

**\*\*Title: Carmelito A. Montano v. People of the Philippines\*\***

**\*\*Facts:\*\***

1. **\*\*Initial Agreement and Payment\*\***:

- On June 2, 1988, Dra. Rosario Ballecer and her mother, Lourdes Ballecer, each signed a "Reservation of Offer to Purchase" for two townhouse units valued at PHP 750,000 per unit with Carmelito A. Montano, General Manager of Legarda Pine Home.

- Payments made: Dra. Ballecer paid PHP 375,000; Lourdes Ballecer paid PHP 250,000 as down payment.

2. **\*\*Contract to Sell\*\***:

- On September 4, 1988, a "Contract to Sell" was executed between Legarda Pine Home, represented by Montano, and KRC Trading Corporation, represented by Dra. Ballecer, covering the same property.

3. **\*\*Unfulfilled Delivery\*\***:

- Despite promises, the townhouses were not delivered after one year from October 1, 1988, nor was the money returned despite verbal and written demands by the complainants.

4. **\*\*Legal Actions\*\***:

- Complaints were filed with the City Prosecutor's Office, leading to charges in the Regional Trial Court (RTC), Makati City, for two counts of estafa.

5. **\*\*RTC Trial and Decision\*\***:

- The RTC found Montano guilty of two counts of estafa, sentencing him to 7 years of prison mayor to 20 years of reclusion temporal per count, and ordered to pay PHP 375,000 and PHP 250,000 to Dra. Ballecer and Lourdes Ballecer respectively.

6. **\*\*Court of Appeals (CA)\*\***:

- Montano appealed; the CA affirmed the RTC's decision and denied his motion for reconsideration.

7. **\*\*Appeal to Supreme Court\*\***:

- Montano filed an appeal by certiorari under Rule 45, raising issues on his constitutional rights and arguing that his conduct constituted civil liability only, not criminal.

**\*\*Issues:\*\***

1. **\*\*Right to Be Informed of Accusation\*\***:

- Whether Montano's constitutional right to be informed of the nature and cause of accusation against him was violated.

2. **Civil vs. Criminal Liability**:

- Whether Montano's liability was merely civil in nature arising from a breach of contract rather than constituting criminal conduct.

3. **Evidence of Estafa**:

- Whether the prosecution had proven beyond reasonable doubt the elements of estafa as per Article 315, par. 2(a) of the Revised Penal Code.

**Court's Decision:**

The Supreme Court denied the petition for lack of merit. It affirmed the decision of the Court of Appeals with a modification on the penalty involved:

1. **Constitutional Right**:

- The Court found that the informations clearly described Montano's fraudulent actions and there was no violation of his right to be informed.

2. **Civil vs. Criminal Liability**:

- The Court upheld the findings that Montano's misrepresentations went beyond a mere breach of contract and constituted criminal fraud (estafa).

3. **Evidence of Estafa**:

- The Court agreed with the RTC and CA that deceit was established by Montano's false claims about ownership and his authority to sell the properties, which led the complainants to part with their money to their damage and prejudice.

**Doctrine:**

- **Estafa under Article 315, par. 2(a)**:

- The crime consists of deceitful misrepresentations made by the offender which induce the offended party to part with money or property resulting in damage.

- **Penal Consequences**:

- When the amount of fraud exceeds PHP 22,000, penalties shall be prison mayor in its maximum to reclusion temporal, adding one year for each additional PHP 10,000 but not exceeding 20 years.

**Class Notes:**

- **Elements of Estafa (Art. 315, par. 2(a))**:

1. **False Pretense or Fraudulent Act**: Fraud or deceit must be employed.
2. **Inducement**: Victim parts with money or property because of the deceit.
3. **Timing**: Misrepresentation must precede or occur during the deal.
4. **Damage**: Victim suffers damage due to deceit.

- **Pertinent Statutes**:

- **Revised Penal Code, Article 315, par. 2(a)**: Details penalties and circumstances under which estafa is committed.

- **Indeterminate Sentence Law**: Guides the imposition of penalties.

**Historical Background**:

- The decision contextualizes the persistent nature of real estate fraud in the Philippines during the late 20th century, highlighting the efforts of the judiciary to curb such fraudulent activities and protect consumers. The case is significant in illustrating the judiciary's stance on upholding strict penalties to deter deception in real estate transactions and supporting consumer protection laws.