



Republic of the Philippines
Supreme Court
 Manila

FIRST DIVISION

CECILIA YULO LOCSIN
 substituted by **MR. LEANDRO Y. LOCSIN,**

Petitioner,

- versus -

G.R. No. 233678

Present:

GESMUNDO, C.J.,
Chairperson,
HERNANDO,
ZALAMEDA,
ROSARIO, and
MARQUEZ, JJ.

PUERTO GALERA RESORT HOTEL, INC. also represented by **LUISITO B. PADILLA** and **LUISITO B. PADILLA, in his own capacity,**

Respondents.

Promulgated:

JUL 27 2022

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DECISION

HERNANDO, J.:

Before this Court is a Petition for Review on *Certiorari*¹ filed by petitioner Cecilia Yulo Locsin (Cecilia), represented by Leandro Y. Locsin (Leandro), seeking the reversal of the April 4, 2017 Decision² and the July 20, 2017 Resolution³ of the Court of Appeals (CA) in CA-GR CV No. 105148.

¹ *Rollo*, pp. 5-39.

² *Id.* at 40-57. Penned by Associate Justice Magdangal M. De Leon and concurred in by Associate Justices Elihu A. Ybañez and Carmelita Salandanan Manahan.

³ *Id.* at 58-60.

The case stemmed from a Complaint⁴ for actual, moral, and exemplary damages with prayer for attorney's fees and cost of suit filed by Luisito B. Padilla (Padilla), in his personal capacity and in behalf of Robustiniano Quinto, Jr. (Quinto), and respondent Puerto Galera Resort Hotel, Inc. (PGRHI) against Cecilia, for allegedly looting and gutting the fixtures, appliances and other movables found in a hotel complex owned by Quinto.⁵

The Antecedents

The Complaint alleged that Quinto is the registered owner of a hotel complex located in Oriental Mindoro. In 1993, Padilla, a resort manager and developer, entered into a lease contract with Quinto over the hotel complex for a term of 10 years. In the said contract, Padilla was given the right to introduce improvements to the property. The contract of lease was further extended up to 2013 and authorized Padilla to construct new structures and to renovate the premises.⁶

On October 15, 2004, Padilla and Quinto executed a Memorandum of Agreement⁷ (MOA) wherein they undertook to look for prospective tenants or lessees of the hotel complex together with all its improvements; to jointly share in the earnings to be derived from the rentals thereof, and to individually or collectively defend, protect, or enforce their rights, title and/or interests in the said property.⁸

In May 2006, Padilla and Quinto agreed to lease the hotel complex to Cecilia pursuant to the MOA, for a period of 10 years beginning June 1, 2006, with a guaranteed monthly rental of ₱90,000.00. Cecilia paid a security deposit of ₱500,000.00, and immediately took possession of the hotel complex. All keys to the hotel complex were turned over to her. Cecilia paid monthly rentals thereafter.⁹

After one year, Quinto visited the hotel complex and to his utter shock, he discovered that the premises was totally damaged. All the facilities, equipment, fixtures and improvements existing prior to turnover were either removed or damaged. The place was a total mess and in a state of ruin. Quinto immediately informed Padilla about the damage. Padilla arrived the next day and reported the incident to the police. According to Padilla, the estimated cost of the damages and losses amounted to ₱12,500,000.00.¹⁰

⁴ Id. at 46.

⁵ Id. at 4.

⁶ Id. at 4-5.

⁷ Id. at 376.

⁸ Id.

⁹ Id. at 5.

¹⁰ Id. at 6.

