

Republic of the Philippines Supreme Court Manila

SECOND DIVISION

FAIRLAND KNITCRAFT CORPORATION, G.R. No. 217694

Petitioner,

Present:

Promulgated:

27 JAN 2016

X

- versus -

CARPIO, J., Chairperson, BRION, DEL CASTILLO, MENDOZA, and LEONEN, JJ.

ARTURO LOO PO,

Respondent.

DECISION

MENDOZA, J.:

This is a petition for review on *certiorari*¹ seeking to reverse and set aside the October 31, 2014 Decision² and the March 6, 2015 Resolution³ of the Court of Appeals (*CA*), in CA-G.R. SP No. 134701 which affirmed the September 16, 2013 Decision⁴ of the Regional Trial Court of Pasig City, Branch 67 (*RTC*) in SCA Case No. 3831. The RTC decision, in turn, sustained the March 21, 2013 Decision⁵ of the Metropolitan Trial Court, Branch 72, Pasig City (*MeTC*), which dismissed the unlawful detainer case filed by petitioner Fairland Knitcraft Corporation (*Fairland*) against respondent Arturo Loo Po (*Po*) for failure to prove its case by preponderance of evidence.

³ Id. at 23-24.

¹ *Rollo*, pp. 3-14.

² Id. at 16-21. Penned by Associate Justice Japar B. Dimaampao with Associate Justice Elihu A. Ybañez and Associate Justice Carmelita S. Manahan, concurring.

⁴ Id. at 62-63. Penned by Presiding Judge Amorfina Cerrado-Cezar.

⁵ Id. at 42-44. Penned by Presiding Judge Judge Joy N. Casihan-Dumlao.

The Antecedents

In a complaint⁶ for unlawful detainer, docketed as Civil Case No. 19429, filed before the MeTC, Fairland alleged that it was the owner of Condominium Unit No. 205 in Cedar Mansion II on Ma. Escriba Street, Pasig City. The said unit was leased by Fairland to Po by verbal agreement, with a rental fee of \neq 20,000.00 a month, to be paid by Po at the beginning of each month. From March 2011, Po had continuously failed to pay rent. For said reason, Fairland opted not to renew the lease agreement anymore.

On January 30, 2012, Fairland sent a formal letter⁷ to Po demanding that he pay the amount of $\cancel{P}220,000.00$, representing the rental arrears, and that he vacate the leased premises within fifteen (15) days from the receipt of the letter. Despite receipt of the demand letter and the lapse of the said 15-day period to comply, Po neither tendered payment for the unpaid rent nor vacated the premises. Thus, on December 12, 2012, Fairland was constrained to file the complaint for unlawful detainer before the MeTC. Po had until January 7, 2013 to file his answer but he failed to do so. Hence, on February 6, 2013, Fairland filed a motion to render judgment.⁸

In its February 21, 2013 Order,⁹ the MeTC considered the case submitted for decision.

On March 1, 2013, Po's counsel filed his Entry of Appearance with Motion for Leave of Court to file Comment/Opposition to Motion to Render Judgment.¹⁰ In the attached Comment/Opposition, Po denied the allegations against him and commented that there was no supporting document that would show that Fairland owned the property; that there was no lease contract between them; that there were no documents attached to the complaint which would show that previous demands had been made and received by him; that the alleged unpaid rental was P220,000.00, but the amount of damages being prayed for was P440,000.00; that the issue in the case was one of ownership; and that it was the RTC which had jurisdiction over the case.

The MeTC treated the comment/opposition as Po's answer to the complaint. Considering, however, that the case fell under the Rules of

⁶ Id. at 25-28.

⁷ Id. at 29.

⁸ Id. at 32-33.

⁹ Id. at 35.

¹⁰ Id. at 36.

Summary Procedure, the same was deemed filed out of time. Hence, the motion was denied.¹¹

The Ruling of the Metropolitan Trial Court

In its March 21, 2013 Decision, the MeTC dismissed the complaint for lack of merit due to Fairland's failure to prove its claim by preponderance of evidence. The MeTC explained that although the complaint sufficiently alleged a cause of action, Fairland failed to prove that it was entitled to the possession of the subject property. There was no evidence presented to support its claim against Po either.

Aggrieved, Fairland seasonably filed its appeal before the RTC under Rule 40 of the Rules of Court. Being an appealed case, the RTC required the parties to submit their respective memoranda.

