

Title:

****Teofilo Bautista vs. Alegria Bautista et al., 556 Phil. 40 (2007)****

Facts:

- ****Ownership and Death****:

Teodora Rosario owned a 211.80-square meter land in Poblacion, San Carlos City, Pangasinan (TCT No. 12951). She passed away intestate on January 19, 1970, survived by her husband, Isidro Bautista, and five children: Teofilo Bautista, Alegria Bautista, Angelica Bautista, Pacita Bautista, and Gil Bautista.

- ****Deed of Extra-Judicial Partition****:

On April 21, 1981, Isidro and four of his five children (excluding Teofilo) executed a Deed of Extra-Judicial Partition where Isidro waived his share in favor of his participating children.

- ****Subsequent Transactions****:

On May 14, 1981, Alegria and Angelica sold their shares to Pacita and her common-law husband, Pedro Tandoc. They obtained TCT No. 18777 for a parcel of 209.85 square meters, including the purchased shares.

Later, Pacita sold half of the property to Cesar Tamondong on April 13, 1993.

- ****Teofilo's Complaint****:

On January 24, 1994, Teofilo, through his attorney-in-fact, Francisco Muñoz, filed a complaint at the RTC of San Carlos City for annulment of documents, partition, recovery of ownership, possession, and damages, claiming he was defrauded of his share and that the sale by Pacita was fictitious.

- ****Defendants' Response and Cross-Claims****:

Alegria and Angelica asserted they signed the partition unaware of Teofilo's exclusion. They later realized its ramifications only upon Teofilo's complaint. They claimed Pacita misled them into signing a deed purported to be for securing a business loan.

Pedro and Cesar Tamondong counter-claimed they were good faith buyers and asserted the case had prescribed being a rehash of a previous complaint dismissed by a prosecutor.

- ****RTC Decision****:

The Regional Trial Court decided in Teofilo's favor, declaring various documents null and void, and ordering the partitioning of the property among the heirs.

- **Court of Appeals Decision**:

On appeal, the Court of Appeals reversed the trial court's decision, dismissing the complaint on the ground of prescription, arguing the action was filed beyond the prescriptive period for fraud-based annulment and constructive trust reconveyance.

- **Supreme Court Appeal**:

Teofilo sought review on certiorari to the Supreme Court, contending the invalidity of the partition and subsequent transactions.

Issues:

1. Whether the Extra-Judicial Partition excluding Teofilo was valid.
2. Whether the prescriptive period had lapsed for challenging the Deed of Extra-Judicial Partition and subsequent transactions.
3. Whether the sales to Pacita and Cesar Tamondong were valid.

Court's Decision:

1. **Invalidity of the Extra-Judicial Partition**:

The Supreme Court held the partition was invalid because it excluded Teofilo, a rightful heir, without his consent. Under the law, such partition is non-binding on non-participants or those not notified.

2. **Prescription Does Not Apply**:

The Supreme Court ruled that actions founded on the invalidity of a document affecting rights do not prescribe. They cited *Segura v. Segura*, asserting that since the partition was void ab initio, the right to challenge it did not prescribe.

3. **Subsequent Transactions Invalid**:

Given the invalidity of the partition, the subsequent sales to Pacita and Pedro, and from Pacita to Cesar Tamondong, were void. Under the principle of "nemo dat quod non habet" (one cannot give what one does not have), these transactions conferred no legal rights to the buyers.

Doctrine:

- **Invalid Extra-Judicial Partition and Prescription**: An extra-judicial partition excluding a legitimate heir without participation or notice is void and actions challenging such void partition do not prescribe (*Segura v. Segura*).

- **Nemo Dat Quod Non Habet**: A void initial transaction (such as a fraudulent extra-

judicial partition) means subsequent transfers based on that transaction are also void.

Class Notes:

1. **Extra-Judicial Partition**: Requires the consent and participation of all heirs. Without it, the partition is invalid.
2. **Prescription Periods**:
 - Fraud: Must act within four years from discovery.
 - Implied/Constructive Trust: Must act within ten years from registration.
3. **Nemo Dat Quod Non Habet**: Ensures that no one can transfer better title than they possess.

Historical Background:

This case arose in a period where the judicial system was addressing numerous property disputes inheritable from family feuds or mismanagement. It underscores the importance of proper legal procedures in succession and property rights, reflecting broader efforts to uphold fair inheritance laws and safeguard the rights of all heirs.