Initially, Padilla, through counsel, wrote letters to Cecilia to set up a meeting with her to discuss the matter but the said letters were left unanswered. This prompted Padilla to send a demand letter to Cecilia demanding her to pay the amount of ₱12,500,000.00 to cover the losses and damages sustained by the hotel complex. In response, Cecilia claimed that the contract of lease was not yet perfected and was at best, in its preparatory stages, thus she cannot be held liable for the said losses and damages.¹¹

Consequently, Padilla, in his personal capacity and in behalf of PGRHI and Quinto, instituted the instant complaint for damages against Cecilia pursuant to the August 28, 2007 Special Power of Attorney¹² (SPA) executed by Quinto in his favor. Cecilia moved for the dismissal of the complaint but the same was denied by the trial court.¹³ Cecilia then filed her Answer with Counterclaims¹⁴ for damages and attorney's fees. She countered that there was no perfected contract of lease to begin with, thus, complainants had no cause of action against her. Cecilia claimed that the execution of the lease contract was conditioned upon Quinto's timely presentation of the original title covering the hotel complex and since Quinto failed in this aspect, the contract was not finalized.¹⁵

During trial, Padilla presented four witnesses. Edgardo dela Cruz Santos (Santos), the Property Development and Maintenance Head of Phoenix Omega Development and Management Corporation (PODMC), testified that he was tasked by Padilla to purchase the materials to be used for the renovation and improvement of the hotel complex in 1993. Santos identified the purchase orders and other documents related to the improvements introduced by Padilla to the property. Padilla also took the witness stand and his testimony covered his business relationship with Quinto, the improvements he made in the hotel complex, and the details of the lease agreement he and Quinto entered into with Cecilia. The third witness was Blesilda Aliman, the accounting officer of PODMC. She attested that PODMC extended funding to PGRHI for the renovation of the hotel complex. The fourth witness was Arsenio Tagoc (Tagoc), the stay-in caretaker of PGRHI. He stated that he was immediately fired by Cecilia when she took over the hotel complex, and that he turned over the keys to the hotel complex to Cecilia upon the instructions of Padilla.¹⁶

Quinto was supposed to be Padilla's fifth witness. However, Quinto asked for postponement on two occasions. On the third re-setting, Quinto manifested that he would move for the dismissal of the case against Cecilia alleging that he did not fully understand the contents of the August 28, 2007 SPA he accomplished in favor of Padilla to pursue the instant case as well as his Judicial

¹¹ Id. at 6-7.

¹² Id. at 377-378.

¹³ Id. at 46.

¹⁴ Id.

¹⁵ Id. at 7.

¹⁶ Id. at 7-8.

Affidavit¹⁷ dated December 21, 2011, consisting of his direct testimony. In support of his Manifestation with Motion to Dismiss,¹⁸ Quinto executed a Revocation¹⁹ of the August 28, 2007 SPA and an Affidavit stating that he never intended to authorize Padilla to file a case against Cecilia in his behalf.²⁰

Meanwhile, the trial continued and Cecilia presented Dominic Perez (Perez), the accounting assistant of the law firm she engaged. Perez identified the statements of account and receipts representing Cecilia's payments to the law firm for the legal services it rendered pertaining to the present case.²¹

Ruling of the Regional Trial Court

On the basis of Quinto's revocation of the August 28, 2007 SPA, the trial court granted Quinto's Motion to Dismiss in an Order²² dated March 4, 2013. The trial court explained that the said revocation expressly repudiated Padilla's authority to represent Quinto in this case. Further, the trial court held that the complaint failed to state a cause of action as Padilla and PGRHI are not real parties in interest who stand to be benefited or injured by the judgment in the suit. Finally, the trial court clarified that there was no perfected contract of lease between the parties as the lease agreement failed to materialize. The complainants moved for reconsideration but it was denied in an Order²³ dated April 18, 2013.

In another Order²⁴ dated April 7, 2015, the trial court denied Cecilia's claim for damages, but awarded attorney's fees in the amount of ₱500,000.00, ₱100,000.00 in litigation expenses and costs of suit in her favor pursuant to Article 2208 of the Civil Code, on the ground that she was compelled to litigate and incur expenses to protect her interests.

Aggrieved, Padilla and PGRHI appealed before the CA.

