

****Title:** Tanedo v. Bernad, Sim, and Cardenas (G.R. No. 247-A Phil. 168)**

****Facts:****

1. Antonio Cardenas inherited two contiguous parcels of land: Lot 7501-A (140 sqm) and Lot 7501-B (612 sqm) located in Cebu City. Lot 7501-A had an apartment building, and Lot 7501-B contained multiple improvements including a septic tank servicing both lots.
2. On February 5, 1982, Cardenas sold Lot 7501-A to Eduardo Tanedo and mortgaged Lot 7501-B to Tanedo as security for a P10,000 loan. Cardenas agreed to offer Lot 7501-B for sale to Tanedo first because of the septic tank and building encroachment.
3. Despite this agreement, Cardenas sold Lot 7501-B to Romeo and Pacita Sim. Tanedo's offer to redeem Lot 7501-B was refused by Romeo Sim, who then blocked the septic tank and demanded Tanedo remove the encroaching structure.
4. Tanedo filed an action for legal redemption and damages at the Regional Trial Court (RTC) of Cebu (Civil Case No. CEB-994). He invoked Article 1622 of the Civil Code and sought compensation for moral damages.
5. The Sim spouses claimed ownership of Lot 7501-B and contested Tanedo's right under Article 1622 arguing that Lot 7501-B's area was larger than Tanedo's Lot 7501-A. Cardenas's cross-claim against the Sims argued the sale was an equitable mortgage, not a true transfer of ownership.
6. On December 5, 1983, the RTC dismissed the complaint and cross-claim. Tanedo's motion for reconsideration was also denied on January 20, 1984.

****Issues:****

1. Whether Tanedo has the right to redeem Lot 7501-B under Article 1622 of the Civil Code despite its larger area.
2. Whether Tanedo can recover damages due to Cardenas's breach of promise to sell Lot 7501-B.
3. The legality of Tanedo's continued use of the septic tank on Lot 7501-B.

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

1. ****Right of Redemption:****

- The Supreme Court held that Tanedo cannot redeem Lot 7501-B in its entirety under Article 1622 as it was considerably larger than Lot 7501-A. However, Tanedo seeks only the portion occupied by his building. This issue requires further determination and should be resolved at trial.

2. ****Recovery of Damages:****

- There appears to be a trial-worthy issue regarding the damages caused by Cardenas's breach of his promise. The agreement to sell Lot 7501-B existed and Cardenas admitted it. Therefore, the issue of damages arising from the breach should not have been dismissed outright.

3. **Use of Septic Tank:**

- The Court referred to Articles 631 and 624 of the Civil Code regarding easements. The alienation of Lot 7501-B does not automatically extinguish Tanedo's easement of drainage via the septic tank. The easement remains as there was no contrary statement in the conveyance deed nor was the sign of an easement removed.

Doctrine:

- **Article 1622 of Civil Code:** Right of redemption exists for adjacent lots unless the lot to be redeemed is significantly larger.

- **Article 631 of Civil Code:** Easements are extinguished only under specific circumstances, such as merger or nonuser, and not merely due to the change of ownership.

- **Article 624 of Civil Code:** Visible signs of easement between contiguous estates imply the continuance of the easement with changes in ownership, unless explicitly removed or stated otherwise during transfer.

Class Notes:

- **Key Principles:**

- **Legal Redemption:** Article 1622 Civil Code relates to redemption rights and their limitations based on area.

- **Easements Extinction:** Article 631 Civil Code lists specific grounds for the extinction of easements, not including simple changes in ownership.

- **Continuance of Easements:** Article 624 Civil Code validates the continuance of apparent signs of easement unless stipulated otherwise.

- **Statutory Reference:**

- Article 1622, Civil Code: Context for right to redeem contiguous lands.

- Article 631 and 624, Civil Code: Guidelines on the extinguishment and continuance of easements.

Historical Background:

This case examines post-colonial property rights in the Philippines during the 1980s when the legal interpretations of civil property rights and contractual agreements were evolving.

The jurisprudence served to clarify and solidify the application of civil codes concerning the right of redemption and easement continuity amidst changing ownership, reflecting the challenges of urban property management in burgeoning Philippine cities like Cebu.