSELLE UY-CUA, RESPONDENTS.

D E C I S I O N

LEONEN, J.:

Dizon v. Court of Appeals[1] instructs us that a lease contract's implied renewal does not mean that all the terms in the original contract are deemed revived. Only the terms that affect the lessee's continued use and enjoyment of the property would be considered part of the implied renewal. Indeed, the right of first refusal has nothing to do with the use and enjoyment of property.[2]

Before this Court is a Petition for Review on Certiorari[3] filed by Spouses Allan and Lena Isabelle Y. Mañas (the Mañas Spouses). They assail the Court of Appeals Decision[4] that affirmed the Regional Trial Court's dismissal of their Complaint for Rescission of Contract of Sale and Cancellation of the Certificates of Title and Enforcement of the Right of First Refusal.[5]

On April 18, 2005, the Mañas Spouses entered into a Lease Contract with Rosalina Roca Nicolasora (Rosalina) over a property in Tacloban City that was owned by Rosalina's husband, Chy Tong Sy Yu (now deceased).[6]

The Lease Contract partly stated:

> WHEREAS, the LESSEE is also interested in buying the same real property, during the existence of the lease or thereafter, upon notice, from the LESSOR under mutually acceptable terms and conditions;
>
> WHEREOF, premises considered, the parties hereto have covenanted and agreed on the following:
>
> 1. That the duration of this Agreement is for one (1) year from the date of execution hereof, unless sooner revoked or cancelled by either party upon serious violation of any of the terms and conditions hereof; Provided, that this lease may be renewed for like period at the option of the LESSEE;

. . . .

6. That parties agree also that in case of any conflict or dispute that may subsequently arise out of this covenant, to refer the matter to the Philippine Mediation Center, Bulwagan ng Katarungan, for Mediation and settlement, before any Accredited Mediator who is a Lawyer; Provided, further, that in the remote event that no such settlement is reached before the said Mediator, that the venue of any litigation that may arise, shall be in a competent court in Tacloban City.

. . . .

8. Finally, should the LESSOR desire to sell the subject real property, he shall notify first the LESSEE about such intent, and the latter is given Thirty (30) days within which to accept the offer, or make a [counter]-offer, in writing; Provided, that the LESSOR may reject the Counter-offer in writing, within the same period of time, in which case, he shall have the right to sell the same to any interested party.[7]

It appears that the Lease Contract lapsed in 2006, with no express renewal. However, the Mañas Spouses continued using the premises and paying the rentals, without any objections from Rosalina and her children, Janet and Anthony.[8]

On February 14, 2008, Chy Tong Sy Yu sold several parcels of land, including the property being leased to the Mañas Spouses, to Ma. Therese Roselle Uy-Cua (Roselle). The sale was made "with the conformity"[9] of Rosalina, Janet, and Anthony. The titles to the properties were subsequently transferred to Roselle.[10]

However, the Mañas Spouses claimed that they were neither informed of the sale nor offered to purchase the property.[11] They said that only upon receiving a letter[12] dated June 2, 2008 from RMC Trading did they learn of the sale of the property.[13] The letter from RMC Trading stated:

Dear Mr. Manias (*sic*):

Kindly be informed that we are now the new owners of the land where your business/residence is situated, particularly Lot No. 546 B. In this connection we are going to occupy and build something on said land, for our own use and benefit. May we therefore request that you kindly relocate your business/residence to give way to our construction, within 30 days from your receipt hereof Thank you for your compliance hereof.

I am

Very truly Yours,

(Sgd.) RUPERTO E. CUA, JR[14]

According to the Mañas Spouses, their right of first refusal embodied in the Lease Contract was violated.[15]

Thus, before the trial court, the Mañas Spouses filed a Complaint praying that the contract of sale be rescinded, the relevant title be canceled, and their right of first refusal or option to buy be enforced.[16]

To this, Roselle filed a Motion to Dismiss[17] on the ground that the Complaint stated no cause of action[18] and that the Mañas Spouses failed to comply with a condition precedent, specifically, barangay conciliation.[19] She also averred that because the contract was only impliedly renewed, the spouses' right of first refusal was not renewed:

