Title:

Salonga v. Farrales (G.R. No. L-31018)

Facts:

- 1. **January 2, 1973**: Consolacion Duque Salonga, assisted by her husband Wenceslao Salonga, filed a complaint against Julita B. Farrales and the Sheriff of Olongapo City in the Court of First Instance (CFI) of Zambales and Olongapo City, seeking specific performance to compel Farrales to sell a parcel of land to them.
- 2. **January 9, 1973**: Salonga filed an urgent petition for a writ of preliminary injunction, amended on January 16, 1973, to prevent the enforcement of a writ of execution issued in an earlier ejectment case (Civil Case No. 650).
- 3. **January 22, 1973**: The CFI issued a temporary restraining order halting the execution of the writ.
- 4. **January 23-25, 1973**: Farrales filed a motion to deny the injunction, and also her answer with counterclaim.
- 5. **January 30, 1973**: The CFI denied Salonga's petition for a preliminary injunction and lifted the temporary restraining order.
- 6. **February 21, 1973**: The CFI denied Salonga's motion for reconsideration regarding the preliminary injunction.
- 7. **After trial**: The CFI rendered a judgment dismissing Salonga's complaint.
- 8. **August 13, 1973**: Salonga appealed to the Court of Appeals (CA).
- 9. **February 25, 1974**: Salonga filed a motion for the issuance of a writ of preliminary injunction in aid of appeal, which was denied by the CA on March 6, 1974.
- 10. **January 13, 1975**: Farrales filed a motion to dismiss the appeal on the ground of mootness, citing the demolition of Salonga's house and her possession of the land.
- 11. **January 16, 1975**: Plaintiffs-appellants did not comment on the motion to dismiss.
- 12. **April 17, 1975**: The CA resolved to submit the motion for decision.
- 13. **May 14, 1975 & July 8, 1975**: CA noted the plaintiffs-appellants' failure to file a reply brief and resolved to decide the case without it.
- 14. **September 15, 1977**: The CA certified the case to the Supreme Court as the issue raised was purely legal.

Issues:

- 1. **Validity of Specific Performance**: Whether the trial court erred in dismissing the complaint for specific performance to buy the land from Farrales.
- 2. **Application of Sec. 6, under Article II of the 1973 Constitution**: Whether this provision controlling property rights applies to the case.

Court's Decision:

- 1. **Specific Performance**:
- **Lack of a Contract**: The SC affirmed that no legally enforceable compromise agreement existed. Essential to a contract is the mutual consent of parties. Since Farrales refused the offer and there was no meeting of the minds, no contract to sell or sale was perfected.
- 2. **Application of Sec. 6, Article II of the 1973 Constitution**:
- **No Legal Basis**: Sec. 6 on social justice does not apply to override the law on obligations and contracts. Property owners' rights are also protected under the Constitution. Thus, the plea for social justice does not justify nullifying a party's property rights where no law or contractual obligation mandates such a remedy.

Doctrine:

- 1. **Mutual Consent in Contracts**: A contract requires mutual consent. Where there is no consent, there is no contract to enforce (Articles 1315 and 1475, Civil Code of the Philippines).
- 2. **Statute of Frauds**: Agreements such as the sale of land must comply with the Statute of Frauds to be enforceable.
- 3. **Lessee's Rights Under Civil Code**: A lessee's right to retention or reimbursement for improvements under Article 1678 does not entitle them to purchase the lessor's land.

Class Notes:

- **Essential Elements of Contracts**:
- **Mutual Consent**: Essential for the contract's existence.
- **Offer and Acceptance**: Must be clear and unequivocal.
- **Statutory References**:
- **Article 1315, 1475 of the Civil Code** Mutual consent for contracts.
- **Article 1678 of the Civil Code** Lessee's rights concerning improvements.
- **Statute of Frauds (Article 1403)** Specifies the written requirement for certain contracts including sales of land.
- **Doctrine of Social Justice**: Cannot be used to invalidate established property rights or contractual obligations, must operate within the limits of the law protecting all parties fairly.

Historical Background:

- **1973 Philippine Constitution**: Emphasized social justice and property rights. However,

this case contextualizes the boundaries of social justice against established legal doctrines regarding contract and property laws.

- **Economic and Social Setting**: Post-war expansion in urban areas like Olongapo saw increased land disputes tied to urban migration and changes in property ownership. Such cases influenced the interpretation of property rights vis-a-vis social justice in the Philippine legal context.