



Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

NOTICE

Sirs/Mesdames:

*Please take notice that the Court, First Division, issued a Resolution dated **March 27, 2023** which reads as follows:*

“G.R. No. 240763 (PLDT, Inc. vs. Gateway Property Holdings, Inc.) — Before the Court is a Petition for Review on *Certiorari*¹ under Rule 45 of the Rules of Court, filed by petitioner PLDT, Inc. (PLDT), assailing the Decision² dated 22 January 2018 and the Resolution³ dated 16 July 2018 of the Court of Appeals (CA) in CA-G.R. CV No. 105904, which affirmed the Decision⁴ dated 27 July 2015 of Branch 133, Regional Trial Court (RTC), Makati City, directing PLDT and respondent Gateway Property Holdings, Inc. (Gateway) to execute a lease agreement over a property at the Gateway Business Park (GBP) in Javalera, General Trias, Cavite, and for PLDT to pay rent for its prior use.⁵

PLDT is a telecommunications service provider, while Gateway is the owner and developer of GBP, an industrial estate.⁶

Sometime in 1989, PLDT and Gateway entered into a Memorandum of Agreement (MOA)⁷ for the installation, operation, and maintenance of digital switching equipment⁸ in the GBP. Among its stipulations is a provision that Gateway shall lease sufficient and adequate space to PLDT at the Javalera Industrial Estate (JIE) administration building in the GBP,⁹ and the parties shall execute a lease agreement to be prepared by Gateway.¹⁰

¹ *Rollo*, pp. 89–152.

² *Id.* at 9–57. Penned by Associate Justice Edwin D. Sorongon, and concurred in by Associate Justices Ramon M. Bato, Jr. and Maria Filomena D. Singh (now a Member of this Court).

³ *Id.* at 199–201. Penned by Associate Justice Edwin D. Sorongon, and concurred in by Associate Justices Ramon M. Bato, Jr. and Maria Filomena D. Singh (now a Member of this Court).

⁴ *Id.* at 443–468. Penned by Presiding Judge Elpidio R. Calis.

⁵ *Id.* at 467.

⁶ *Id.* at 9.

⁷ *Id.* at 205–209.

⁸ *Id.* at 205. Per Memorandum of Agreement, the digital switching equipment installed in the GBP had an initial capacity of 330 lines and 30 toll circuits expandable to 700 lines with both International Direct Dialing/National Direct Dialing features.

⁹ *Id.* at 206.

¹⁰ *Id.* at 210. Per PLDT’s letter to Gateway dated 27 April 1990.

In January 1992,¹¹ instead of occupying the JIE administration building, PLDT occupied the Digital Exchange Building, which Gateway constructed to serve as PLDT's business office and to house its digital switching, radio, and transceiver equipment.¹² Since then, no lease agreement was executed, and no rent was paid by PLDT for the use of the subject premises.¹³

In 2001, the parties negotiated the payment of rent and PLDT's relocation to another area in the GBP.¹⁴ However, negotiations failed, which led to Gateway's demand for PLDT to pay rent and right-of-way fees and vacate the subject premises within seven days from notice.¹⁵ The demand went unheeded.

Consequently, on 05 December 2003, Gateway made a final demand on PLDT to pay the amount of ₱59,020,850.00, representing rent due from January 1992 to December 2003, within three days from notice.¹⁶ Again, PLDT failed to settle the claim. Thus, Gateway filed a complaint for specific performance and damages against PLDT before the RTC, Makati City.¹⁷

In the Decision¹⁸ dated 27 July 2015, the RTC ruled that the parties are bound by a reciprocal obligation, and Gateway had complied with its obligation to provide PLDT with adequate office space. As such, PLDT was ordered to fulfill its obligation to execute a lease agreement and pay rent.¹⁹ The dispositive portion of the RTC Decision reads:

WHEREFORE, finding plaintiff's cause of action to be sufficiently established being supported by evidence on records [sic], judgment is hereby rendered in favor of the plaintiff **GATEWAY PROPERTY HOLDINGS, INC.** and against the defendant **PHILIPPINE LONG DISTANCE TELEPHONE COMPANY**, and hereby orders the following:

- 1) Plaintiff GPHI and Defendant PLDT are hereby directed to execute a Lease Contract over the "Subject Premises" in accordance with the Memorandum of Agreement entered into between them upon such terms and conditions as may be mutually agreed upon by the parties;
- 2) Defendant PLDT is hereby ordered to pay plaintiff GPHI rent in the amount of **Five Hundred Thousand Pesos (Php500,000.00)** per month from July 8, 2003, until the parties have already executed a Lease Contract with new amount of rent;

¹¹ Id. at 13.

¹² Id. at 12-13.

¹³ Id. at 10.

¹⁴ Id.

¹⁵ Id. at 16.

¹⁶ Id.

¹⁷ Id. at 330. Raffled to Branch 133, RTC, Makati City.

¹⁸ Id. at 443-468.

¹⁹ Id. at 465.

- 3) Plaintiff GPHI's prayer for nominal damages is hereby **DENIED**;
- 4) Defendant PLDT's Verified Application (For Issuance of Writ of Preliminary Mandatory Injunction with Manifestation and Motion to Exempt from Posting Bond) filed on November 2, 2006 and the Verified Application (For Issuance of Writ of Preliminary Mandatory Injunction with Manifestation and Motion to Exempt from Posting Bond) filed on December 3, 2013 by defendant PLDT, through counsel, are both **DENIED**; and
- 5) Defendant PLDT is hereby ordered to pay plaintiff Attorney's Fees in the amount of **One Hundred Thousand Pesos (P100,000.00)**;
- 6) No costs.

