

Title: Standard Oil Company of New York v. Joaquin Jaramillo, Register of Deeds of the City of Manila

Facts:

On November 27, 1922, Gervasia de la Rosa, Vda. de Vera, who was leasing a parcel of land in the City of Manila and owned a house built there, executed a document in the form of a chattel mortgage in favor of the Standard Oil Company of New York. The chattel mortgage aimed to convey her leasehold interest in the lot and the building to the company. Upon presenting the document to Joaquin Jaramillo, the register of deeds for the City of Manila, for recording in the chattel mortgage registry, Jaramillo refused on the grounds that the interests described didn't appear to be personal property under the Chattel Mortgage Law. The Standard Oil Company then petitioned for a peremptory mandamus to compel Jaramillo to record the document.

Issues:

1. Whether the register of deeds has the authority to determine the nature of a document presented for registration as a chattel mortgage.
2. Whether the property described in the document is legally considered personal property for the purposes of the Chattel Mortgage Law.

Court's Decision:

The Philippine Supreme Court held that the functions of a register of deeds with respect to registration of chattel mortgages are purely ministerial and not judicial or quasi-judicial. The register of deeds has no authority to qualify the nature of the document or the characterization of the property as personal or real. The court overruled the demurrer and declared that the respondent must accept the petitioners' evaluation of the document and register it upon the payment of appropriate fees, and failure to do so within five days from notice would result in the issuance of the writ of mandamus.

Doctrine:

The duties of a register of deeds in respect to the registration of chattel mortgages are ministerial, not judicial or quasi-judicial. Parties may legitimately treat property as personal for the purposes of a chattel mortgage even if it would naturally be considered real property. The registration of such a document serves as constructive notice and does not confer title or affect rights, except for notice.

Class Notes:

- The distinction between real property and personal property can be subject to agreement between parties for specific contexts like chattel mortgages.
- Article 334 and 335 of the Civil Code are not absolute in determining the nature of property under the Chattel Mortgage Law.
- Registers of deeds cannot refuse to record a document on the basis of its nature if it is presented as a chattel mortgage and fulfills the formal requirements of the Chattel Mortgage Law.
- Registration operates as constructive notice and does not establish or affect title aside from providing notice.

Historical Background:

This case addresses the evolving nature of property classification in the context of the Philippine legal framework. During the American colonial period, the Philippine legal system integrated American legal doctrines with existing Spanish civil law. The Standard Oil decision showcases this integration, highlighting a situation where American practical business understandings of property clashed with more traditional Spanish legal definitions. It reflects the judicial approach towards adapting legal definitions and procedures to the needs of modern commerce and the issues arising from different legal traditions within Philippine jurisprudence.