

Title:

Rosalio Bautista vs. Francisco Sioson, Raymundo de la Cruz, and Francisco Santos Paulino
(39 Phil. 615)

Facts:

On September 4, 1912, Francisco Sioson and his wife, Lorenza de la Cruz, sold a warehouse (camarin) made of strong materials with an iron roof, and a house made of mixed materials with a nipa roof to Rosalio Bautista. This sale, documented in a notarial instrument, included a clause allowing the sellers to repurchase the properties within two years. Bautista subsequently leased these properties back to Sioson and his wife for an annual rent of P100 for two years. Thus, even as Bautista became the owner, Sioson and his wife continued occupying the premises.

Lorenza de la Cruz died on June 12, 1913. Almost one year thereafter, on August 5, 1914, Francisco Sioson, without redeeming the properties within the two-year timeframe, sold the camarin again, this time to the defendant Raymundo de la Cruz, also under a right to repurchase agreement for P422 within six months.

When the original repurchase period elapsed without repurchase from Sioson and Lorenza, Bautista sought to assert his ownership. He filed a complaint in the Court of First Instance of Rizal, requesting that:

1. His ownership be consolidated.
2. Defendants be ordered to deliver the properties back to him.
3. Sioson pay back the rent due.
4. Costs be charged to defendants.

Defendants Sioson and Paulino did not respond to the summons and were declared in default. Raymundo de la Cruz contested, asserting exclusive ownership of the camarin he purchased from Sioson. The lower court ruled in favor of Bautista, holding his ownership consolidated and ordering the defendants to return the properties and pay any dues and costs.

Raymundo de la Cruz appealed the decision, contending that he legitimately bought the camarin from Sioson in good faith and under legal circumstances that should have superseded Bautista's claims.

Issues:

The primary issue raised was:

1. Whether the ownership of the camarin should be awarded to Rosalio Bautista or Raymundo de la Cruz given the conflicting sales.

Court's Decision:

****Ownership of Camarin:****

- Article 1473 of the Civil Code became central in resolving the ownership conflict due to successive sales:
- "Should there be no entry, the property shall belong to the person who first took possession of it in good faith."
- The first sale from Sioson to Bautista included a lease-back clause, establishing constructively symbolic possession known in legal terms as "constitutum possessorium," allowing Bautista to be in theoretical possession of the camarin.
- Despite Raymundo de la Cruz's assertion of a good faith purchase and physical possession, the legal understanding leaned towards the initial notarial sale between Bautista and Sioson, where the execution implied Bautista's possession right from the initial transaction.
- As Sioson continued to hold the property not as an owner but as a lessee under the agreement with Bautista, any subsequent sale by Sioson conveyed no legal right to de la Cruz.

Thus, the Supreme Court affirmed the lower court's decision supporting Bautista's ownership consolidation post the non-repurchase within the contractual period.

Doctrine:

The Court stressed the interpretation of possession under Article 1473 in conjunction with Article 1462, underscoring *constitutum possessorium* and symbolic delivery through public instruments as adequate possession in assessing vendee rights under conflicting sales absent property registry entries.

Class Notes:

****Key Elements and Concepts:****

1. ****Article 1462 Civil Code:****

- Real possession vs. Symbolic (feigned) possession.
- Execution of a public instrument signifies symbolic delivery.

2. ****Article 1473 Civil Code:****

- Prioritization of buyers based on possession and good faith when conflicting sales occur.

****Concept Application:****

- Symbolic possession through lease-backs immediately following sale ensures buyer possession.
- Good faith in secondary sales cannot override lack of registry and constituted possession of the primary vendee.

Historical Background:

This case harkens to periods where transactions, particularly property sales, were often unregistered, leading to layered claims and intricate legal interpretations of possession and ownership. The legal concepts of *constitutum possessorium* and symbolic possession emerge robustly, aiming to balance equitable relief amidst possessory ambiguities.