In its memorandum,¹² Fairland argued that an unlawful detainer case was a special civil action governed by summary procedure. In cases where a defendant failed to file his answer, there was no need for a declaration of default. Fairland claimed that the Rules stated that in such cases, judgment should be based on the "facts alleged in the complaint,"¹³ and that there was no requirement that judgment must be based on facts proved by preponderance of evidence. Considering that the presentation of evidence was not required when a defendant in an ejectment case failed to appear in a preliminary conference, the same should be applied when no answer had been filed.

Fairland continued that the failure to file an answer in an ejectment case was tantamount to an admission by the defendant of all the ultimate facts alleged in the complaint. There was no more need for evidence in such a situation as every allegation of ultimate facts in the complaint was deemed established by the defendant's acquiescence.

On July 18, 2013, Po filed his memorandum¹⁴ and countered that there was no merit in Fairland's insistence that evidence was unnecessary when no answer had been filed. The facts stated in the complaint did not warrant a rendition of judgment in the plaintiff's favor. The court had the discretion to rule on the pleadings based on its evaluation of the allegation of facts.

¹¹ Id. at 39.

¹² Id. at 47-52.

¹³ Section 6, Rules on Summary Procedure.

¹⁴ Id. at 53-61.

Further, all the statements in the complaint were mere allegations which were not substantiated by any competent evidence. Po asserted that there was no proof presented to show that the subject property was indeed owned by Fairland; that there was no lease contract between the parties; that he never received the demand letter, dated January 30, 2012; and that the amount stated in the prayer of the complaint did not coincide with the amount of unpaid rent. Po also reiterated that the case involved an issue of ownership over the condominium unit he was occupying.

The Ruling of the Regional Trial Court

On September 16, 2013, the RTC affirmed the MeTC ruling and agreed that Fairland failed to establish its case by preponderance of evidence. There was nothing on record that would establish Fairland's right over the property subject of the complaint. Though it had been consistently ruled that the only issue for resolution in an ejectment case was the physical or material possession of the property involved, independent of any claim of ownership by any of the party-litigants, the court may go beyond the question of physical possession provisionally. The RTC concluded that even assuming that Po was not the lawful owner, his actual physical possession of the subject property created the presumption that he was entitled to its possession thereof.

Fairland filed a motion for reconsideration¹⁵ attaching its condominium certificate of title¹⁶ over the subject property, but it was denied by the RTC in its Order,¹⁷ dated February 24, 2014.

Undaunted, Fairland filed a petition for review¹⁸ under Rule 42 of the Rules of Court before the CA.

The Ruling of the Court of Appeals

In the assailed Decision, dated October 31, 2014, the CA dismissed the petition and ruled that an action for unlawful detainer would not lie against Po. Notwithstanding the abbreviated proceeding it ordained and the limited pleadings it allowed, the Rules on Summary Procedure did not relax the rules on evidence. In order for an action for recovery of possession to prosper, it was indispensable that he who brought the action should prove

¹⁵ Id. at 64-66.

¹⁶ Id. at 67-70.

¹⁷ Id. at 78-80.

¹⁸ Id. at 81-91.

not only his ownership but also the identity of the property claimed. The CA concluded, however, that Fairland failed to discharge such bounden duty.

Fairland filed its motion for reconsideration, but it was denied by the CA in its assailed Resolution, dated March 6, 2015.

Hence, this petition.

ARGUMENTS/DISCUSSIONS

Ι

IN AN EJECTMENT CASE WHEREIN NO ANSWER WAS SEASONABLY FILED, IT IS AN ERROR OF LAW TO BASE JUDGMENT ON PREPONDERANCE OF EVIDENCE

Π

HOLDING THAT EVIDENCE IN AN EJECTMENT CASE SHOULD HAVE BEEN ATTACHED TO THE COMPLAINT IS AN ERROR OF LAW.¹⁹

Fairland argues that in ejectment cases, presentation of evidence was undertaken through the submission of position papers but the same was dispensed with when the defendant failed to file an answer or when either party failed to appear during the preliminary conference. In an ejectment case, the scope of inquiry should be limited to the sufficiency of the cause of action stated in the complaint when no seasonable answer was filed. The attachment of documentary evidence to the Complaint was not a requirement and was even proscribed by law.

In his Comment,²⁰ Po countered that the present petition raised a question of fact. Although couched in different words, the issues raised here were substantially the same as the issues raised before the CA. There was no legal basis in Fairland's assertion that evidence was dispensed with when no answer to the complaint had been filed. Such argument would undermine the inherent authority of the courts to resolve legal issues based on the facts of the case and on the rules on evidence. Contrary to Fairland's position, the court decided the case on the basis of the complaint which was found wanting in preponderance of evidence.