Meanwhile, Cecilia passed away. She was substituted by Leandro Locsin (Leandro).²⁵

Ruling of the Court of Appeals

In a Decision²⁶ dated April 4, 2017, the CA granted the appeal, thereby reversing and setting aside the RTC Orders dated March 4, 2013 and April 18,

¹⁷ Id. at 379-393.

¹⁸ Id. at 250-256.

¹⁹ Id. at 257-258.

²⁰ Id. at 259-261.

²¹ Id. at 9.

²² Id. at 48.

²³ Id. at 65-66.

²⁴ Id. at 67-72.

²⁵ Id. at 15.

²⁶ Id. at 40-57.

2013. The CA held that the agency between Quinto and Padilla is one coupled with interest, hence, irrevocable. Accordingly, the dismissal of the complaint was improper. In view of this, the CA ordered the remand of the case to the trial court for further reception of respondents' evidence. The CA likewise reversed and set aside the April 22, 2015 Order of the trial court awarding attorney's fees and litigation expenses in favor of Cecilia for lack of actual finding of her entitlement thereto except for the sole reason that she was compelled to litigate to protect her interest.²⁷

Petitioner filed a Motion for Reconsideration²⁸ but it was denied by the appellate court in a Resolution²⁹ dated July 20, 2017.

Hence, Leandro, filed this present petition, raising the following assignment of errors:

THE COURT OF APPEALS DECIDED IN A MANNER CONTRARY TO LAW AND JURISPRUDENCE WHEN IT ISSUED THE ASSAILED DECISION AND RESOLUTION, WHICH REVERSED THE TRIAL COURT'S ORDERS:

A.

THE COURT OF APPEALS INCORRECTLY RULED THAT THE 2007 SPA IS IRREVOCABLE BECAUSE IT IS SUPPOSEDLY COUPLED WITH INTEREST.

B.

THE COURT OF APPEALS' RULING THAT RESPONDENT PADILLA HAS THE RIGHT TO PURSUE THE CASE IN HIS PERSONAL CAPACITY IS CONTRARY TO LAW AND ESTABLISHED JURISPRUDENCE.

C.

THE COURT OF APPEALS' RULING TO SET ASIDE THE AWARD OF ATTORNEY'S FEES AND LITIGATION EXPENSES IS CONTRARY TO LAW BECAUSE PETITIONER'S COUNTERCLAIMS FALL UNDER SEVERAL CIRCUMSTANCES CONTEMPLATED UNDER ARTICLE 2208 OF THE CIVIL CODE.³⁰

Issues

The issues to be resolved are:

1. Whether the SPA or the contract of agency between Padilla and Quinto had been effectively revoked by Quinto.

²⁷ Id. at 56.

²⁸ Id. at 58.

²⁹ Id. at 58-60.

³⁰ Id. at 18-19.

2. Whether Padilla is a real party-in-interest.
3. Whether Cecilia is entitled to attorney's fees and litigation expenses.

Our Ruling

We find no merit in the petition.

Petitioner claims that the CA erred in ruling that the August 28, 2007 SPA of Padilla to represent Quinto in this case is irrevocable as the agency is coupled with interest.

We do not agree.

In a contract of agency, "a person binds himself to render some service or to do something in representation or on behalf of another, with the consent or authority of the latter."³¹

A contract of agency is generally revocable because it is a personal contract of representation based on trust and confidence reposed by the principal on his agent. As the power of the agent to act depends on the will and license of the principal he or she represents, the power of the agent ceases when the will or permission is withdrawn by the principal. Thus, generally, the agency may be revoked by the principal at will.³²

However, an exception to the revocability of a contract of agency is when it is coupled with interest, *e.g.*, if a bilateral contract depends upon the agency, or if it is the means of fulfilling an obligation already contracted.³³ The reason for its irrevocability is because the agency becomes part of another obligation or agreement. It is not solely the rights of the principal, but also that of the agent and third persons, which are affected. Hence, the law provides that in such cases, the agency cannot be revoked at the sole will of the principal.³⁴

In this case, We agree with the finding of the CA that the agency granted by Quinto to Padilla is coupled with interest because it is the means of fulfilling an obligation already contracted which is the MOA between Padilla and Quinto dated October 15, 2004. In the said MOA, it was specifically stated that Padilla had introduced "very substantial improvements" to the hotel complex during his lease and on account of the parties' respective interests in the property, they have stipulated on the following:

³¹ CIVIL CODE, Article 1868.