> 4. Defendant-movant [Roselle] submits that the plaintiffs [the Mañas Spouses] have no right of first refusal or priority to buy the leased property for the following reasons:
>
> a.) he never exercised the option to renew the lease contract as provided for under the Contract of Lease. Due to the failure to exercise the option to renew the contract, the same became a month-to-month contract since the manner of payment is made on a monthly basis as shown by the contract itself, thus:
>
> "2. [T]hat the monthly rental shall be SIX THOUSAND PESOS (P 6,000.00) which shall be payable on or before the 15th of the succeeding month, . . ."
>
> b.) Since the contract of lease was not renewed, there was an impliedly renewed contract considering that despite of the same (*sic*), the lessee remained in possession for at least a period of 15 days after expiration and that no prior demand to vacate the premises was made by the lessor. . . .
>
> . . . .
>
> c.) The implicit renewal of the contract of lease however, did not likewise renew the right of first refusal or priority to buy as granted in the original contract of lease because the only provisions of a contract of lease which are impliedly renewed are those that are germane to possession. The priority to buy

> or right of first refusal is not germane to possession, rather, it is strange to possession.[20]

Meanwhile, Rosalina, Janet, and Anthony filed an Answer with Counterclaim.[21] Akin to Roselle, they argued that the right of first refusal was "granted only during the original term of the contract of lease,"[22] and that the Complaint was prematurely filed.[23]

In their Opposition to the Motion to Dismiss, the Mañas Spouses claimed that the sale was invalid owing to Roselle's alleged incapacity; that is, she was a minor when the sale was made.[24]

On January 7, 2009,[25] the Regional Trial Court granted Roselle's Motion to Dismiss, effectively dismissing the Mañas Spouses' case. It discussed:

> Defendant Uy-Cua argues that the plaintiffs never exercised the option to renew the lease contract after its expiration, thus the condition thereof granting the latter the right of first refusal (Priority to Buy), was never renewed. Although there was an implied renewal of the contract of lease in (*sic*) a month-to-month basis, in accordance with Article 1670 of the New Civil Code, the plaintiffs' right of first refusal was never renewed for the reason that the said condition is not germane to possession.
>
> Furthermore, defendant Uy-Cua asserted that the filing of the case is premature. The case did not undergo the required Barangay Conciliation, pursuant to RA 7160, a condition precedent before resort to the courts is initiated.
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> . . . .
>
> . . . Nothing in the questioned contract of lease provides for an extension of the life after the term thereof had expired. Verily, the continued occupation by the plaintiffs of th e leased premises after the term has expired, but with the consent of the defendants, constitutes an implied renewal. . . .
>
> . . . .
>
> It may be amiss to consider plaintiffs' reliance on the "whereases" narrated in the contract of lease, of which one of them stated that: **"*whereas, the lessee is also interested in buying the same real property during the existence of the lease or thereafter.*"** According to the plaintiffs, the word "THEREAFTER" bestowed upon them to exercise the Right of First Refusal even after the term of the contract has expired. This is absurd. To consider and to give effect to this contention is to create an infinite contractual relationship between the parties. More so, the "whereases" mentioned in the contract are only considered premises and/or introduction, and definitely does not form part of the terms and conditions of the subject contract of lease.
>
> Lastly, on the issue of barangay conciliation, clearly, Section 412 of RA 7160, is controlling. Unless, it is shown that the subject legal process is being

> availed of in order to pave way for a procedural shortcut.[26] (Emphasis in the original)

The Mañas Spouses filed a Motion for Reconsideration, but this was denied in a March 16, 2009 Order.[27] The trial court stated:

> The issue that the subject Deed of Absolute Sale is a simulated contract and therefore void was raised by the plaintiffs in their Opposition to the Motion to Dismiss. Although this issue was not threshed out in the assailed Order, this Court believes that to attack the validity of [the] Deed of Absolute Sale for being simulated should be made in an action for Annulment of Contracts, not in an action for Rescission.
>
> This Court had already ruled that the expiration of the subject Contract of Lease carries with it the termination of the Plaintiffs' Right of First Refusal. Such being the case, to notify the Plaintiffs of the defendants' intention to sell the property in question is no longer necessary and has no legal effect; and a suit instituted in order to compel the latter to allow the former to exercise the said right, states no cause of action.[28]

Hence, the Mañas Spouses filed a Notice of Appeal.[29]

