

****Title:** Spouses Avelino and Exaltacion Salera vs. Spouses Celedonio and Policronia Rodaje******

****Facts:****

The case began when the Spouses Salera filed a complaint for quieting of title against the Spouses Rodaje on May 7, 1993, at the Regional Trial Court (RTC) in Leyte. The Saleras claimed ownership of a parcel of land they acquired from the heirs of Brigido Tonacao on June 23, 1986. They discovered an issue when attempting to declare the land for taxation under their name, finding an existing tax declaration in favor of the Rodajes. The Rodajes countered, claiming ownership through a sale from Catalino Tonacao, Brigido's father, dated June 6, 1986, and further argued they had possession since a verbal contract in 1984.

The RTC ruled in favor of the Saleras on July 17, 1995, invalidating the Rodajes' claim due to Catalino Tonacao's lack of authority to sell the property, which was legally Brigido Tonacao's at the time of his death, and hence, belonged to his heirs. The Rodajes appealed this decision to the Court of Appeals (CA), which reversed the RTC's decision on October 9, 1998, favoring the Rodajes based on the principle of prior registration under Article 1544 of the Civil Code.

Dissatisfied, the Saleras filed a Petition for Review to the Supreme Court, challenging the CA's application of Article 1544 and its decision which declared the Rodajes as the lawful owners.

****Issues:****

1. The validity of the application of Article 1544 of the Civil Code concerning double sales to the case.
2. The determination of the rightful ownership of the disputed property.
3. Whether the principle of good faith applies to the parties involved in the acquisition of the property.

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

The Supreme Court granted the Saleras' petition, reversing the CA's decision and reinstating the RTC's ruling. The Court clarified that Article 1544 applies specifically to instances of double sales by a single vendor to different vendees, which was not the circumstance in this case, as there were two distinct sales by two different vendors. The decision highlighted evidence indicating the Rodajes' knowledge of the property's legitimate heirs and their previous transaction with the Saleras, disputing their claim of good faith.

Furthermore, the Court recognized the Saleras' prior possession and their more substantial rights as the property's purchasers from the legitimate heirs of Brigido Tonacao.

****Doctrine:****

The Supreme Court reiterated that Article 1544 of the Civil Code concerning the rules on double sales applies exclusively to instances where a single vendor sells the same property to two or more buyers. The case also emphasized principles regarding the transfer of property rights upon death and the importance of good faith in transactions involving titles.

****Class Notes:****

- ****Article 1544 of the Civil Code****: Applies to double sales by a single vendor, prioritizing the first registrant in good faith or, lacking registration, the first possessor in good faith.
- ****Principle of Good Faith****: Buyers must exercise due diligence in verifying the seller's authority and rights to the property; good faith is presumed absent contrary evidence.
- ****Succession Law****: Upon a property owner's death, legal title and rights transfer directly to the heirs according to lawful succession, superseding any claims by non-heirs.

****Historical Background:****

This case exemplifies the legal complexities surrounding property sales, ownership disputes, and the principle of good faith in the Philippines' judicial system. The distinction between rightful ownership through inheritance and acquisition through transactions with non-heirs underscores the importance of thorough due diligence in property dealings. The Supreme Court's decision reflects its role in interpreting laws such as the Civil Code's stipulations on double sales and succession, ensuring rightful ownership is upheld in accordance with the principles of equity and justice.