¹⁹ Id. at 6-9.

²⁰ Id. at 141-158.

In its Reply,²¹ Fairland posited that the petition did not raise mere questions of fact but one of law as what was being sought for review was the erroneous dismissal of the ejectment case for lack of preponderance of evidence. Since no answer was filed and the complaint sufficiently alleged a cause of action for unlawful detainer, it became the duty of the MeTC to decide the case in its favor.

The Court's Ruling

The petition is meritorious.

Complaint has a valid cause of action for Unlawful Detainer

Section 1 of Rule 70 of the Rules of Court lays down the requirements for filing a complaint for unlawful detainer, to wit:

Section 1. – Who may institute proceedings, and when. – Subject to the provision of the next succeeding section, a person deprived of the possession of any land or building by force, intimidation, threat, strategy, or stealth, or a lessor, vendor, vendee, or other person against whom the possession of any land or building is unlawfully withheld after the expiration or termination of the right to hold possession, by virtue of any contract, express or implied, or the legal representatives or assigns of any such lessor, vendor, vendee, or other person, may, at any time within one (1) year after such unlawful deprivation or withholding of possession, bring an action in the proper Municipal Trial Court against the person or persons unlawfully withholding or depriving of possession, or any person or persons claiming under them, for the restitution of such possession, together with damages and costs.

Stated differently, unlawful detainer is a summary action for the recovery of possession of real property. This action may be filed by a lessor, vendor, vendee, or other person from whom the possession of any land or building is unlawfully withheld after the expiration or termination of the right to hold possession by virtue of any contract, express or implied. The possession of the defendant was originally legal, as his possession was permitted by the plaintiff on account of an express or implied contract between them. The defendant's possession, however, became illegal when the plaintiff demanded that the defendant vacate the subject property due to the expiration or termination of the right to possess under the contract, and

 $^{^{21}}$ Id. at 171.

DECISION

the defendant refused to heed such demand. A case for unlawful detainer must be instituted one year from the unlawful withholding of possession.²²

A complaint sufficiently alleges a cause of action for unlawful detainer if it recites the following: (1) initially, possession of the property by the defendant was by contract with or by tolerance of the plaintiff; (2) eventually, such possession became illegal upon notice by the plaintiff to the defendant of the termination of the latter's right of possession; (3) thereafter, the defendant remained in possession of the property, and deprived the plaintiff of the enjoyment thereof; and (4) within one (1) year from the last demand on defendant to vacate the property, the plaintiff instituted the complaint for ejectment.²³

There is no question that the complaint filed by Fairland adequately alleged a cause of action for unlawful detainer. The pertinent portion of the said complaint reads:

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3. Plaintiff is the owner of, and had been leasing to the defendant, the premises mentioned above as the residence of the latter;

4. There is no current written lease contract between plaintiff and the defendant, but the latter agreed to pay the former the amount of Php20,000.00 as rent at the beginning of each month. Thus, the term of the lease agreement is renewable on a month-to-month basis;

5. Since March 2011, defendant has not been paying the aforesaid rent despite plaintiff's repeated demands;

6. Due to defendant's continuous failure to pay rent, plaintiff reached a decision not to renew the lease agreement. It sent a formal letter, $x \ x$ demanding defendant to pay the amount of Php220,000.00, representing defendant's twelve month rental arrears beginning January 2011, and to vacate the leased premises, both within fifteen (15) days from receipt of said letter;

7. Despite receipt of the aforesaid demand letter and lapse of the fifteen day period given to comply with plaintiff's demand, defendant neither tendered payment for the unpaid rent nor vacated the leased premises. Worse, defendant has not been paying rent up to now;

 $\mathbf{x} \mathbf{x} \mathbf{x}^{24}$

²² Jose v. Alfuerto, 699 Phil. 307, 316 (2012).

²³ Zacarias v. Anacay, G.R. No. 202354, September 24, 2014, 736 SCRA 508, 516.

²⁴ *Rollo*, pp. 25-26.

The above-cited portions of the complaint sufficiently alleged that Fairland was the owner of the subject property being leased to Po by virtue of an oral agreement. There was a demand by Fairland for Po to pay rent and vacate before the complaint for unlawful detainer was instituted. The complaint was seasonably filed within the one-year period prescribed by law. With all the elements present, there was clearly a cause of action in the complaint for unlawful detainer.