In their Brief, they again alleged that Roselle was a minor at the time of sale; hence, the Deed of Absolute Sale was void.[30] They also faulted the trial court for ruling that their Complaint stated no cause of action.[31] They asserted that the trial court incorrectly found that they had no right of first refusal because the contract was not expressly renewed.[32]

In its April 17, 2013 Decision,[33] the Court of Appeals affirmed the Regional Trial Court's rulings, and also made the following findings:

> A closer scrutiny of the records reveals that even on the face of the Complaint alone, there is absent a cause of action. The Contract of Lease expressly provides for a term/duration for its validity, that is, one (1) year from the date of execution of the said Lease Contract on April 18, 2005. Likewise, provided in the said Contract was that the renewal of the said lease at the option of the lessee. In this case, the continued possession of plaintiffs-appellants as lessees of the leased premises is evidence of his exercise of the option to extend the lease.
>
> In such a case, their continued possession of the leased premises after the end or expiration of the time fixed in the Contract of Lease, with the acquiescence of the lessor, constitutes an implied renewal of the lease, not for the period of the original contract, but for the time established in Articles 1682 and 1687 of the New Civil Code, so that if rentals were stipulated to be paid monthly, the new lease is deemed to have been renewed from month to month and may be terminated each month upon demand by the lessor.[34]

The Mañas Spouses filed a Motion for Reconsideration, which was denied by the Court of Appeals through its July 24, 2013 Resolution.[35]

Thus, the Mañas Spouses filed this Petition for Review on Certiorari,[36] arguing that the trial court erred in granting the Motion to Dismiss based on "respondent's defenses and not on the ultimate facts alleged in the Complaint."[37]

On October 23, 2013, this Court required respondents to file their comment.[38]

In her Comment,[39] respondent Roselle maintains that the Lease Contract was not expressly renewed because petitioners had never notified the lessor that they intended to renew the contract.[40] Instead, she explains, the contract was only impliedly renewed, the manner of payment having been made on a monthly basis.[41]

On the allegation that the sale is void due to her incapacity, respondent Roselle counters that petitioners cannot assail its validity since they stopped being the real parties-in-interest after failing to expressly renew the contract.[42] In addition, she points out that the action filed is for rescission of contract but what petitioners are asking for is the annulment of contract.[43]

In an October 2, 2017 Resolution,[44] this Court required respondents Rosalina, Janet, and Anthony to show cause why they should not be cited in contempt for failing to comply with this Court's April 26, 2017 Resolution requiring them to file their comment.

Respondents Rosalina, Janet, and Anthony later filed an Explanation with Manifestation[45] stating that after their counsel had withdrawn, they did not get the services of another lawyer due to financial constraints.[46] In any case, they stated that they were adopting respondent Roselle's Comment.[47] This Court accepted their explanation and dispensed with the filing of their comment.[48]

On July 30, 2018, this Court required petitioners to file a reply.[49]

In their Reply,[50] petitioners argue that the Lease Contract was expressly renewed, along with all the terms in the original contract, including the right of first refusal.[51]

The issues for this Court's resolution are the following:

First, whether or not the Court of Appeals erred in affirming the Complaint's dismissal on the ground that it stated no cause of action. Subsumed here are the issues of whether or not the lease was impliedly renewed, and whether or not the renewal includes the right of first refusal;

Second, whether or not the Court of Appeals erred in not ruling that the Deed of Absolute Sale must be rescinded due to the incapacity of the vendee, respondent Ma. Therese Roselle Uy-Cua, at the time of the sale; and

Finally, whether or not the Court of Appeals erred in affirming the Complaint's dismissal for failure to comply with a condition precedent.

The Petition should be denied.

I

The issue on the failure to state a cause of action is premised on whether the Lease Contract was expressly renewed, and if so, whether the renewal included the right of first refusal. Thus, we first discuss the issue on the lease contract's renewal.

Based on the terms of the Lease Contract, renewal would be at the option of the lessee.[52] However, petitioners did not appear to have expressly informed the lessor of their intent to renew. Instead, after the original Lease Contract had expired, they continued to pay rentals to the lessor.[53] This constitutes an implied lease contract renewal, as the trial court and the Court of Appeals correctly found.[54] Article 1670 of the Civil Code states:

> ARTICLE 1670. If at the end of the contract the lessee should continue enjoying the thing leased for fifteen days with the acquiescence of the lessor, and unless a notice to the contrary by either party has previously been given, it is understood that there is an implied new lease, not for the period of the original contract, but for the time established in Articles 1682 and 1687. The other terms of the original contract shall be revived.