³² *Republic v. Evangelista*, 504 Phil. 115, 121 (2005).

³³ CIVIL CODE, Article 1927.

³⁴ *Republic v. Evangelista*, *supra*.

- a. To look for prospective tenants/lessees acceptable to both parties on the property for which they have both acknowledged to have respective interests;
- b. To share in the earnings derived from the foregoing;
- c. Parties shall individually or collectively defend, protect or enforce their rights, title and/or interests in the said property;
- d. Parties warrant free access to the property in pursuance of their visitatorial and inspection rights.³⁵

Pursuant to the MOA, Padilla and Quinto agreed to lease the hotel complex to Cecilia, who in turn, paid a security deposit of ₱500,000.00, took over the possession and operations of the property and paid the monthly rentals thereafter. However, a year after its turnover to Cecilia, the hotel complex was totally damaged and the substantial improvements introduced by Padilla therein were either stolen or completely destroyed. Thus, Quinto executed the August 28, 2007 SPA authorizing Padilla to perform the following acts on his behalf:

1. To exercise general supervision, management and control over my Lease Agreement with Mrs. Cecilia Y. Locsin entered into on May 26, 2006, a copy of which Agreement is herewith attached as Annex "A", and to act in my behalf and with my full authority, to negotiate and deal with my Lessee, more particularly with Mrs. Cecilia Y. Locsin for the proper implementation of the contract and the protection of my rights as owner of the leased properties.

2. **To ask, negotiate, demand, sue for, litigate, recover, and receive all sums of money, goods, merchandise, chattels and things of whatever nature, from the Lessee, in exchange for damage to properties, losses of properties, losses of future income resulting from property damages and losses of properties, and other related losses incurred by me as the Lessor, resulting from the unlawful acts and/or negligence of the Lessee under the Lease Agreement.**

3. To make, sign, seal, execute compromise agreements, contracts and real property sales agreements, with the Lessee, pertaining to the properties subject of the Lease Agreement **inclusive of the land occupied by the improvements and hotel complex.**³⁶ (Emphasis Ours)

In accordance with this authority and to protect his and Quintos' interests over the subject property pursuant to the October 15, 2004 MOA, Padilla filed the instant complaint for damages against Cecilia. Indubitably, the lease agreement over the hotel complex is the subject matter of the agency, and it is clear from the records that Padilla has a material interest in the subject matter as he has introduced substantial improvements therein. In view of their respective interests, Quinto being the owner and Padilla being the author of the improvements found in the hotel complex, both agreed to lease the property and to share in the earnings

³⁵ *Rollo*, p. 376.

³⁶ *Records*, p. 11.

from the lease contract entered into with Cecilia over the subject property. The August 28, 2007 SPA, therefore, is the means of fulfilling an obligation already contracted, which is the October 15, 2004 MOA in this case.

Petitioner avers that the subject matter of the agency is the enforcement of the supposed rights over the inexistent lease agreement and not the hotel complex or any improvements made therein. In short, petitioner tries to convince Us that the "lease agreement" is separate and distinct from the hotel complex and its improvements.

We beg to differ.

As borne out by the records, the object of the lease agreement between Quinto and Cecilia is the hotel complex situated in Occidental Mindoro, owned by Quinto. Even Cecilia admitted to this albeit, claiming that she merely signified her interest to lease the subject property but no contract of lease was ever perfected. To argue, therefore, that the subject matter of the agency is the lease agreement and not the hotel complex and its improvements is illogical if not preposterous. It is worth stressing that the lease agreement pertained to the hotel complex along with the improvements made therein. Thus, the lease agreement cannot be separated from its object. Simply put, the lease agreement over the hotel complex and its improvements is the subject matter of the agency granted by Quinto to Padilla. Thus, they are not separate and distinct from each other such that the lease agreement can stand alone without its object.