Under the Rules of Summary Procedure, the weight of evidence is not considered when a judgment is rendered based on the complaint

The question now is whether the MeTC correctly dismissed the case for lack of preponderance of evidence. Fairland posits that judgment should have been rendered in its favor on the basis of the complaint itself and not on its failure to adduce proof of ownership over the subject property.

The Court agrees with Fairland's position.

The summons, together with the complaint and its annexes, was served upon Po on December 28, 2012. This presupposes that the MeTC found no ground to dismiss the action for unlawful detainer.²⁵ Nevertheless, Po failed to file his answer on time and the MeTC had the option to render judgment *motu proprio* or on motion of the plaintiff. In relation thereto, Sections 5 and 6 of the Rules on Summary Procedure provide:

Sec. 5. Answer. – Within ten (10) days from service of summons, the defendant shall file his answer to the complaint and serve a copy thereof on the plaintiff. Affirmative and negative defenses not pleaded therein shall be deemed waived, except for lack of jurisdiction over the subject matter. Cross-claims and compulsory counterclaims not asserted in the answer shall be considered barred. The answer to counterclaims or cross-claims shall be filed and served within ten (10) days from service of the answer in which they are pleaded.

Sec. 6. Effect of failure to answer. – Should the defendant fail to answer the complaint within the period above provided, the court, motu proprio or on motion of the plaintiff, shall render judgment as may be warranted by the facts alleged in the complaint and limited to

²⁵ Section 4, Rules of Summary Procedure.

what is prayed for therein. The court may in its discretion reduce the amount of damages and attorney's fees claimed for being excessive or otherwise unconscionable, without prejudice to the applicability of Section 4, Rule 18 of the Rules of Court, if there are two or more defendants.

[Emphasis Supplied]

Section 6 is clear that in case the defendant failed to file his answer, the court shall render judgment, either *motu proprio* or upon plaintiff's motion, **based solely** on **the facts alleged in the complaint and limited to what is prayed for.** The failure of the defendant to timely file his answer and to controvert the claim against him constitutes his acquiescence to every allegation stated in the complaint. Logically, there is nothing to be done in this situation²⁶ except to render judgment as may be warranted by the facts alleged in the complaint. ²⁷

Similarly, under Section 7, Rule 70 of the Rules of Court, which governs the rules for forcible entry and unlawful detainer, if the defendant fails to answer the complaint within the period provided, the court has no authority to declare the defendant in default. Instead, the court, *motu proprio* or on motion of the plaintiff, shall render judgment as may be warranted by the **facts alleged in the complaint** and limited to what is prayed for.²⁸

This has been enunciated in the case of *Don Tino Realty and Development Corporation v. Florentino*,²⁹ citing *Bayog v. Natino*,³⁰ where the Court held that there was no provision for an entry of default under the Rules of Summary Procedure if the defendant failed to file his answer.

In this case, Po failed to file his answer to the complaint despite proper service of summons. He also failed to provide a sufficient justification to excuse his lapses. Thus, as no answer was filed, judgment must be rendered by the court as may be warranted by the facts alleged in the complaint.

²⁶ Luceres, Bernardo M., Revised Rule of Summary Procedure, 1st Ed., p. 14 (2011).

²⁷ Section 6, Resolution of the Court En Banc, dated October 15, 1991, providing for the Revised Rule on Summary Procedure for Metropolitan Trial Courts, Municipal Trial Courts in Cities, Municipal Trial Courts and Municipal Circuit Trial Courts.

²⁸ Riano, Willard, Civil Procedure, The Bar Lecture Series, Volume II, p. 456-457 (2012).

²⁹ 372 Phil. 882 (1999).

³⁰ 327 Phil. 1019 (1996).

Failure to attach annexes is not fatal if the complaint alleges a sufficient cause of action; evidence need not be attached to the complaint

The lower courts erroneously dismissed the complaint of Fairland simply on the ground that it failed to establish by preponderance of evidence its ownership over the subject property. As can be gleaned above, the rules do not compel the plaintiff to attach his evidence to the complaint because, at this inception stage, he only has to file his complaint to establish his cause of action. Here, the court was only tasked to determine whether the complaint of Fairland alleged a sufficient cause of action and to render judgment thereon.

Also, there was no need to attach proof of ownership in the complaint because the allegations therein constituted a sufficient cause of action for unlawful detainer. Only when the allegations in the complaint are insufficient to form a cause of action shall the attachment become material in the determination thereof. Even under Section 4 of the Rules of Summary Procedure,³¹ it is not mandatory to attach annexes to the complaint.