Dizon v. Court of Appeals[55]—a 1999 case that similarly delved into which terms in a lease contract would be revived in implied renewals—is enlightening. In that case, Overland Express Lines, Inc. (Overland) entered into a one-year Contract of Lease with Option to Buy with the Dizons, the property owners. Per the agreement, Overland would pay a monthly rental of P3,000.00, while the purchase price was pegged at P3,000.00 per square meter.[56]

The lease contract was not expressly renewed after a year had lapsed, though Overland continued to occupy the premises. However, when the monthly rental rate eventually rose to P8,000.00, Overland was unable to pay. This prompted the Dizons to file an ejectment suit, which resulted in the trial court ordering Overland to vacate the property and pay reasonable compensation and attorney's fees. Overland went to the Court of Appeals and subsequently to this Court, questioning the trial court's jurisdiction, but its petitions were dismissed.[57]

Insisting on its option to buy, Overland filed a suit for specific performance seeking that a deed of sale be executed, and later, another suit seeking to annul the judgment in the ejectment case. These cases were consolidated and later dismissed. On appeal, the Court of Appeals affirmed the trial court's jurisdiction, but it also ruled that Overland had acquired the rights of a vendee upon a perfected contract of sale.[58]

Meanwhile, as the Dizons were already moving to have the judgment in the ejectment case executed, Overland contested the enforceability of the judgment. Its effort yielded much success: the trial court granted a writ of preliminary injunction, and later, the Court of Appeals found that the Dizons' alleged right to eject Overland had no basis.[59]

Hence, both parties came to this Court. Ruling on the consolidated petitions, this Court discussed that the issue on whether the Dizons could eject Overland was based on whether the option to buy in the lease contract was included in the contract's implied renewal.

This Court ruled:

> In this case, there was a contract of lease for one (1) year with option to purchase. The contract of lease expired without the private respondent, as lessee, purchasing the property but remained in possession thereof. Hence, there was an implicit renewal of the contract of lease on a monthly basis. The other terms of the original contract of lease which are revived in the implied new lease under Article 1670 of the New Civil Code are only those terms which are germane to the lessee's right of continued enjoyment of the property leased. Therefore, an implied new lease does not *ipso facto* carry with it any implied revival of private respondent's option to purchase (as lessee thereof) the leased premises. The provision entitling the lessee the option to purchase the leased premises is not deemed incorporated in the impliedly renewed contract because it is alien to the possession of the lessee. Private respondent's right to exercise the option to purchase expired with the termination of the original contract of lease for one year. The rationale of this Court is that:
>
> > . . . Necessarily, if the presumed will of the parties refers to the enjoyment of possession the presumption covers the other terms of the contract related to such possession, such as the amount of rental, the date when it must be paid, the care of the property, the responsibility for repairs, etc. But no such presumption may be indulged in with respect to special agreements which by nature are foreign to the right of occupancy or enjoyment inherent in a contract of lease.[60] (Citations omitted)

Simply put, this Court ruled that implied renewals do not include the option to buy, as it is not germane to the lessee's continued use of the property. Moreover, since Overland failed to avail of the option to buy within the stipulated period, it no longer had any right to enforce this option after that period had lapsed.

Similarly, in this case, petitioners can only invoke the right to ask for the rescission of the contract if their right to first refusal, as embodied in the original Lease Contract, is included in the implied renewal.

Article 1643 of the Civil Code provides:

> ARTICLE 1643. In the lease of things, one of the parties binds himself to give to another the enjoyment of use of a thing for a price certain, and for a period which may be definite or indefinite. However, no lease for more than ninety-nine years shall be valid.

Based on Article 1643, the lessee's main obligation is to allow the lessee to enjoy the use of the thing leased. Other contract stipulations unrelated to this—or instance, the right of first refusal—cannot be presumed included in the implied contract renewal. The

law itself limits the terms that are included in implied renewals. One cannot simply presume that all conditions in the original contract are also revived; after all, a contract is based on the meeting of the minds between parties.

