

Title: Jesus E. Ulay v. Maranguyod Bustamante et al.

Facts:

Candido Bustamante and Candida Dela Cruz-Bustamante owned a 19-hectare land in Davao, Philippines. Their only son, Eugenio, inherited the land. Upon Eugenio's passing, his widow Juana along with their children subdivided the land via a Deed of Extrajudicial Partition (DEP), but a subsequent subdivision plan failed to accurately reflect their agreement - interchanging the shares of Juana and her daughter, Gregoria.

Despite the erroneous designation in the subdivision plan, Juana and Gregoria continued possessing the correct parts of the land based on the DEP. After Gregoria's death, her share was inherited by her eight children (the Gregoria Heirs). Juana, meanwhile, had two children with Arturo Remillano (the Remillanos).

After Juana's death, a Deed of Exchange was executed to swap the lands of the Remillanos and Gregoria Heirs in accordance with the DEP. Subsequently, four Gregoria Heirs sold a specific portion to Jesus Ulay (petitioner). Maranguyod Bustamante, widow of one of Juana's children, occupied part of the land and built a house, prompting a lawsuit from Jesus for recovery of possession.

During the pendency of the lawsuit, the Remillanos waived their rights over part of the land, and an Original Certificate of Title (OCT) was issued in Jesus' name. The Bustamantes then filed an Annulment case against Jesus and others, claiming the transactions involving the land were invalid because they prejudiced their inheritance rights.

Issues:

1. Which is binding: the DEP or the subsequent subdivision plan?
2. Is the Deed of Exchange between the heirs valid?
3. Is the Deed of Sale over a specific lot between the Gregoria Heirs and Jesus valid?
4. Is the Affidavit of Waiver executed by the Remillanos valid?

Court's Decision:

The Supreme Court made several determinations:

1. The DEP prevails over the erroneous subdivision plan.
2. The Deed of Exchange is rendered invalid as it merely sought to correct the subdivision plan, which is inconsistent with the DEP hence unnecessary.
3. The Deed of Sale is valid only to the extent of the individual shares of the Gregoria Heirs who participated in the sale.

4. The Remillanos' Affidavit of Waiver is invalid as they could not waive rights over something they did not own.

5. The Court concluded that Jesus is deemed a co-owner of the land not to the full extent but only proportional to the shares of the Gregoria Heirs who sold the specific portion to him.

Doctrine:

A sale of a specific portion of unpartitioned land owned in common is valid to the extent of the pro-indiviso shares of the co-owners who participated in the sale. The Deed of Extrajudicial Partition (DEP) prevails over a subsequent erroneous subdivision plan.

Historical Background:

The case reflects the common legal issues surrounding land ownership and inheritance in the Philippines, especially for parcels that have not been properly documented or where there is a discrepancy between documents. The scenario also exemplifies the common use of informal agreements and reliance on subsequent documentation (e.g., DEP) that may not be consistently followed through in public records (e.g., subdivision plans), leading to protracted legal disputes among heirs. The case reaffirms the principle that a co-owner may only sell their undivided share and that a buyer of land from a co-owner becomes a co-owner to the extent of the share bought.