

### Title:

\*\*Sps. Jose N. Binarao and Preciosissima Binarao vs. Plus Builders, Inc.: A Case on Judicial Admissions\*\*

### Facts:

Bahayang Pag-asa, Inc., and its sister corporation, Delfin Hermanos, Inc., developed Bahayang Pag-asa Subdivision in Cavite City, with Plus Builders, Inc., tasked with construction and sales. On April 19, 1990, the Binarao Spouses purchased a property there, agreeing to pay Plus Builders, Inc., P96,791.95, partially upfront and the balance within 15 days. Upon non-compliance, a demand letter was sent, leading to a partial payment but leaving a balance of P65,571.22 unpaid despite further demands.

Plus Builders, Inc., pursued the unpaid balance through legal action at the Metropolitan Trial Court (MTC), Manila, which ruled in its favor for the sum of P65,571.75 plus interests and additional fees. This decision was upheld by the Regional Trial Court (RTC), Manila, and subsequent motion for reconsideration by the petitioners was denied. The Binarao spouses then escalated the matter to the Court of Appeals, which also affirmed the lower court's decisions, leading to the petitioners' further escalation to the Supreme Court under Rule 45 of the 1997 Rules of Civil Procedure.

### Issues:

1. Whether the petitioners admitted their liability under the proposed payment plan dated July 6, 1998, in their answer to the complaint filed by Plus Builders, Inc.

### Court's Decision:

The Supreme Court denied the petition, affirming the decision of the Court of Appeals. It ruled that the petitioners failed to specifically deny claims made by Plus Builders, Inc., leading to deemed admissions under Sections 10 and 11 of Rule 8 of the 1997 Rules of Court. Judicial admissions made in the pleadings bind the party making them unless shown to have been made through palpable mistake or that no such admission was made, as per Sec. 4 of Rule 129 of the Revised Rules of Court, which the petitioners failed to demonstrate.

### Doctrine:

The Court reiterated the principle of judicial admissions, as outlined in Section 4 of Rule 129 of the Revised Rules of Court, emphasizing that such admissions made by a party in the proceedings do not require proof and can only be contradicted by showing they were made

through a palpable mistake.

**### Class Notes:**

- **\*\*Judicial Admissions\*\***: Statements made by a party during proceedings, considered conclusive unless made through palpable mistake (Sec. 4, Rule 129, Revised Rules of Court).
- **\*\*Deemed Admissions\*\***: Failure to specifically deny allegations in a complaint results in deemed admissions for material averments, excluding unliquidated damages (Sec. 10 & 11, Rule 8, 1997 Rules of Court).
- **\*\*Procedural Posture\*\***: Understanding the hierarchical litigation process from Metropolitan Trial Court, Regional Trial Court, Court of Appeals, and finally the Supreme Court under Rule 45 of the 1997 Rules of Civil Procedure highlights the appeal process in the Philippine judicial system.

**### Historical Background:**

This case provides insight into the procedural dynamics of the Philippine legal system, including the mechanisms for appealing lower court decisions and the principles guiding such appeals. Specifically, it emphasizes the importance of adherence to procedural rules, such as the specific denial of allegations to avoid deemed admissions, showcasing the significance of precision in legal pleadings and the critical role of judicial admissions in resolving disputes.