Title:

Spouses Doromal v. Court of Appeals, G.R. No. L-34923, March 29, 1972

Facts:

- 1. Lot 3504 in Iloilo Cadastre, originally decreed to Justice Antonio Horilleno, had a sale interest distributed among co-owners.
- 2. Co-owners included Luis, Soledad, Fe, Rosita, Carlos, and Esperanza Horilleno, with Filomena Javellana succeeding Esperanza.
- 3. Early 1967: Co-owners, led by Carlos, aimed to sell their shares and gave powers of attorney to Mary H. Jimenez.
- 4. Carlos negotiated with petitioners Doromal Sr. and Jr. An agreed price of P5 per square meter was set, but wrongfully communicated as P4 per square meter to Filomena.
- 5. Filomena did not agree to the sale and refused to sign the power of attorney.
- 6. January 15, 1968: A sale deed was executed and ratified by co-owners for 6/7 of the property.
- 7. February 26, 1968: Carlos filed a petition to register the sale due to the original owner's death, approved on April 29, 1968.
- 8. April 29, 1968: Co-owners' title and sale deed to the Doromals were registered.
- 9. June 10, 1968: Filomena made an offer to redeem the 6/7 share sold to the Doromals, based on a statutory redemption right, tendering P30,000.
- 10. Doromals refused Filomena's offer.
- 11. June 11, 1968: Filomena filed an action to enforce her redemption right.
- 12. Trial Court dismissed Filomena's complaint, agreeing that Filomena's offer was invalid as it did not match the alleged true price of P115,250 paid by petitioners.
- 13. Court of Appeals reversed the Trial Court decision, holding for Filomena Javellana's right to redeem the property for P30,000—the price stated in the deed.

Issues:

- 1. Did the letters sent by Carlos Horilleno constitute sufficient notice under Article 1623 of the Civil Code?
- 2. Did Filomena Javellana timely exercise her redemption right under Article 1620?
- 3. Should the redemption price be the actual amount of P115,250 or the P30,000 stated in the deed of sale?

Court's Decision:

1. **Notice Requirement:** The Supreme Court held that the letters did not constitute valid notice of the sale, as they did not confirm a perfected sale with all terms settled. The Court

required a notice of an executed and registered sale for the 30-day redemption period to commence.

2. **Timeliness of Redemption:**

- *Ruling:* Filomena's tender to redeem was within the legally prescribed period as no valid written notice was ever given.
- *Reasoning:* Filomena did not receive any formal notice of sale. Thus, her redemption offer on June 10, 1968, was timely.

3. **Redemption Price:**

- *Ruling:* The redemption price is P30,000, as stated in the registered deed of sale.
- *Reasoning:* By public policy and adherence to equitable principles, the law enforces the contractual stipulations visible in public records to prevent tax evasion and fraudulent practices. Hence, the stipulated price in the official deed, though understated, governs the redemption process.

Doctrine:

- 1. *Article 1623 of the Civil Code:* The written notice requirement for co-owners' redemption rights necessitates notification of an actually executed and registered sale.
- 2. *Article 1619 of the Civil Code:* The redemption price must align "with the same terms and conditions stipulated in the contract," which are publicly official recorded terms.
- 3. *Public Policy on Tax Evasion:* Courts must uphold official contract terms to deter tax fraud and demand that parties bear consequences for understating the property consideration.

Class Notes:

- 1. *Elements for Legal Redemption under Civil Code:*
- Legal right must be exercised within 30 days from proper written notice.
- Written notice must communicate executed and registered terms.
- Redemption price is based on the contract's recorded terms.

2. *Statutory Provisions:*

- *Article 1620, Civil Code: * Establishes a co-owner's redemption rights.
- *Article 1623, Civil Code:* Stipulates notice requirements for the exercise of redemption and registration conditions.

Historical Background:

This case symbolizes a pivotal judicial stance against tax evasion during property

transactions, reinforcing the necessity for judicial enforcement of codified legal notices and public recording statutes. It reflects the judiciary's commitment to rectifying mechanisms against fraudulent documentation practices, particularly prevalent in land sales and ownership transfers in mid-20th century Philippines. The decision provides an instructive precedent on principles hinged on moral and legal rectitude in property law administration.