

MARGARITA IÑIGO, PLAINTIFF-APPELLANT, VS. ESTATE OF ADRIANA MALOTO, GREGORIO L. LIRA, SPECIAL ADMINISTRATOR,

G.R. No. L-24384. September 28, 1967

Ponente: SANCHEZ, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/432ee4567e8a/>

SANCHEZ, J.:

Appeal from an order dated January 18, 1965, sustaining defendants' motion to dismiss. The court below ruled that the claim on which plaintiff's suit is founded is unenforceable under the provisions of the Statute of Frauds.[2]

Essential to a resolution of the question posed are the following averments of the complaint: On March 29, 1963, in pursuance of a previous verbal understanding, plaintiff paid Adriana Maloto P10,000.00 as purchase price for the disputed house and lot of 453 square meters, located in Iloilo City. The deed of sale was to be executed later on. Plaintiff did not press Adriana Maloto for a receipt for the money paid considering the "almost filial relationship" between the two (plaintiff is a niece of Adriana's deceased husband), and because plaintiff was told by Adriana that the matter of the preparation of the said receipt and the deed of sale was to be referred to the latter's lawyer, Atty. Sulpicio Palma. Meanwhile, plaintiff "began to exercise ownership and dominion over the said property by improving the same and constructing a retail store in front thereof." On two occasions, in September and in October, 1963, on Adriana's instructions, plaintiff went to see Atty. Palma for the preparation of the deed of sale. She was without success because Palma then was on the campaign trail as a candidate for councilor of Iloilo City. On October 20, 1963, Adriana died. Thereafter, the Torrens title to the property was transferred in the name of the present defendants, nephews and niece of Adriana Maloto, after settlement of the latter's estate. Formal demand for the execution of a deed of sale by said defendants was rejected by them.

Hence, this suit to compel defendants to execute that deed.

1. The averments of the complaint reveal that no written document was executed to record the deed of sale or, for that matter, the payment of the purchase price of the house and land. These are the considerations which impelled the Iloilo court to declare that plaintiff's suit is unenforceable under the Statute of Frauds.

By Article 1403 (2) (e) of the Civil Code, a verbal contract for the sale of real property is unenforceable, unless ratified. For, such contract offends the Statute of Frauds. But long accepted and well settled is the rule that the Statute of Frauds is applicable only to executory contracts - not to contracts either totally or partially performed.[3] The complaint here states that the deceased Adriana Maloto sold the disputed house and land to plaintiff; that consideration thereof was paid, that by reason of such sale, plaintiff performed acts of ownership thereon. The facts thus alleged are constitutive of a consummated contract. It matters not that neither the receipt for the consideration nor the sale itself was in writing. Because "oral evidence of the alleged consummated sale of the land" is not forbidden by the Statute of Frauds and may not be excluded in court.[4]

2. The record on appeal shows that defendants herein filed a suit for ejectment against plaintiff covering the same property, the subject of the suit herein.[5] Claim was there advanced that plaintiff - in the present case - was a

mere lessee thereof. She traversed the allegations of said complaint by reiterating her claim in the complaint before us that on March 29, 1963 she bought the house and lot from defendant's predecessor, Adriana Maloto; that the City Court of Iloilo had no jurisdiction over the subject-matter thereof which involves a case of ownership; and that the issue of possession cannot be decided by the city court without first resolving the question ownership which properly belongs to the Court of First Instance of Iloilo. In defendants' supplementary memorandum filed with this Court on March 3, 1966, defendants aver that the decision of January 4, 1966 in the ejectment case was in favor of defendants in the case now before us; that said decision directed Margarita Iñigo (plaintiff herein) to vacate the premises, to pay rentals, attorneys' fees and costs; that the aforesaid judgment became final; and that on February 15, 1966, the City Judge issued a writ of execution to enforce the same. Defendants now submit that dismissal of the case for ownership is proper because of the facts just recited.

We do not think that the decision in the ejectment case is an obstacle to the present suit. The simple reason is that an action of ejectment is no bar to another contesting ownership. And then, it would appear from said decision, Annex "A" of the supplementary memorandum, that the City Court of Iloilo declared that it is "of the opinion that the defendant Margarita Iñigo is only a lessee of the properties described in the complaint." Implicit in this is that the question of ownership was in reality seriously presented before the city court. So that, possession, the problem before the city court could not have been properly resolved there without first settling that of ownership. Since the issue of ownership became apparent in the course of the trial of the ejectment case aforesaid, the city court lost jurisdiction to proceed further with the trial thereof and the judgment thereon.[6]

The decision in the ejectment case accordingly is not decisive of the question of ownership raised in the complaint before the Court of First Instance of Iloilo in the case now on appeal before this Court.

For the reasons given, the order of the Court of First Instance of Iloilo of January 18, 1965 dismissing plaintiff's complaint is hereby set aside, and the case remanded to the court of origin for further proceedings.

Costs against defendants.

SO ORDERED.

Concepcion, C.J., Reyes, Dizon, Makalintal, Zaldivar, Castro, Angeles, and Fernando, JJ., concur.
Benzon, J., on leave.

[1] The present defendants under the amended complaint (Case 6492, CFI, Iloilo) are: Panfilo Maloto, Felino Maloto, Constancio Maloto, and Aldina Casiano. R.A., p. 8.

[2] Section 1 (i), Rule 16, Rules of Court.

[3] *Almirol vs. Monserrat*, 48 Phil. 67, 69-70; *Robles vs. Lizarraga Hermanos*, 50 Phil. 387, 397; *Diana vs. Macalibo*, 74 Phil. 70, 71; *Arroyo vs. Azur*, 76 Phil. 493, 498; *Facturan vs. Sabana*, 81 Phil. 512, 513; *Carbonnel vs. Poncio*, 55 O.G. No. 14, pp. 2415, 2417-2418; *Soriano vs. Heirs of Megan*, G.R. No. L-15133, July 31, 1963. See also: *IV Tolentino*, Civil Code of the Philippines, 1962 ed., pp. 564-565; *IV Padilla*, Civil Code Annotated, 1967 ed., pp. 857-860.

[4] *Diana vs. Macalibo*, supra, See also: *IV Tolentino*, Civil Code of the Philippines, 1962 ed., p. 565.

[5] "Panfilo Maloto, Felino Maloto, Constancio Maloto, and Aldina M. Casiano, plaintiffs vs. Margarita Iñigo, defendant," Civil Case 7419 of the Municipal Court of Iloilo. See R.A., p. 36.

[6] *Torres vs. Peña*, 78 Phil. 231, 236-237; *Peñalosa vs. Garcia*, 78 Phil. 245, 247; *Cruz vs. Garcia*, 79 Phil. 1, 2-3;

Canaynay vs. Sarmiento, 79 Phil. 36, 40; Dy Sun vs. Brillantes, 93 Phil. 175, 179-180; Raymundo vs. Santos, 93 Phil. 395, 400-402; Teodoro vs. Balatbat, 94 Phil. 247, 249; Andres vs. Soriano, 54 O.G. No. 8, pp. 2506, 2507; Songahid vs. Cinco, 58 O.G. No. 38, pp. 6104, 6106; Castro vs. De los Reyes, G.R. No. L-14970, July 30, 1960. See also: General Insurance & Surety Corporation vs. Castelo, G.R. No. L-19330, April 30, 1965; Santiago vs. Cloribel, G.R. No. L-19598, August 14, 1965.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.