

AMPARO JOAQUIN-GUTIERREZ, ET AL., PLAINTIFFS AND APPELLANTS, VS. JOSE CAMUS, ET AL., RESPONDENTS AND APPELLEES. JOSEFA ABAYA-MAPA, INTERVENOR AND APPELLEE.

G.R. No. L-6725. October 30, 1954

Ponente: MONTEMAYOR, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/695cb3920fa3/>

MONTEMAYOR, J.:

Amparo Joaquin-Gutierrez and her husband Marciano Gutierrez are appealing from a decision of the Court of First Instance of Baguio rendered against them in certiorari proceedings brought by them in that court to annul a decision of the Director of Lands and affirmed by the acting Secretary of Agriculture and Natural Resources regarding the sale at public auction of Lot No. 100, Residential Section "J" of plan Swo-24589 of the City of Baguio. According to the appellants the present appeal is based purely on questions of law. The decision was based on the pleadings and there being no question or dispute as to the facts we might just as well reproduce as we do the statement of facts made by the learned trial court:

"A parcel of land designated as lot No. 100, Residential Section "J" of plan Swo-24589, containing an area of 1,498 square meters is a public land located within the City of Baguio and under the control and administration of the Bureau of Lands. One Amparo Joaquin-Gutierrez is a lessee of this parcel of land, and as such lessee she is in possession of and built a house on it costing about P7,000. Later, she Applied with the Director of Lands to buy this land. Said office approved said application and placed this parcel of land on sale. But such a sale, according to law, must be done through public bidding. So the Bureau of Lands advertised to sell said lot at public auction. In the advertisement, it was expressly stated that the bidder must deposit with the District Land Office of Baguio 10 per cent of his bid. Before the sale of said lot on the date fixed in the notice of sale, applicant Amparo Joaquin-Gutierrez deposited the amount of P900 with the District Land Office of Baguio and bidded P6 a square meter. The City of Baguio, represented by its duly authorized representatives, also bidded P7 a square meter. However, instead of depositing in cash 10 per cent of its bid as required in the notice of the District Land Office of the Bureau of Lands in Baguio, a certification or letter of City Treasurer Emeterio de los Santos of Baguio certifying to the effect that there existed at that time in the City Treasury of Baguio sufficient appropriation to pay whatever the City would bid for the lot in question, was filed with the District Land Officer of Baguio. Plaintiff then protested saying that the City of Baguio was not qualified to bid because it did not deposit in cash 10 per cent of, its bid. The auctioneer then stopped further proceeding, made no award, and elevated the protest of petitioner to the Director of Lands. The Director of Lands held that the City of Baguio was qualified to bid. Petitioner appealed to the Secretary of Agriculture and Natural Resources. The respondent Jose Camus, then Acting Secretary of Agriculture and Natural Resources, rendered his decision upholding the right of the City of Baguio to put up its bid, stating that the certificate of the City Treasurer of Baguio to the effect that there was enough appropriation to buy the lot in question was enough, there being no need for the City to make the cash deposit. Hence, this case was filed with this Court.

"Later, in the amended petition, petitioners added other ground for the disqualification of the City of Baguio to bid, that is, that, because the purchase price of the lot, by law, must go to the treasury of the City of Baguio, the land being within the said City, it is against the law to permit said City to bid at the auction sale of that lot.

"It is also established in the pleadings that one Mrs. Josefa Abaya Mapa was owner of lot No. 68 adjoining the ground of the Mansion House in the City of Baguio. This lot is badly needed by the Government to improve and beautify the compound of the Mansion House. For that reason, the City, of Baguio exchanged or bartered lot No. 100, now in question, with lot No. 68 of Mrs. Josefa Abaya Mapa, an exchange which cannot be consummated without the acquisition of lot No. 100 by the City of Baguio. Lot No. 68 has already been taken possession of by the City of Baguio for the purpose of beautifying and improving the Mansion House compound as stated above, the contract of barter between the City of Baguio and Mrs. Josefa Abaya Mapa having been consummated since September 25, 1951. For this reason, the notice for the sale contains the following pertinent call of attention to the bidders:

' This lot is earmarked for exchange by the City of Baguio with private lot of Mrs. Josefa Abaya Mapa which is included in the compound of the Mansion House. The right is reserved to reject any and all bids. For further particulars, apply to Bureau of Lands.'