In the case of *Lazaro v. Brewmaster*³² (*Lazaro*), where judgment was rendered based on the complaint due to the failure of the defendant to file an answer under the Rules of Summary Procedure, it was written that:

xxx To determine whether the complaint states a cause of action, all documents attached thereto may, in fact, be considered, particularly when referred to in the complaint. We emphasize, however, that the inquiry is into the sufficiency, not the veracity of the material allegations in the complaint. Thus, consideration of the annexed documents should only be taken in the context of ascertaining the sufficiency of the allegations in the complaint.

[Emphasis Supplied]

In *Lazaro*, the assailed invalid invoices attached to the complaint were not considered because the complaint already alleged a sufficient cause of action for collection of sum of money. Those assailed documents were not

³¹ Sec. 4. Duty of court. — After the court determines that the case falls under summary procedure, it <u>may</u>, from an examination of the allegations therein and such evidence as <u>may be</u> attached thereto, dismiss the case outright on any of the grounds apparent therefrom for the dismissal of a civil action. If no ground for dismissal is found it shall forthwith issue summons which shall state that the summary procedure under this Rule shall apply.

³² 642 Phil. 710 (2010).

the bases of the plaintiff's action for sum of money, but were only attached to the complaint to provide evidentiary details on the alleged transactions.

Similarly, in the case at bench, there was no need for documentary attachments to prove Fairland's ownership over the subject property. *First,* the present action is an action for unlawful detainer wherein only *de facto* or material possession is required to be alleged. Evidently, the attachment of any deed of ownership to the complaint is not indispensable because an action for unlawful detainer does not entirely depend on ownership.

Second, Fairland sufficiently alleged ownership and superior right of possession over the subject property. These allegations were evidently manifest in the complaint as Fairland claimed to have orally agreed to lease the property to Po. The Court is of the view that these allegations were clear and unequivocal and did not need supporting attachments to be considered as having sufficiently established its cause of action. Even the MeTC conceded that the complaint of Fairland stated a valid cause of action for unlawful detainer. ³³ It must be stressed that inquiry into the attached documents in the complaint is for the sufficiency, not the veracity, of the material allegations in the complaint.

Third, considering that Po failed to file an answer within the prescribed period, he was deemed to have admitted all the allegations in the complaint including Fairland's claim of ownership. To reiterate, the failure of the defendant to timely file his answer and controvert the claim against him constituted his acquiescence to every allegation stated in the complaint.

In the Entry of Appearance with Motion for Leave of Court to file Comment/Opposition to Motion to Render Judgment, which was belatedly filed and so was denied by the MeTC, Po merely denied the allegations against him without even bothering to aver why he claimed to have a superior right of possession of the subject property.³⁴

Fourth, it is only at the later stage of the summary procedure when the affidavits of witnesses and other evidence on factual issues shall be presented before the court. Sections 8 and 9 of the Rules on Summary Procedure state:

³³ *Rollo*, pp. 42.

 $^{^{34}}$ Id. at 36-38. Though unnecessary and even not sanctioned by the Rule, Fairland, nevertheless, attached the Condominium Certificate of Title (*Rollo*, p. 67) under its name to its motion for reconsideration with the RTC to remove and doubt as to its ownership of the subject property. The said certificate was entered into the books of the registry as early as October 13, 2005.

Sec. 8. Record of preliminary conference. – Within five (5) days after the termination of the preliminary conference, the court shall issue an order stating the matters taken up therein, $x \times x$

Sec. 9. Submission of affidavits and position papers. – Within ten (10) days from receipt of the order mentioned in the next preceding section, the parties shall submit the **affidavits of their witnesses and other evidence on the factual issues** defined in the order, together with their position papers setting forth the law and the facts relied upon by them.

[Emphasis Supplied]

Again, it is worth stressing that these provisions are exactly Sections 9 and 10 under Rule 70 of the Rules of Court.

Accordingly, it is only at this part of the proceedings that the parties will be required to present and offer their evidence before the court to establish their causes and defenses. Before the issuance of the record of preliminary conference, the parties are not yet required to present their respective evidence.

These specific provisions under the Rules of Summary Procedure which are also reflected in Rule 70 of the Rules of Court, serve their purpose to immediately settle ejectment proceedings. "Forcible entry and unlawful detainer cases are summary proceedings designed to provide for an expeditious means of protecting actual possession or the right to possession of the property involved. It does not admit of a delay in the determination thereof. It is a 'time procedure' designed to remedy the situation.³⁵ Thus, as a consequence of the defendant's failure to file an answer, the court is simply tasked to render judgment as may be warranted by the facts alleged in the complaint and limited to what is prayed for therein.

