

Title:

Heirs of Wilfredo C. Botenes v. Municipality of Carmen, Davao, and Rural Bank of Panabo (Davao), Inc.

Facts:

The case revolves around a dispute over a parcel of land identified as Lot No. 2, Block 25, registered under the name of Wilfredo C. Botenes. The Municipality of Carmen, Davao, had initially contracted Geodetic Engineer Leonardo Busque in 1980 to survey and divide a tract of land for a town site, which was approved in 1981. The 1981 Subdivision Plan had a specific numbering system for lots that was later revised in a 1990 Plan also prepared by Busque, altering the sequence of lot numbers.

Botenes acquired Lot No. 2 (1981 Plan) through a Deed of Absolute Sale in 1992, after which the lot was registered in his name (TCT No. T-77779). However, this lot under the new 1990 Plan's arrangement became Lot No. 19, and the Rural Bank of Panabo (now One Network Bank) purchased what was now identified as Lot No. 2 under the 1990 Plan but encountered registration issues since the title was already issued to Botenes.

The bank approached Botenes for a correction in the deed to reflect the renumbered lot according to the 1990 Plan, which Botenes refused, leading the Municipality and the bank to file a case for reformation of the instrument, quieting of title, and damages. The case went through the Regional Trial Court (RTC) to the Court of Appeals (CA) and was finally brought before the Supreme Court by Botenes's heirs following his death and the initial dismissal of the case by the RTC, then a reversal by the CA in favor of the Municipality and the bank.

Issues:

1. Whether the 1992 Deed should be amended to reflect the true intention of the parties in light of the altered lot numbers resulting from the 1990 Plan.
2. The propriety of the issuance of TCT No. T-77779 in favor of Botenes given the change in lot numbers from the 1981 to the 1990 Plan.

Court's Decision:

The Supreme Court reversed the CA's decision, highlighting that the true intention of the parties was reflected in the original contracts and that the technical description of the property, not the numerical designation in the subdivision plans, determined the object of the sale. The Supreme Court ordered the Rural Bank of Panabo to file a petition for the correction of the title to reflect the lot number according to the 1990 Plan, acknowledging

Botenes's (and his heirs') rightful ownership.

Doctrine:

The case reiterated the principle that the technical description of a property is determinative of its identity in a contract of sale, trumping any numerical designation changes in subdivision plans. It also affirmed the processes for contract reformation and quieting of title under Philippine law.

Class Notes:

- **Contracts:** Essential elements include consent, object certain, and cause of the obligation.
- **Reformation of Instruments:** Allowed when the true agreement of the parties is not correctly expressed due to mistake, fraud, inequitable conduct, or accident.
- **Technical Description vs. Numerical Designation:** In real property transactions, the technical description of the property holds primacy over lot numbers in identifying the object of the sale.
- **Presidential Decree No. 1529, Section 108:** Specifies the amendment and alteration of certificates of title, underlining the process for correcting errors or omissions.

Historical Background:

The dispute underscores the complexities of property transactions and record-keeping in the Philippines, particularly when changes in subdivision plans occur post-sale. It highlights the judiciary's role in elucidating contractual intentions and safeguarding property rights amidst administrative oversights or changes in local land management practices.