In *Arevalo Gomez Corporation v. Lao Hian Liong:*[61]

> Article 1670 applies only where, before the expiration of the lease, no negotiations are held between the lessor and the lessee resulting in its renewal. Where no such talks take place and the lessee is not asked to vacate before the lapse of fifteen days from the end of the lease, the implication is that the lessor is amenable to its renewal.[62]

The concept of implied renewal is a matter of equity recognized by law. Technically, no contract between a lessor and a lessee exists from the end date of a lease contract to its renewal. But if there is no notice to vacate and the lessee remains in possession of the property leased, it would only be proper that the lessor is still paid for the use and enjoyment of the property.

Thus, implied renewal does not extend to all stipulations. Without any express contract renewal, this Court cannot presume that both parties agreed to revive all the terms in the previous lease contract.

Dizon v. Court of Appeals finds support in *Dizon v. Magsaysay*,[63] in which this Court also resolved whether an implied renewal of a lease contract includes a renewal of the option to purchase. It held:

> But whatever doubt there may be on this point is dispelled by paragraph (2) of the contract of lease, which states that it was renewable for the same period of two years (upon its expiration on April 1, 1951), "*con condiciones expresas y specificadas que seran convenidas entre las partes*." This stipulation embodied the agreement of the parties with respect to renewal of the original contract, and while there was nothing in it which was incompatible with the existence of an implied new lease from month to month under the conditions laid down in Article 1670 of the Civil Code, such incompatibility existed with respect to any implied revival of the lessee's preferential right to purchase, which expired with the termination of the original contract. On this point the express agreement of the parties should govern, not the legal provision relied upon by the petitioner.[64]

Since the implied renewal of the Lease Contract did not include the renewal of the right of first refusal, petitioners have no basis for their claim that the property should have been offered to them before it was sold to respondent Roselle. The Court of Appeals did not err in affirming the trial court's ruling that petitioners failed to state their cause of action.

II

Additionally, petitioners made a claim on respondent Roselle's alleged incapacity[65] due to her age, as raised for the first time in their Opposition to her Motion to Dismiss.[66] In their appeal brief, they alleged:

> 14. Appellants [referring to petitioners] later found out, after appellee Ma. Therese Roselle Uy-Cua filed a Motion to Dismiss and after the other appellees filed their Answer, that the named vendee, Ma. Therese Roselle Uy-Cua, is the minor daughter of Ruperta E. Cua, Jr. At the time of the sale, Ma. Therese Roselle Uy-Cua was a minor, being only 14 years old, and even to this day, Ma. Therese Roselle Uy-Cua is still a minor.[67]

Assuming that this allegation was true, petitioners are not the proper parties to raise it. Article 1397 of the Civil Code provides that "persons who are capable cannot allege the incapacity of those with whom they contracted[.]"[68] Even if they were, they still filed the wrong action. The contracting party's incapacity is a ground for annulment of contract, not rescission. Article 1390 of the Civil Code states:

> ARTICLE 1390. The following contracts are voidable or annullable, even though there may have been no damage to the contracting parties:
>
> (1) Those where one of the parties is incapable of giving consent to a contract;
> (2) Those where the consent is vitiated by mistake, violence, intimidation, undue influence or fraud.
>
> These contracts are binding, unless they are annulled by a proper action in court. They are susceptible of ratification.

Petitioners pray for the rescission of the contract, but the ground they raised is one for annulment of contract. Article 1397 of the Civil Code specifies who may institute such action:

> ARTICLE 1397. The action for the annulment of contracts may be instituted by all who are thereby obliged principally or subsidiarily. However, persons who are capable cannot allege the incapacity of those with whom they contracted; nor can those who exerted intimidation, violence, or undue int1uence, or employed fraud, or caused mistake base their action upon these flaws of the contract.

Thus, even if this Court were to consider petitioners' action as one for annulment of contract, they are still not the proper parties to file such action. They are not parties to the Deed of Absolute Sale, and neither are they obliged principally or subsidiarity with regard to the Deed of Absolute Sale. Thus, the trial court's dismissal of their Complaint would still be proper.

III

Finally, the Court of Appeals also correctly affirmed the trial court's ruling that petitioners failed to comply with a condition precedent. Section 412 of Republic Act No. 7160 provides:

> SECTION 412. C*onciliation. — (a) Pre-condition to Filing of Complaint in Court.* — No complaint, petition, action, or proceeding involving any matter within the authority of the lupon shall be filed or instituted directly in court or any other government office for adjudication, unless there has been a

confrontation between the parties before the !upon chairman or the pangkat, and that no conciliation or settlement has been reached as certified by the lupon secretary or pangkat secretary as attested to by the lupon or pangkat chairman or unless the settlement has been repudiated by the parties thereto.