As the complaint contains a valid cause of action, a judgment can already be rendered

In order to achieve an expeditious and inexpensive determination of unlawful detainer cases, a remand of this case to the lower courts is no longer necessary and the case can be determined on its merits by the Court.

³⁵ Don Tino Realty and Development Corporation v. Florentino, 372 Phil. 882 (1999).

To recapitulate, as Po failed to file his answer on time, judgment shall be rendered based only on the complaint of Fairland without the need to consider the weight of evidence. As discussed above, the complaint of Fairland had a valid cause of action for unlawful detainer.

Consequently, there is no more need to present evidence to establish the allegation of Fairland of its ownership and superior right of possession over the subject property. Po's failure to file an answer constitutes an admission of his illegal occupation due to his non-payment of rentals, and of Fairland's rightful claim of material possession. Thus, judgment must be rendered finding that Fairland has the right to eject Po from the subject property.

The Judicial Affidavit Rule

On a final note, the Court deems it proper to discuss the relevance of the Judicial Affidavit Rule or A.M. No. 12-8-8-SC, where documentary or object evidence are required to be attached. To begin with, the rule is not applicable because such evidence are required to be attached to a judicial affidavit, not to a complaint. Moreover, as the rule took effect only on January 1, 2013, it cannot be required in this case because this was earlier filed on December 12, 2012.

Granting that it can be applied retroactively, the rule being essentially remedial, still it has no bearing on the ruling of this Court.

In the Judicial Affidavit Rule, the attachments of documentary or object evidence to the affidavits is required when there would be a **pre-trial or preliminary conference or the scheduled hearing**. As stated earlier, where a defendant fails to file an answer, the court shall render judgment, either motu proprio or upon plaintiff's motion, based solely on the facts alleged in the complaint and limited to what is prayed for. Thus, where there is no answer, there is no need for a pre-trial, preliminary conference or hearing. Section 2 of the Judicial Affidavit Rule reads:

Section 2. Submission of Judicial Affidavits and Exhibits in lieu of direct testimonies. - (a) The parties shall file with the court and serve on the adverse party, personally or by licensed courier service, not later than five days before pre-trial or preliminary conference or the scheduled hearing with respect to motions and incidents, the following:

- (1) The judicial affidavits of their witnesses, which shall take the place of such witnesses' direct testimonies; and
- (2) The parties' docuntentary or object evidence, if any, which shall be attached to the judicial affidavits and marked as Exhibits A, B, C, and so on in the case of the complainant or the plaintiff, and as Exhibits 1, 2, 3, and so on in the case of the respondent or the defendant.

(b) Should a party or a witness desire to keep the original document or object evidence in his possession, he may, after the same has been identified, marked as exhibit, and authenticated, warrant in his judicial affidavit that the copy or reproduction attached to such affidavit is a faithful copy or reproduction of that original. In addition, the party or witness shall bring the original document or object evidence for comparison during the preliminary conference with the attached copy, reproduction, or pictures, failing which the latter shall not be admitted.

This is without prejudice to the introduction of secondary evidence in place of the original when allowed by existing rules.

WHEREFORE, the petition is GRANTED. The October 31, 2014 Decision and the March 6, 2015 Resolution of the Court of Appeals in CA-G.R. SP No. 134701 are hereby REVERSED and SET ASIDE. Respondent Arturo Loo Po is ORDERED TO VACATE Condominium Unit No. 205 located in Cedar Mansion II on Ma. Escriba Street, Pasig City.

Respondent Po is further **ORDERED TO PAY** the rentals-in-arrears, as well as the rentals accruing in the interim until he vacates the property. The unpaid rentals shall incur a legal interest of six percent (6%) per annum from January 30, 2012, when the demand to pay and to vacate was made, up to the finality of this decision. Thereafter, an interest of six percent (6%) per annum shall be imposed on the total amount due until full payment is made.

SO ORDERED.

JOSE C RAL MENDOZA

DECISION

v . . .

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WE CONCUR:

ANTONIO T. CARPIO Associate Justice Chairperson

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RTURO D. BRION Associate Justice

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ARIANO C. DEL CASTILLO Associate Justice

MARVIC M.V.F. LEO Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

ANTONIO T. CARPIO Associate Justice Chairperson, Second Division

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CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

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MARIA LOURDES P. A. SERENO Chief Justice