

****Title:****

Francisco G. Calma vs. Arsenio Santos, et al. (G.R. No. 169129)

****Facts:****

Francisco G. Calma (petitioner) purchased undivided shares of “Calangain Fishpond” located in Lubao, Pampanga, from various co-owners and heirs of Celestino Santos. Celestino Santos owned half of the fishpond and had twelve children who inherited his share. Petitioner demanded the identification and segregation of the shares he had purchased, but due to failure of partition, he filed a complaint for specific performance and partition at the Regional Trial Court (RTC) of Guagua, Pampanga.

During the trial, respondents raised several defenses, including questioning the validity of the sales and invoking their right to legal redemption under Article 1623 of the Civil Code of the Philippines. On September 29, 1997, the RTC decided in favor of the petitioner, ordering the segregation of petitioner’s shares and the execution of necessary deeds.

Respondents appealed to the Court of Appeals (CA), which reversed the RTC decision on November 28, 2003, declaring the deed of sale executed by Celestino Santos to Arsenio Santos valid and allowing respondent co-owners to exercise their right of legal redemption. Petitioner then filed a petition for review on certiorari before the Supreme Court.

****Issues:****

1. Whether the Deed of Absolute Sale dated March 11, 1975, executed by Celestino Santos, was valid.
2. Whether respondents Arsenio Santos, Natividad Santos, Erlinda Santos, and Ligaya Santos were entitled to exercise their right of legal redemption under Article 1623 of the Civil Code.
3. Whether petitioner should pay the balance of unpaid rentals due on the thirty-hectare share of Arsenio Santos in the fishpond.

****Court’s Decision:****

1. ****Validity of the Deed of Absolute Sale:****

- The Supreme Court upheld the validity of the deed of sale dated March 11, 1975. It emphasized the presumption of regularity afforded to notarized documents, stating that petitioner failed to present compelling evidence to rebut this presumption.
- The deed was deemed properly executed, and the burden of proof to establish its irregularity was not sufficiently discharged by the petitioner.

2. **Right of Legal Redemption:**

- Concerning the exercise of the right of legal redemption, the Supreme Court affirmed that the co-owners were entitled to redeem the shares sold to the petitioner under Article 1623.
- The Court rejected the petitioner's claim that respondents had actual notice of the sales, noting the need for written notice and the opportunity to exercise their redemption rights within the statutory period.

3. **Unpaid Rentals:**

- The Court further upheld the CA's decision requiring petitioner to pay respondent Arsenio Santos P420,000.00, representing balance for unpaid rentals on the thirty-hectare share of the fishpond.
- It concluded that petitioner's acknowledgment of rent obligations and the retention of such does not contradict the established ownership of respondent's share in the fishpond.

Doctrine:

1. **Presumption of Regularity of Notarized Documents:**

- Notarized documents carry the presumption of regularity and are accepted as evidence without further proof of their authenticity unless the party contesting can present clear, strong, and convincing evidence of irregularities.

2. **Right of Legal Redemption Under Article 1623:**

- Co-owners have the right of legal redemption, which must be exercised within thirty days from written notice of the sale. Actual notice is insufficient unless clearly and convincingly proven.

3. **Principle of Primus Tempore, Potior Jure (First in Time, Stronger in Right):**

- In double sales of immovable property, the first buyer to register the sale in good faith in the Registry of Property is considered the rightful owner.

Class Notes:

- **Key Elements in Co-ownership Sale Disputes:**

1. **Notarized Documents:** Burden on contesting party to prove invalidity if challenged.
2. **Article 1623, Civil Code:** Written notice requirement for right of legal redemption.
3. **Article 1544, Civil Code:** Primus tempore principle in case of double sale.

- **Legal Statutes Interpretation:**

- **Article 1623:** Requires written notification for exercising redemption rights.
- **Article 1544:** Prior registration in good faith determines rightful ownership in double

sales.

****Historical Background:****

The legal principle of co-ownership and respective rights, including legal redemption and the impact of notarized documents, come from long-established property law norms designed to protect the integrity of ownership and ensure orderly conduct in property transactions. The given case supplements these principles by examining their application in modern legal contexts.