Title: Estate of Manuela Perez, Flora Castillo v. Melecio Bolanos, Administrator, and Jovita Castillo

Facts: In the testamentary proceedings concerning the estate of the deceased Manuela Perez, pending since May 1931, the main parties were her only two heirs and daughters, Flora Castillo and Jovita Castillo. The proceedings were delayed due to several contested projects of partition by Flora Castillo. Jovita offered to pay all obligations of the estate conditional upon being awarded specific parcels of land as specified in the will. This proposal was accepted by the court on November 15, 1933, without objection, and an amended project of partition was subsequently presented and approved, accounting for the assets and liabilities of the estate, and detailing the distribution of the properties to the heirs. Flora Castillo objected to this amended project, primarily challenging the approval of the partition before the settlement of estate debts and the lack of a required bond from Jovita Castillo for payment security.

## Issues:

- 1. Should the court have approved the amended project of partition when estate debts and obligations had not been settled?
- 2. Was it necessary for Jovita Castillo to file a bond to secure the payment of the estate's debts and obligations?
- 3. Were the inclusion of certain items in the liabilities of the amended project of partition proper, particularly the item of money allocated for the redemption of a mortgaged land?

## Court's Decision:

The court affirmed the lower court's order of approval for the amended project of partition, holding that 1) There was no objection from the creditors regarding the pending debts and given the solvency of Jovita as a co-heir was not in question, it was deemed not necessary to reverse the order on this point alone; 2) Any concerns regarding the lack of bond from Jovita were moot as no objections were raised by the creditors; and 3) Since Jovita's offer to pay owed debts and other expenses was accepted and the appellant (Flora) neither objected nor appealed the subsequent court approval, the time for opposition has been waived.

## Doctrine:

- A testamentary estate should not be distributed among heirs until debts and expenses of administration are paid. However, exceptions may apply if no objections are raised by creditors, and solvency of heirs is assured.
- Accepted offers in court proceedings can become binding and non-appealable if consented

to by the involved parties and the time for appeal has passed.

## Historical Background:

This case delves into the testamentary proceedings at a time when the Philippine judiciary was heavily influenced by American jurisprudence due to the American colonial period, as reflected in the invocation of sections from the Code of Civil Procedure, which was originally adapted from the American legal system. It showcases the court's discretion in probate matters, the emphasis on creditor rights, and the importance of prompt settlement and finality in estate litigations.