

****Title:**** Calpatura vs. Prado, G.R. No. 153293 (2004)

****Facts:****

1. ****Ownership and Sale****: The disputed property, a 552.20 sqm residential land in Quezon City, was owned by Narcisa Prado and her children from her first marriage with Patricio Prado Sr. After Patricio Sr.'s death in 1959, Narcisa married Bonifacio Calpatura. In 1968, Narcisa and her brother-in-law, Tomas Calpatura Sr., executed an Agreement of Purchase and Sale for the northern half of the property for PHP 10,500. On July 28, 1973, Narcisa executed a Deed of Absolute Sale to Tomas for the same portion.

2. ****Construction by Petitioners****: In 1976, Tomas' daughter, Flordeliza, built a duplex on the northern half with no objections from respondents (Narcisa's children). Flordeliza and her husband declared this property for taxation purposes.

3. ****Complaint Filed****: On April 8, 1991, Narcisa's children (respondents) filed a complaint before the RTC of Quezon City to nullify the sale and reclaim possession, alleging that the transaction was a mortgage, not a sale, and that Narcisa lacked authority to sell the property.

4. ****Trial Court Decision****: The RTC dismissed the complaint, declaring the sale valid, found full payment of the consideration, and noted laches and prescription against the respondents.

5. ****Appeal to Court of Appeals****: The respondents appealed, leading to a CA decision modifying the RTC judgment, declaring the sale valid only for Narcisa's 1/7 share, upholding laches and prescription but recognizing co-ownership.

6. ****Supreme Court Appeal****: Petitioners appealed to the Supreme Court, alleging errors by the CA in recognizing co-ownership and arguing laches and full consideration.

****Issues:****

1. ****Conjugal or Paraphernal Property****: Whether the disputed property was conjugal (shared with Patricio Sr.) or Narcisa's paraphernal property.

2. ****Nature of Transaction****: Whether the transaction between Narcisa and Tomas was a genuine sale or a mortgage.

3. ****Specific Area Sold****: If the sale was valid, determining the exact area of the land sold.

Court's Decision:

1. **Property Classification:** The Court ruled the property as conjugal, refuting Narcisa's claim it was acquired with her own funds, under the principle that properties acquired during marriage are presumed conjugal.
2. **Sale or Mortgage:** The Court affirmed that the transaction was a sale, not a mortgage, emphasizing the weight of notarized documents and lack of evidence to the contrary.
3. **Area Sold:** Recognized Narcisa could sell 9/14 of the property. The court remanded the case to determine the specific portion sold as no pre-partition sale could specify individual sections.

Doctrine:

- **Conjugal Partnership Presumption:** Property acquired during marriage is presumed to belong to the conjugal partnership unless proven otherwise (Article 160, Civil Code).
- **Validity of Public Documents:** No addition or contradiction to notarial documents unless clear and convincing evidence is provided (Parol Evidence Rule).
- **Co-ownership Post Mortem:** A surviving spouse inherits equally with children, and property remains co-owned without formal partition (Article 996, Civil Code).
- **Laches and Statutory Limitation:** Failure to assert rights in a timely manner, particularly post-majority age, negates claims of invalid transactions.

Class Notes:

- **Conjugal Property:** All properties acquired during marriage are presumed to be conjugal unless proven otherwise.
- **Notarized Documents:** Carry presumption of regularity and authenticity unless rebutted by strong evidence.
- **Parol Evidence Rule:** Bars addition or contradiction to written agreements unless fraud, mistake, or omission of essential terms is shown.
- **Co-ownership in Succession:** Surviving spouses inherit with children; property co-owned until legally partitioned.

Historical Background:

- **Legal Reformation on Property Law:** This case highlights the Civil Code's influence on property law, specifically regarding conjugal and co-ownership issues.
- **Evolution of Mortgage vs. Sale:** Reflects historical issues surrounding the ambiguity of sale versus mortgage transactions in Philippine jurisprudence and the judicial preference

for clear, unequivocal documentation.