Accordingly, the CA correctly applied the ruling of the Court in *Wheelers Club International, Inc. v. Bonifacio, Jr.*³⁷ (*Wheelers*) which has the same factual milieu with the instant case. In *Wheelers*, J & R Bonifacio Development Corporation (JRBDC), as represented by the co-owners of a parcel of land subject of the case, entered into a Lease Development Agreement (LDA) with Bonifacio Development Associates, Inc. (BDAI). Under the LDA, BDAI was authorized to renovate, manage, develop, and sublease the subject property.

Pursuant to the LDA, the co-owners executed a General Power of Attorney in favor of Jaime C. Bonifacio, Sr. (Jaime), the President and Chairman of BDAI's Board of Directors, granting him the authority to administer the property, renovate the building, introduce improvements, and lease the property to any person. Subsequently, BDAI renovated the property and introduced substantial improvements thereto and eventually subleased the same to Wheelers Club International, Inc. However, due to failure of BDAI to submit an accounting of the income from the property, the co-owners, as directors of JRBDC, approved a Resolution terminating the authority of Jaime to manage

³⁷ 500 Phil. 497 (2005).

and administer the property and appointed a new administrator. Jaime questioned the termination of his authority claiming that there was no valid reason for it.

The Court held that BDAI had an interest in the agency sufficient to deprive the co-owners the power to revoke the agency at will. Under the LDA, BDAI had the authority to introduce, and BDAI did introduce, improvements on the property at its expense. The CA found that BDAI “was also the developer of the vacant space of the parcel of land for the construction of permanent improvements thereon at the cost of BDAI.” Thus, We held that “[a]s developer of the permanent improvement on the Property, BDAI has an interest in the Property that is the subject matter of the agency, assuming such agency exists.”³⁸ The Court then stressed that an agency coupled with interest is not revocable at the will of the principal.

In sum, the interest of BDAI in the property emanated from the LDA it entered into with JRBDC, represented by the co-owners of the property. Since BDAI has an interest in the property consisting of the renovation and substantial improvements it introduced to the property, the Court held that the co-owners were not free to revoke the agency at will as it is one coupled with interest.³⁹

In the same vein, Quinto in this case cannot revoke at his whim and pleasure the SPA which he had executed in favor of Padilla and duly acknowledged before a notary public. The agency, to stress, is one coupled with interest which is irrevocable since Padilla has a material interest in the hotel complex having spent a substantial amount of money for its renovation and improvement. The mutual interest of Quinto and Padilla being the owner and developer, respectively, of the hotel complex is exactly the reason why they entered into a MOA wherein they agreed to look for potential lessees of the hotel complex with a view to sharing in the actual income derived therefrom.

To recapitulate, in *Wheeler's*, the LDA entered into by JRBDC and BDAI was considered as the bilateral contract which was dependent upon the agency, making it one coupled with interest. In this case, the MOA between Quinto and Padilla is the bilateral contract and the SPA is the means of fulfilling Quinto's obligation in the October 15, 2004 MOA. Thus, We hold that the CA did not erroneously rely on the ruling of the Court in *Wheeler's* as the same is on all fours with the present case.

Notably, Quinto's denial of full understanding of the August 28, 2007 SPA is suspect especially in the light of his execution of a Judicial Affidavit⁴⁰ confirming Padilla's allegations and attesting to the due execution of the SPA.

³⁸ Id. at 510.

³⁹ Id. at 510-511.

⁴⁰ *Rollo*, pp. 379-393.

To be sure, Quinto is not unlettered. As pointed out by Padilla, Quinto was a uniformed officer who served as a military dentist for a substantial period of time. He also owns a multi-million property and is thus well-versed in contracts such as the subject MOA and SPA. Given this, it is puzzling why the trial court outrightly accepted Quinto's revocation of the SPA and his Affidavit claiming that he did not fully understand the contents of the SPA and his Judicial Affidavit.

