

****Title: Heirs of Sandejas vs. Lina (403 Phil. 926, 2001)****

****Facts:****

This case involves the heirs of spouses Remedios R. Sandejas and Eliodoro P. Sandejas Sr. and respondent Alex A. Lina.

1. ****Initial Petition:**** On February 17, 1981, Eliodoro Sandejas Sr. filed a petition for letters of administration for the estate of his deceased wife, Remedios R. Sandejas. Letters of Administration were issued on July 1, 1981.
2. ****Contract to Sell:**** On June 7, 1982, Eliodoro Sandejas Sr., in his capacity as administrator, entered into a contract with Alex A. Lina to sell parcels of land forming part of the estate. Lina paid P170,000 as earnest money, with a total purchase price agreed at P1,000,000.
3. ****Intervention and Approval:**** In 1983, respondent Lina intervened in the intestate proceedings, seeking to enforce the contract. The lower court granted this intervention but the actual sale required court approval.
4. ****Administrator's Death:**** Eliodoro Sandejas Sr. passed away in November 1984. The court then dealt with motions to appoint a new administrator. Initially, Lina himself was appointed, which was later contested and Sixto Sandejas was appointed.
5. ****Approval of Sale:**** In January 1995, the court approved the earnest money agreement, directing Lina to pay the balance of the purchase price and the heirs to execute the deed of sale for the stipulated estate properties.
6. ****Court Rulings:**** The Court of Appeals modified this order, limiting enforcement to 3/5 of the property representing Eliodoro Sandejas Sr.'s share.

****Issues:****

1. ****Obligation to Convey Title:**** Whether Eliodoro Sandejas Sr. is obligated to convey title when the suspensive condition of court approval was not complied with.
2. ****Bad Faith:**** Whether Eliodoro Sandejas Sr. acted in bad faith.
3. ****Proportion of Share:**** Whether Eliodoro's share in the property is three-fifths.
4. ****Money Claim Conversion:**** Whether the petition in intervention was converted into a money claim and if the probate court could compel the sale.

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

****1. Obligation to Convey Title:**** The court ruled that the contract between Eliodoro and Lina was a conditional sale, not a contract to sell, with court approval as the suspensive condition. The approval by the probate court fulfilled this condition, making the contract of

sale enforceable for Eliodoro's share of the property.

****2. Bad Faith:**** The Supreme Court held that Eliodoro Sandejas Sr. was not in bad faith. He had informed Lina about the need for court approval and did not misrepresent his ownership of the properties nor how the title would be conveyed.

****3. Proportion of Share:**** The Supreme Court determined the correct computation of Eliodoro's share. As an heir, his share should be 11/20 (his conjugal share plus his hereditary share from the remainder of the estate after the conjugal division).

****4. Money Claim Conversion:**** The Court ruled that Eliodoro was bound to the contract created during his lifetime, and thus, the intestate court had jurisdiction to approve and compel the sale of his share, reducing the issue to a money claim was incorrect.

****Doctrine:****

- **Conditional Sale Upon Probate Court Approval:**** The transaction remains valid as a conditional sale pending court approval and becomes final upon such approval.
- **Heir's Rights:**** An heir can contract to sell his pro-indiviso share in an estate, subject to the probate court's jurisdiction over approval.
- **Jurisdiction of Probate Courts:**** Probate courts have the jurisdiction over matters incidental to estate settlement, including approval of property sales contracted by deceased persons.

****Class Notes:****

- ****Concept of Conditional Sale:**** A sale subject to a suspensive condition, such as probate court's approval, becomes effective upon the fulfillment of the condition.
- ****Probate Court Jurisdiction:**** Includes approval of sales agreed upon by deceased persons.
- ****Heir's Sale of Share:**** Heirs can sell their pro-indiviso share, necessitating court approval to validate such transactions.
- ****Joint Ownership and Share Computation:**** The surviving spouse gets one-half of the conjugal property, with the remaining half distributed among all heirs.

Relevant Statutes:

- ****Rule 89, Section 8:**** Governs conveyance of real property a decedent contracted to sell.

****Historical Background:****

This case occurs within the broader context of the probate process in Philippine law,

highlighting the administrative and procedural complexities when dealing with estates of deceased persons, particularly regarding conditional sales and obligations fulfilled posthumously by heirs and administrators. The decision emphasizes the judiciary's capacity to resolve disputes concerning estate settlement while acknowledging the intricacies of inheritance laws.