(b) *Where Parties May Go Directly to Court*. —The parties may go directly to court in the following instances:

(1) Where the accused is under detention;
(2) Where a person has otherwise been deprived of personal liberty calling for *habeas corpus* proceedings;
(3) Where actions are coupled with provisional remedies such as preliminary injunction, attachment, delivery of personal property and support *pendente lite*; and
(4) Where the action may otherwise be barred by the statute of limitations.

Generally, all parties must first undergo barangay conciliation proceedings before filing a complaint in court. None of the exceptions under the law are present in this case. Thus, assuming that petitioners had stated a cause of action, their Complaint would still be dismissed for their failure to comply with a condition precedent.

WHEREFORE, the Petition is **DENIED**. The April 17, 2013 Decision of the Court of Appeals in CA G.R. CV No. 03402 is **AFFIRMED**.

SO ORDERED.

Gesmundo, Carandang, Zalameda, and *Gaerlan, JJ*., concur.

NOTICE OF JUDGMENT

Sirs/Mesdames:

Please take notice that on **February 3, 2020** a Decision, copy attached hereto, was rendered by the Supreme Court in the above-entitled case, the original of which was received by this Office on July 29, 2020 at 10:40 a.m.

Very truly yours,

(Sgd.) MISAEL DOMINGO C. BATTUNG III
Division Clerk of Court

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[1] 361 Phil. 963 (1999) [Per J. Martinez, First Division].

[2] Id. at 976 *citing Dizon v. Magsaysay*, 156 Phil. 232 (1974) [Per J. Makalintal, First Division].

[3] *Rollo*, pp. 10-23.

[4] Id. at 25-36. The April 17, 2013 Decision was penned by Associate Justice Ma. Luisa C. Quijano-Padilla and concurred in by Associate Justices Ramon Paul L. Hernando (now a member of this Court) and Gabriel T. Ingles of the Special Twentieth Division, Court of Appeals, Cebu City.

[5] Id. at 46-49.

[6] Id. at 26 and 46.

[7] Id. at 59-60.

[8] Id. at 26-27 and 46.

[9] Id. at 46.

[10] Id. at 26.

[11] Id.

[12] Id. at 62.

[13] Id. at 27.

[14] Id. at 62.

[15] Id. at 47.

[16] Id. at 46.

[17] Id. at 63-73.

[18] Id. at 63.

[19] Id. at 71.

[20] Id. at 64-65.

[21] Id. at 74-78.

[22] Id. at 75.

[23] Id.

[24] Id. at 85-86.

[25] Id. at 79-82.

[26] Id.

[27] Id. at 104-105.

[28] Id. at 104.

[29] Id. at 106-108.

[30] Id. at 123-126.

[31] Id. at 119-120.

[32] Id. at 121-122.

[33] Id. at 25-36.

[34] Id. at 32.

[35] Id. at 38-40.

[36] Id. at 10-23.

[37] Id. at 14.

[38] Id. at 133-134.

[39] Id. at 162-178.

[40] Id. at 164.

[41] Id. at 167.

[42] Id. at 175.

[43] Id. at 174-175.

[44] Id. at 217-218.

[45] Id. at 219-221.

[46] Id. at 220.

[47] Id.

[48] Id. at 223-224.

[49] Id. at 243.

[50] Id. at 240-249.

[51] Id. at 243.

[52] Id. at 16.

[53] Id. at 26.

[54] Id. at 32.

[55] 361 Phil. 963 (1999) [Per J. Martinez, First Division].

[56] Id. at 967.

[57] Id. at 967-968.

[58] Id. at 968.

[59] Id. at 973.

[60] Id. at 975-976.

[61] 232 Phil. 343 (1987) [Per J. Cruz, First Division].

[62] Id. at 349.

[63] 156 Phil. 232 (1974) [Per C.J. Makalintal, First Division].

[64] Id. at 236.

[65] *Rollo*, p. 18.

[66] Id. at 104.

[67] Id. at 116.

[68] CIVIL CODE, art. 1397.
