

Title:

Nelia A. Constantino vs. Court of Appeals, et al. (332 Phil. 68)

Facts:

- ****Decedent's Estate:**** Josefa Torres died intestate, leaving a parcel of land in Balagtas, Bulacan, co-owned by her heirs, respondents Aurora Roque, Priscilla Luna, and Josefina Austria.
- ****Initial Agreement (1984):**** The heirs of Josefa Torres agreed to sell a 250-square-meter portion of the land to petitioner Nelia A. Constantino. Concurrently, they authorized Constantino to prepare the Deed of Extrajudicial Settlement of Estate with Sale.
- ****Execution of Document:**** The deed had several blank spaces, including specifications of the land's metes and bounds. The heirs signed it, believing Aurora Roque would oversee the Bureau of Lands' permission and the land's survey.
- ****Survey and Subdivision:**** Without the heirs' involvement, the property was surveyed, subdivided, and two new titles were issued: TCT Nos. T-292265 and T-292266. Petitioner did not provide the heirs with copies of these documents.
- ****Discovery of Altered Terms:**** Respondents discovered that the land area sold to petitioner was significantly larger than agreed upon, including portions occupied by other parties (spouses Severino and Consuelo Lim).
- ****Demand and Litigation:**** Respondents demanded the return of the deed and related documents, but petitioner ignored their demand. Subsequently, they filed an annulment and cancellation action before the Regional Trial Court of Bulacan, also seeking damages and attorney's fees.

Procedural Posture:

- ****Regional Trial Court (RTC) Decision:**** The RTC found for the respondents, noting procedural irregularities and lack of genuine consent from heirs. It annulled the Deed of Extrajudicial Settlement, TCT Nos. T-292265 and T-292266, and the subdivision plan, awarding damages and attorney's fees to respondents.
- ****Court of Appeals:**** The Court of Appeals affirmed the RTC's decision and denied petitioner's motion for reconsideration.
- ****Supreme Court:**** Petitioner contended that the CA wrongly disregarded documentary evidence and misconstrued the true intent of the parties.

Issues:

1. ****Procedural Issue:**** Whether the trial court erred in denying the petitioner's motion to admit formal offer of evidence due to late filing.

2. **Genuine Consent:** Whether there was a true and voluntary meeting of the minds regarding the specific area of land subject to sale.
3. **Extrinsic Validity of the Deed:** Whether the notarization of the deed outside the property's location affected its validity.
4. **Fraud and Consent:** Whether petitioner's actions constituted fraud that vitiated respondents' consent to the contract.

Court's Decision:

Procedural Issue

- **Ruling:** The trial court correctly deemed the petitioner's right to formally offer evidence waived due to a significant delay in compliance with court orders. This was upheld by the Supreme Court because condoning such laxity would encourage delays and obstruct justice.

Genuine Consent

- **Ruling:** The Court found substantial merit in respondents' claim that they signed the deed before the land survey was conducted (confirmed by petitioner's own witness). The incomplete state of the deed at the time of signing, with several blank spaces, indicated no meeting of the minds. The Court affirmed the trial court's reliance on the respondents' assertion that the agreed-upon area was never finalized.

Extrinsic Validity of the Deed

- **Ruling:** The notarization location itself did not invalidate the deed. However, the lack of procedural regularity—signing in Manila rather than Bulacan without a reasonable explanation—raised doubts about the document's authenticity and execution.

Fraud and Consent

- **Ruling:** The court affirmed the presence of fraud by the petitioner. She misled the respondents to sign an incomplete document, filled in the missing details without their knowledge, and obtained titles fraudulently. All elements of fraud were satisfied:

1. Fraudulent acts by the petitioner.
2. Inducing respondents to sign the deed.
3. Serious nature of the deceit.
4. Resulting injury and damages to respondents.

Doctrine:

1. **Waiver of Right to Offer Evidence Due to Delay:** Courts may deny late formal offers of

evidence to prevent delays and uphold the speedy administration of justice.

2. **Notarization Location Irrelevance:** While the notarization location may not inherently affect the deed's validity, irregularities therein can cast doubt on procedural regularity.
3. **Fraud Vitiating Consent:** For fraud to vitiate consent and annul a contract, it must be intentional, induce the other party to consent, be significant, and cause real damage.

Class Notes:

- **Key Elements:**

1. **Fraud:** Intentional deceit inducing contract consent.
2. **Waiver of Trial Rights:** Delayed compliance with court orders can lead to waiving trial rights.
3. **Procedural Regularity:** Authenticity issues arise from notarization inconsistencies and irregular procedural adherence.

- **Relevant Statutes:**

- **Civil Code:** Provisions on fraud (e.g., Art. 1338 – deceit vitiating consent).
- **Rules of Court:** Procedural rules on formal offering of evidence.

Historical Background:

The case serves as a concrete example of the legal complexities in property transactions, especially involving multiple heirs and incomplete documentation. It highlights the importance of procedural rigour and genuine consent in property conveyances. The decision reiterates the Philippine Supreme Court's stance on balancing procedural rules with the need to ensure substantial justice.