

6 Phil. 312

[ G.R. No. 2782. June 04, 1906 ]

**FRANCISCO GONZALEZ ET AL., PLAINTIFFS AND APPELLEES, VS.  
INTERNATIONAL BANKING CORPORATION ET AL., DEFENDANTS AND  
APPELLANTS.**

**D E C I S I O N**

**ARELLANO, C.J.:**

September 22, 1903, Francisco Gonzalez, on his own behalf, and as representative of his sons, Matias and Joaquin Gonzalez, sold to the Oasa Comision de Pilar Corrales, represented by Jose Basa, a country property, in consideration of the sum of 9,120 pesos, Philippine currency, upon the following conditions:

(a) That the consideration for the sale was to remain in possession of the purchasing firm as security for a promissory note executed by the vendors which matured on the 22d day of December of the same year, but extendible to September 22, 1904.

(b) That the sale was to be rescinded if, on the 22d day of September, 1904, before 12 o'clock noon, the vendors should return the consideration together with the interest accrued; the purchasing firm undertaking for itself or for its successors to reconvey the property in question.

(c) That the purchasing firm was to acquire by this *contract* the right to sign, sell, or convey the same—that is, the contract—to any person, natural or juridical, who was to be subrogated to these rights or obligations.

The vendors executed a promissory note in favor of the purchasing firm, for the sum mentioned <sup>^</sup> f\*9,120, which was extended on the 22d of March, 1904. The instrument was signed by the vendors. The note at the date of the complaint was in the possession of the International Banking Corporation, by which this action for its enforcement was brought.

The action brought by the plaintiffs has two objects, (1) that of freeing themselves from the debt for which they executed the note, and (2) that of discharging the lien upon the property, the sale to the Casa Comision de Pilar Corrales by the performance of the resolatory condition, to which the sale was subjected.

The efficacy of the two actions depends upon the payment into court of the P9,120, the debt acknowledged in the note, and the price received for the sale of the property as appears from a notarial instrument executed to this end.

The International Banking Corporation is a creditor and should receive the payment of the debt as the holder of the documents upon which it had made a loan of P2,120, as an operation of discount.

The International Banking Corporation also appears on the books of the register of property as the purchaser of the property which was sold subject to the right of repurchase, and therefore upon it devolves the duty of executing the deed of resale. The books of registry show that this corporation is now in possession of this property by virtue of the power of transfer and conveyance established in the deed of sale. As to whether or not such a transfer of right as that provided for in the deed in question was or was not made, or whether it was or was not lawful, is a question which can only interest the original purchaser and the person or persons appearing as subsequent transferees, but it is of no importance to the plaintiffs who have a clear right of action to enforce a reconveyance against any person in possession of the property, recognizing, as does the International Banking Corporation, the stipulated resolatory condition of repurchase.

The judgment of the court below is therefore correct, and it is hereby affirmed, with the costs of this instance to be paid by the appellant. So ordered.

*Torres, Mapa, Carson, and Willard, JJ., concur.*