

****Title:**** Mactan-Cebu International Airport Authority vs. Richard E. Unchuan

****Facts:****

The case originated from a complaint filed by Richard Unchuan on March 5, 2004, before the RTC of Lapu-Lapu City. Unchuan asserted ownership over two parcels of land in Barrio Buaya, Lapu-Lapu City, covering a total area of 179,916 square meters, registered under the names of the heirs of Eugenio Godinez. Unchuan claimed to have purchased the land through various deeds of sale dated December 7, 1998. He later discovered that the lots had been previously sold to the Civil Aeronautics Administration (CAA), MCIAA's predecessor, without the proper authorization of the heirs, and without actual payment being made. The CAA (now MCIAA) countered that they had legally acquired the property through Atanacio Godinez, who they claimed was authorized to sell the land on behalf of all heirs, and that payment was duly made.

The RTC rendered a decision favoring Unchuan, declaring the deed of sale to CAA void and recognizing Unchuan as the rightful owner. MCIAA appealed to the CA, which affirmed the RTC's decision. MCIAA then filed a motion for reconsideration and a subsequent motion for a new trial based on newly discovered evidence, both of which were denied by the CA.

****Issues:****

1. Whether Atanacio Godinez had the authority to sell the subject properties on behalf of all registered owners.
2. Whether the sale transaction between Atanacio Godinez and CAA was valid regarding the payment of consideration.
3. Whether the CA erred in not admitting additional evidence presented by MCIAA.
4. Whether the action of Unchuan was barred by prescription, laches, or estoppel.

****Court's Decision:****

1. The Supreme Court held that the sale of the properties by Atanacio Godinez to CAA was void in so far as the other registered owners were concerned due to lack of written authority, violating Articles 1874 and 1878 of the Civil Code. However, the sale was valid concerning Atanacio Godinez's share.
2. The Court found disputable presumptions that private transactions were fair and regular and that there was sufficient consideration for the contract. The Supreme Court noted that

there was no substantial evidence presented to overcome these presumptions and referenced a communication indicating that payment was made to Atanacio Godinez.

3. The Supreme Court did not explicitly discuss the admissibility of the newly discovered evidence in its decision. However, it integrated some of the arguments related to these pieces of evidence into its considerations, like the payment of the purchase price.

4. The Court declared that actions to declare the inexistence of a void contract do not prescribe according to Article 1410 of the Civil Code. Therefore, Unchuan's action was not barred by prescription, laches, or estoppel.

****Doctrine:****

The decision established that a sale of property without written authority from all co-owners, as required under Articles 1874 and 1878 of the Civil Code, results in a void transaction insofar as the unauthorized sale of the co-owners' shares is concerned. However, it does not affect the legality of the transaction with regards to the share of the co-owner who did participate in the sale.

****Class Notes:****

1. ****Articles 1874 and 1878 of the Civil Code**** require written authority for an agent to sell real property on behalf of the owner, emphasizing the requirement for specificity in the authority to sell.

2. ****Article 1410 of the Civil Code**** clarifies that actions to declare the inexistence of a void contract do not prescribe.

3. ****Article 493 of the Civil Code**** addresses the rights of co-owners to alienate their individual share independently of other co-owners.

These elements illustrate the importance of explicit authority in transactions involving real property and the distinct treatment of void and valid components of a single transaction involving multiple parties with varying levels of authorization.

****Historical Background:****

This case underscores the complexities of property transactions that involve historical titles, multiple heirs, and the government's involvement in land acquisition for public use. The

dispute illustrates the challenges in verifying the authority of individuals claiming to represent multiple parties in property sales and highlights the judicial process's role in resolving such complex property disputes. The use of lands for public infrastructure development, like airports, also places an emphasis on the need for clear and lawful acquisition procedures to avoid lengthy legal battles and to ensure fairness to all parties involved.