

Title:

Bacala v. Heirs of Spouses Poliño: A Legal Dispute on the Validity of a Deed of Sale and the Agreements Thereunder

Facts:

This case originated from a complaint filed by Aproniana Poliño Balisalisa, as the judicial guardian of Aquilino O. Poliño and Ducepino O. Poliño, against Juan Poliño and Corazon Rom. The complaint sought to nullify a Deed of Sale and an Agreement regarding a parcel of land in Lupon, Davao Oriental, under the allegations of being fictitious and without consideration.

****Procedural Posture:**** Aproniana applied for guardianship and filed the complaint in the RTC, leading to a trial where she testified against the authenticity of the Deed of Sale and Agreement. Juan Poliño and Corazon Rom countered, asserting they provided for Aquilino and Ducepino despite Aproniana's claims. The RTC voided the Deed of Sale and Agreement, prompting an appeal to the CA, which reversed the RTC's decision. Dissatisfied, Dioscoro Bacala, as Aproniana's substitute, elevated the matter to the Supreme Court.

Issues:

1. Whether the inadequacy of the price stated in the Deed of Sale vis-à-vis the market value of the land involved necessitates intervention by the Supreme Court on the grounds of equity.
2. Whether the agreements and the Deed of Sale executed by the parties should be read and construed together under the "complementary contracts construed together" doctrine to determine the real intention of the parties.
3. The validity of the Deed of Sale and Agreement for lack of consideration and whether the transactions were simulated.

Court's Decision:

The Supreme Court affirmed the CA's decision, finding the Deed of Sale and the Agreement valid. It held that:

1. The gross inadequacy of the price did not invalidate the contract between Anecito and Juan, as no concrete evidence was provided to show lack of consideration or that the amount was fabricated.
2. The Deed of Sale and the Agreement, when construed together, constituted a contract of

sale subject to a resolutory condition rather than a donation mortis causa.

3. The contract between Anecito and Juan was valid, and claims of its nullity due to alleged non-compliance with the conditions in the Agreement were unsupported by tangible evidence.

Doctrine:

1. Gross inadequacy of the sale price does not per se invalidate a contract of sale unless evidence proves otherwise.
2. Contracts are interpreted according to their clear, literal language unless proven that a different meaning was intended by the parties.

Class Notes:

- In assessing the validity of a contract of sale, the existence of consideration is presumed, and its inadequacy does not necessarily void the agreement.
- The “complementary contracts construed together” principle underscores the necessity to consider interconnected contracts in their totality to discern the parties’ true intent.
- Legal documents, particularly notarized ones, are given prima facie validity and require substantial evidence for rebuttal.

Historical Background:

This case illustrates the complex interplay between familial relationships and legal rights over property within the Philippine legal context, emphasizing the rigorous standard required to dispute the authenticity and validity of formal agreements and the importance of direct evidence in such litigations.