If it were true that Quinto never intended to authorize Padilla to file an action for damages against Cecilia, or to represent him in a civil suit, he should have opposed the filing thereof at the first opportunity. Instead of doing so, he even executed a Judicial Affidavit consisting of his direct testimony wherein he affirmed the authority of Padilla. In view of these circumstances, it appears that Quinto's move to dismiss the complaint against Cecilia is suspicious and doubtful.

In a further attempt to escape liability, petitioner reiterates that there was no perfected contract of lease between Cecilia and Quinto. She claims that the letter she sent to Quinto merely signified her family's interest to lease the hotel complex but it never ripened into a contract.⁴¹

A contract has three distinct stages: preparation, perfection, and consummation. Preparation or negotiation begins when the prospective contracting parties manifest their interest in the contract and ends at the moment of their agreement. Perfection or birth of the contract occurs when they agree upon the essential elements thereof. Consummation, the last stage, occurs when the parties "fulfill or perform the terms agreed upon in the contract, culminating in the extinguishment thereof."⁴²

Here, Cecilia manifested her intention to lease the hotel complex through a letter⁴³ dated May 26, 2006, which was accepted by Quinto and Padilla. The parties agreed that the period of lease shall be for 10 years beginning October 2006 with a monthly rental of ₱90,000.00 for both the hotel and store areas. To consummate the agreement, Cecilia admittedly deposited a down payment of ₱500,000.00. Thereafter, she took over the hotel complex, through her assistant, as testified to by Tagoc, the stay-in caretaker of PGRHI.⁴⁴ Cecilia also paid the rentals for the months of October, November, and December 2006, and January 2007 as evidenced by the disbursement and check vouchers presented by Padilla.⁴⁵ Under the circumstances, it is clear that there was a perfected contract of lease between the parties.

⁴¹ Id. at 22-24.

⁴² *Rockland Construction Company, Inc. v. Mid-Pasig Land Development Corporation*, 567 Phil. 565, 570 (2008).

⁴³ Records, p. 168.

⁴⁴ *Rollo*, p. 8.

⁴⁵ Id. at 359.

We note that Cecilia's defense is anchored mainly on the alleged inexistence of the contract of lease. She maintains that the contract of lease was never perfected. Surprisingly, she never denied nor rebutted Padilla's contentions that she paid a security deposit and thereafter immediately took possession and control of the hotel complex, and that she paid the monthly rentals for four months. Neither did she refute Padilla's allegation that she abandoned the hotel complex in a state of destruction. If it were true that the lease agreement did not materialize, she could have easily denied entering the premises and damaging the structures and fixtures situated therein. A perusal of her pleadings, however, reveals that no such denial was ever made, making her claim highly suspect.

On the second issue, petitioner claims that Padilla has no right to pursue the case in his personal capacity because he is not a real party-in-interest.⁴⁶

This argument fails to persuade.

Under Our rules of procedure, interest means material interest, that is, an interest in issue to be affected by the judgment, while a real party-in-interest is the party who would be benefited or injured by the judgment or the party entitled to the avails of the suit.⁴⁷ In this case, it was established that Padilla introduced improvements in the property, (*i.e.*, a new conference and convention building, additional guest rooms, a restaurant and bar, a music and function room, a scuba dive shop, a view deck, a swimming pool, a poolside bar and restaurant, a game room, a bigger office and lounge, a tock room and a laundry building, a new building with nine bedrooms, two-16 cubic meters concrete water tanks, a concrete fence, and a power house with a 187 KVA generator).⁴⁸ Certainly, with the huge amount of money he spent therefor, Padilla stands to be benefited or injured by the judgment in the instant case as well as the orders and decisions in the proceedings a quo.

