

****Title:**** Spouses Dalion vs. Sabesaje: A Landmark Ruling on the Validity of a Real Property Sale and its Formalization

****Facts:****

On July 1, 1965, Segundo Dalion allegedly sold a parcel of land, located in Sogod, Southern Leyte, to Ruperto Sabesaje, Jr., through a private document. The document purportedly attested to the sale was contested by Dalion, who denied its authenticity, alleging the document to be fictitious and his signature forged. The said parcel of land was claimed to be conjugal property, acquired by Segundo Dalion and his wife, Epifania Sabesaje-Dalion, in 1960. In contrast, Sabesaje maintained that following the execution of the sale, the Dalions had administered the parcel on the agreement of receiving commissions from the produce, which were unpaid, leading to the litigation.

Upon Sabesaje filing a lawsuit to recover ownership based on the contested document, the Trial Court ruled in his favor, mandating the Dalions to formalize the sale through a public document and compensate Sabesaje for legal costs. The Dalions appealed this decision to the Court of Appeals, which upheld the original ruling, leading them to bring the case before the Supreme Court on the issues of the validity of the sale and the necessity of a public document for the transfer of ownership.

****Issues:****

1. Whether the sale of a parcel of land based on a private document is valid.
2. Whether a public document is necessary for the validity and enforceability of a sale involving real property.

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

The Supreme Court affirmed the decisions of the lower courts, concluding that:

1. The validity of the sale was upheld based on the testimony of witnesses who attested to the due execution of the deed and based on the comparison of signatures, which verified the authenticity of Dalion's signature on the document.
2. The necessity of a public document for the transfer of ownership was clarified as a matter of convenience rather than validity or enforceability, establishing that a contract of sale of a parcel of land does not require formalization in a public instrument for its validity. The Court emphasized that a contract of sale is consensual and perfected by mere consent.

****Doctrine:****

- The Supreme Court reiterates that the execution of a contract of sale involving real

property via a private document is valid and binding between the parties. The requirement of a public document, as prescribed by Article 1358 of the New Civil Code, pertains to the convenience of its enforceability, not its validity.

- Delivery of the property, which actualizes the transfer of ownership, can be constructively accomplished through the execution of a public document, as per Article 1498 of the New Civil Code.

****Class Notes:****

- A contract of sale is consensual and is perfected by mere consent, not requiring any specific form for its validity (Art. 1475, NCC).

- Private writings must have their due execution and authenticity proved as per the requirements of Section 21, Rule 132, Revised Rules of Court.

- Acts and contracts involving the creation, transmission, modification, or extinction of real rights over immovable property, while recommended, do not necessitate a public instrument for validity or enforceability (Art. 1358, NCC; Art. 1498, NCC).

- The principle of reliance upon the factual findings of lower courts in the absence of strong and cogent reasons to overturn them is upheld.

****Historical Background:****

The case highlights the legal standpoint on the formality of real property transactions within the Philippine legal system and underscores jurisprudence affirming the binding nature of private agreements on property sales. It illustrates the balance between formal legal requirements for the conveyance of real property and the acknowledgment of private transactions as equally legitimate and enforceable. Through this case, the Supreme Court addresses common disputes over real property transactions, providing clarity on the interpretation and application of relevant legal provisions.