SO ORDERED.²⁰ (Emphasis in the original)

On appeal before the CA, PLDT primarily argued that the RTC erred in directing the execution of a lease agreement because this supposed obligation on its part is not found in the MOA.²¹ The RTC likewise erred in directing the payment of rent because, under the MOA, all purchased and installed equipment and facilities in the digital exchange are considered properties of PLDT,²² and the lot it occupied was allocated to it as stipulated in the MOA.²³

In the Decision²⁴ dated 22 January 2018, the CA affirmed the RTC Decision with modification on the amount of rent by adding an interest rate of six percent (6%) *per annum*.²⁵ The *fallo* of the CA Decision reads:

WHEREFORE, premises considered, the instant appeal is **DISMISSED**. The Decision dated July 27, 2015 of the Makati City Regional Trial Court (RTC), Branch 133, in *Civil Case No. 04-1284* is **AFFIRMED WITH MODIFICATION** that upon finality of this decision the interest of 6% *per annum* on the monetary award shall be imposed until full payment thereof.

SO ORDERED.²⁶ (Emphasis in the original)

Hence, this petition which raises the issue of whether the CA committed reversible error in affirming the Decision dated 27 July 2015 of the RTC.

²⁰ Id. at 467–468.

²¹ Id. at 556.

²² Id. at 548. *See* Sec. G, Art. II, Memorandum of Agreement.

²³ Id. at 206. *See* Sec. B, Art. I, Memorandum of Agreement.

²⁴ Id. at 9–57.

²⁵ Id. at 57.

²⁶ Id.

After a judicious review of the records, this Court finds no compelling reason to reverse the assailed Decision and Resolution of the CA.

Section 6, Rule 45, Rules of Court states that an appeal is not a matter of right, but of sound judicial discretion, to be granted only when there are special and important reasons. The parameters of judicial review under Rule 45 have been explained in *Kumar v. People*,²⁷ thus:

For any petition for review on *certiorari* to prosper and warrant attention by this Court, it must satisfy the basic procedural requisites imposed by Rule 45. Among others, **it must not only raise pure questions of law but also questions of such substance as to be of distinctly significant consequence and value. A rule 45 petition that failed to readily demonstrate “special and important reasons[,]” as required by Rule 45, Section 6, may be denied due course, and disposed without further action by this Court.**

x x x x

Rule 45, Section 6 (a) and (b) illustrate the gravity of reasons which would move this Court to act:

(a) When the court *a quo* has decided a question of substance, not theretofore determined by the Supreme Court, or has decided it in a way probably not in accord with law or with the applicable decisions of the Supreme Court; or

(b) When the court *a quo* has so far departed from the accepted and usual course of judicial proceedings, or so far sanctioned such departure by a lower court, as to call for an exercise of the power of supervision.

From these, this Court is better advised to stay its hand and not entertain the appeal when there is no novel legal question involved, or when a case presents no doctrinal or pedagogical value whereby it is opportune for this Court to review and expound on, rectify, modify and/or clarify existing legal policy, or lay out novel principles and delve into unexplored areas of law. (Emphasis supplied)

In this case, PLDT failed to show that the Decision dated 22 January 2018 and the Resolution dated 16 July 2018 of the CA were decided in a way not in accord with law or decisions of this Court, or that the CA departed from the accepted and usual course of judicial proceedings. PLDT also failed to raise any novel legal question that warrants the exercise of this Court's judicial discretion. Instead, what it raised in issue are factual matters that have already been passed upon by the RTC and affirmed by the CA.

²⁷ G.R. No. 247661, 15 June 2020.


Jurisprudence dictates that factual questions are not the proper subject of an appeal by *certiorari*.²⁸ Moreso, it must be emphasized that this Court is not a trier of facts, and it is not its function to once again analyze or weigh evidence that has already been considered in the lower courts.²⁹

Settled is the rule that the findings of fact of the trial court, particularly when affirmed by the CA, are binding upon this Court.³⁰ While there are exceptions to this general rule, PLDT failed to show the presence of exceptions that would justify a reevaluation of the facts of this case and warrant further action by this Court. On the contrary, the findings of fact and conclusions of law arrived at by the RTC and the CA are well supported by the evidence on record.³¹

WHEREFORE, the instant Petition for Review on *Certiorari* is **DENIED**.

SO ORDERED.”

By authority of the Court:


LIBRADA C. BUENA
Division Clerk of Court *gto*

by:

MARIA TERESA B. SIBULO
Deputy Division Clerk of Court

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The Hon. Presiding Judge
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(Civil Case No. 04-1284)

²⁸ *Union Bank of the Philippines v. The Hon. Regional Agrarian Reform Officer, et al.*, 806 Phil. 545, 563 (2017); *Sps. Miano v. Manila Electric Company*, 800 Phil. 118, 122 (2016).

²⁹ *Tacis v. Shields Security Services, Inc.*, G.R. No. 234575, 07 July 2021.

³⁰ *Sps. Miano v. Manila Electric Company*, supra at 125.

³¹ *Id.*

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