"By reason of the barter as above stated, Mrs. Josefa Abaya Mapa was permitted to join as party-defendant in this case."

Section 2544 of the Revised Administrative Code, one of the provisions of the Charter of the City of Baguio, provides that "all moneys received from the sale of public lands within the city shall accrue to and be deposited in the treasury thereof." Appellants concede the power of the City of Baguio to purchase real property. Section 2541 of the same Code (City Charter) authorizes the City to take, purchase, receive, hold, lease, convey, and dispose of real and personal property, for the benefit of the City within or without its corporate limits. They, however, contend that since under Section 2544 aforementioned the sales price of lot No. 100 now in litigation would go to the City of Baguio, so that if the City of Baguio over all other bidders, succeeded in purchasing the lot, it need not pay out anything, it follows that in any auction sale of public lands in Baguio, the City has a distinct, even overwhelming and unfair advantage because it could outbid any bidder. This contention was rejected by the trial court and we believe that it acted correctly. It is true that under the law, the City of Baguio has an advantage over other bidders but that advantage has its limits. If one or more of the sealed bids are higher than that of the City, or in the public bidding, private bidders raise the price so high, and to the point that it means a considerable amount and income to the City, the latter may find it more advantageous to give up, and allow the higher bid to stand, the City to receive the amount of the highest bid. In this particular case, were appellant Amparo's sealed bid higher than that of the City of Baguio, then the lot should have been sold to her. The trouble was that her sealed bid was lower. Even then, if at the public bidding, she had raised her bid to such a figure, say P50, or even P100, or more per square meter, the City would in all probability have given up and allowed her to buy the lot at the extraordinary price, the City to put said considerable amount in its coffers, and then try to compensate Mrs. Abaya for her lot 68 in some other way, or even expropriate it if necessary. We hold that the advantage given to the City of Baguio by Section 2544 of the Revised Administrative Code has its limits, and it is neither so unjust nor grossly unfair so as to disqualify it from bidding at the sale of public land within the City limits.

Sections 25 and 26 of the Public Land Act (Commonwealth Act No. 141) provide that in the sale of public land all bids must be accompanied by cash or certified check, Treasury Warrant, or post-office money order payable to the order of the Director of Lands, for ten per centum of the amount of the bid, and that no bid received at such public auction shall be finally accepted until the bidder shall have deposited ten per centum of his bid, as required. Appellants contend that the City of Baguio did not make this deposit and so was not qualified to bid, and that the certificate issued by the City Treasurer of Baguio as to the availability of funds for the purchase of the lot was not sufficient compliance with the law. Again, we have to uphold the ruling of the trial court against this contention. The deposit in cash or treasury warrant or post-office money order for the 10 per cent of the bid is not unlike the bond required of parties for the perfection of an appeal or for the issuance of a writ of attachment or for the

Sheriff to sell property claimed by a third party. Under section 15 of Rule 39, of the Rules of Court regarding levy on property claimed by any other person than the defendant or his agent, the officer is not bound to keep the property unless the judgment creditor on demand indemnify said officer against such claim by bond. The section, however, further provides that when the plaintiff or the person in whose favor the writ of execution runs, is, the Republic of the Philippines, or any officer duly representing it, the filing of such bond shall not be required. That is an example of the exemption accorded to the Government. In the case of the Government of the P. I. vs. Judge of First Instance of Iloilo, 34 Phil. 157, We held that the Government is not required to give an appeal bond on taking an appeal from a judgment, the reason therefor being that there could be no doubt as to the solvency of the Government. Again, in the case of Tolentino vs. Carlos, 66 Phil. 140, this Court held that when the plaintiff is the Government, it need not file a bond for the issuance of a writ of attachment on the premise that the State is solvent. In the present case, we have the presumption of the solvency of the City of Baguio, a political agency of the Government. This, aside from the certificate of the City Treasurer that there were funds available for the purchase of the lot.

In view of the foregoing, finding no reversible error in the decision appealed from, the same is hereby affirmed with costs.

Paras, C. J., Pablo, Bengzon, Padilla, Reyes, A., Jugo, Bautista Angelo, Concepcion, and Reyes, J. B. L., JJ., concur.

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.