

### Title: Limketkai Sons Milling, Inc. vs. Court of Appeals, et al.

### Facts:

This case originates from Limketkai Sons Milling, Inc.'s action for specific performance and damages against the Bank of the Philippine Islands (BPI) and National Book Store (NBS) related to an alleged contract of sale for a parcel of land. The trial reached the Philippine Supreme Court, which initially reversed the decision of the Court of Appeals only to later reconsider upon motions filed by BPI and NBS.

Procedural History:

- Limketkai filed a complaint for specific performance and damages, alleging a perfected contract of sale with BPI for a parcel of land, which was later sold to NBS despite the prior agreement.
- The Trial Court admitted evidence regarding the existence of the contract despite objections under the Statute of Frauds.
- The Court of Appeals dismissed Limketkai's complaint, a decision which Limketkai challenged in the Supreme Court.
- The Supreme Court initially reversed the Court of Appeals' decision but, upon motion for reconsideration by BPI and NBS, decided to take a second look at the case, leading to the current resolution affirming the appellate court's findings.

### Issues:

1. Whether a contract of sale for the subject parcel of land existed between Limketkai and BPI.
2. The applicability of the Statute of Frauds to the purported contract.

### Court's Decision:

The Supreme Court, after re-evaluation, found that no perfected contract of sale existed between Limketkai and BPI. The key issues were resolved as follows:

- There was no meeting of the minds or agreement on the price which is an essential element for the formation of a contract.
- Limketkai's documentation did not establish a definitive agreement or consent from BPI to sell the property at P1,000/sqm as proposed by Limketkai.
- Limketkai's reliance on a series of letters and communications did not suffice to prove a perfected contract of sale under the Civil Code and the Statute of Frauds.
- The Court emphasized the importance of written agreements or proper notes/memoranda for contracts involving the sale of real property, under the Statute of Frauds, to prevent

fraud and perjury.

### Doctrine:

- A definitive agreement on the manner of payment of the purchase price is an essential element in the formation of a binding and enforceable contract of sale.
- The Statute of Frauds requires certain contracts, including those for the sale of real property, to be in writing and signed by the party being charged to be enforceable.

### Class Notes:

Key Elements:

- **Essential Elements of a Contract of Sale:** Consent, object, and price (Civil Code, Art. 1458).
- **Perfection of Contract of Sale:** Occurs when there is a meeting of the minds upon the thing which is the object of the contract and upon the price (Civil Code, Art. 1475).
- **Statute of Frauds:** Requires certain contracts, including the sale of real property, to be in writing to be enforceable (Civil Code, Art. 1403).

### Historical Background:

This case illustrates the complexities involved in the sale of real estate in the Philippines, particularly the importance of securing a detailed and written agreement to prevent disputes. The Supreme Court's deliberation underscores the stringent requirements for proving the existence of a contract under the Statute of Frauds, emphasizing the protection against fraud and ensuring transactions' legality.