Admittedly, the October 15, 2004 MOA categorically states that Padilla introduced "very substantial improvements" to the hotel complex, thus, he has everything to lose when Cecilia abandoned the property in a state of ruin. Significantly, Quinto and Padilla also agreed to individually or collectively defend, protect or enforce their rights, title and/or interests in the said property.⁴⁹ Thus, We hold that Padilla has adequate and legitimate interest to pursue the present case to finality.

⁴⁶ Id. at 25-29.

⁴⁷ *Bacaling v. Muya*, 430 Phil. 531, 542-543 (2002).

⁴⁸ *Rollo*, p. 382.

⁴⁹ Id. at 376. October 15, 2004 MOA.

Additionally, inasmuch as the August 28, 2007 SPA is one coupled with interest, We rule that Padilla possesses material interest to prosecute the instant petition with or without the desired cooperation of Quinto. Hence, it was error on the part of the trial court to dismiss the complaint on the basis of Quinto's revocation of the SPA.

On the third issue, petitioner avers that the CA incorrectly set aside the award of attorney's fees and litigation expenses for failure of the trial court to explicitly state the reasons for the award. He argues that the basis for the award is the unfounded suit filed by respondents which compelled her to litigate and to incur expenses to protect her interest.

We do not agree.

It bears stressing that when Padilla filed the complaint for damages against Cecilia, he was merely exercising his right to litigate based on his material interest over the hotel complex having introduced very substantial improvements therein. With the MOA and SPA executed in his favor, he had factual and legal bases to back up his claim and thus, the suit was not unfounded as claimed by petitioner. Besides, there was no showing that Padilla filed the case in bad faith. Accordingly, attorney's fees and litigation expenses should not have been awarded.

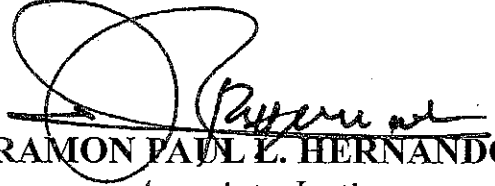
Time and again, it has been held that the power of the court to award attorney's fees under Article 2208 demands factual, legal, and equitable justification. Even when a claimant is compelled to litigate with third persons, or to incur expenses to protect his rights, attorney's fees may not be awarded where no sufficient showing of bad faith in a party's persistence in a case other than an erroneous conviction of the righteousness of his cause.⁵⁰ In the extant case, even the trial court found that not only did petitioner fail to satisfy her claim for damages. She also failed to show that the complaint was tainted with fraud, malice or was filed in bad faith.

All told, We find no reversible error committed by the appellate court in rendering the assailed April 4, 2017 Decision and the July 20, 2017 Resolution in CA-G.R. CV No. 105148.

WHEREFORE, the instant petition is **DENIED**. The April 4, 2017 Decision and the July 20, 2017 Resolution of the Court of Appeals in CA-G.R. CV No. 105148 are **AFFIRMED**.

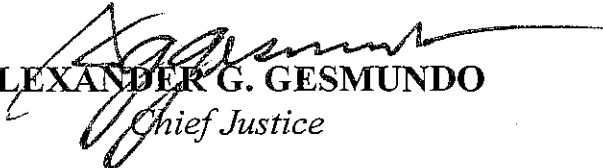
⁵⁰ *Cabrera v. Baguio*, G.R. No. 247238, March 4, 2020.

SO ORDERED.

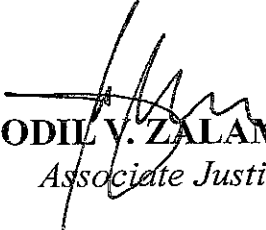


RAMON PAUL E. HERNANDO
Associate Justice

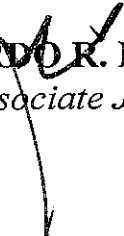
WE CONCUR:



ALEXANDER G. GESMUNDO
Chief Justice



RODIL V. ZALAMEDA
Associate Justice



RICARDO R. ROSARIO
Associate Justice



JOSE MIDAS P. MARQUEZ
Associate Justice

CERTIFICATION

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


ALEXANDER G. GESMUNDO
Chief Justice