Title:

The Roman Catholic Church vs. Regino Pante: A Case on Voidable Contracts and Double Sales

Facts:

This case originated from a dispute over the sale of a small parcel of land in Barangay Dinaga, Canaman, Camarines Sur, owned by the petitioner, the Roman Catholic Church, represented by the Archbishop of Caceres. On September 25, 1992, the Church entered into a contract to sell a 32-square meter lot to respondent Regino Pante, under the belief that Pante was an actual occupant of the lot. The total purchase price was set at P11,200.00, with a down payment of P1,120.00, and the balance payable within three years.

On June 28, 1994, however, the Church sold a larger 215-square meter lot, which encompassed the previously sold 32-square meter lot, to the spouses Nestor and Fidela Rubi. The Rubis then erected a concrete fence over the lot sold to Pante, blocking his family's access. Unable to settle the matter amicably, Pante filed an action with the RTC of Naga City to annul the sale to the Rubis, insofar as it included his lot.

The Church, in response, sought to annul its contract with Pante, alleging that Pante, in bad faith, misrepresented himself as an actual occupant. The Church's policy, it claimed, was to sell lots only to actual occupants. Throughout the legal proceedings that ensued, from the RTC to the CA, and eventually to the Supreme Court, various motions and petitions were filed, each challenging the decisions of the lower courts.

Issues:

- 1. Whether consent to the sale was vitiated by Pante's alleged misrepresentation.
- 2. The application of rules on double sales outlined in Article 1544 of the Civil Code.

Court's Decision:

The Supreme Court ruled in favor of Regino Pante, upholding the CA's decision that reversed the RTC ruling. The Court found no evidence of Pante's fraudulent misrepresentation that could vitiate the Church's consent to the sale. It further noted that the Church's alleged policy of selling lots only to actual occupants was not convincingly proven, as no action was taken to verify Pante's occupancy claim. Moreover, the Court applied the rules on double sales and determined that Pante, being the first in possession,

held rightful ownership of the lot.

Doctrine:

This case clarifies the application of Article 1390 of the Civil Code concerning voidable contracts due to mistaken consent and reiterates the rules on double sales specified in Article 1544. It emphasizes that for misrepresentation to vitiate consent, it must be significant to the contract's essence, and the misrepresentation or mistake regarding one party's qualifications must be a principal cause for entering into the contract.

Class Notes:

- **Voidable Contracts (Article 1390, Civil Code):** A contract where consent is vitiated by mistake, violence, intimidation, undue influence, or fraud is voidable and can be annulled unless ratified.
- **Double Sales (Article 1544, Civil Code):** When the same property is sold to two different vendees, ownership is conferred upon the party who, in good faith, first records the sale in the Registry of Property, or in absence of registration, first takes possession of the property.
- The court distinguishes between actual and constructive delivery in determining possession, with notarization of a deed equating to constructive delivery.

Historical Background:

The nuances of this case capture a complex intersection of civil law principles with real-world property disputes. It serves as a vital reference for understanding how Philippine courts interpret contract law, particularly regarding voidable contracts and the doctrine of double sales, against the backdrop of factual circumstances and alleged policies of institutional landowners like the Roman Catholic Church.