

**REGINA P. DIZON, AMPARO D. BARTOLOME, FIDELINA D. BALZA,
ESTER ABAD DIZON AND JOSEPH ANTHONY DIZON, RAYMUND A.
DIZON, GERARD A. DIZON AND JOSE A. DIZON, JR., PETITIONERS, VS.
CO...**

G.R. No. 122544. January 28, 2003

Ponente: YNARES-SANTIAGO, J.

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YNARES-SANTIAGO, J.:

On January 28, 1999, this Court rendered judgment in these consolidated cases as follows:

WHEREFORE, in view of the foregoing, both petitions are GRANTED. The decision dated March 29, 1994 and the resolution dated October 19, 1995 in CA-G.R. CV Nos. 25153-54, as well as the decision dated December 11, 1995 and the resolution dated April 23, 1997 in CA-G.R. SP No. 33113 of the Court of Appeals are hereby REVERSED and SET ASIDE.

Let the records of this case be remanded to the trial court for immediate execution of the judgment dated November 22, 1982 in Civil Case No. VIII-29155 of the then City Court (now Metropolitan Trial Court) of Quezon City, Branch III as affirmed in the decision dated September 26, 1984 of the then Intermediate Appellate Court (now Court of Appeals) and in the resolution dated June 19, 1985 of this Court.

However, petitioners are ordered to REFUND to private respondent the amount of P300,000.00 which they received through Alice A. Dizon on June 20, 1975.

SO ORDERED.

Private respondent filed a Motion for Reconsideration, Second Motion for Reconsideration, and Motion to Suspend Procedural Rules in the Higher Interest of Substantial Justice, all of which have been denied by this Court. This notwithstanding, the cases were set for oral argument on March 21, 2001, on the following issues:

- WHETHER THERE ARE CIRCUMSTANCES THAT WOULD JUSTIFY SUSPENSION OF THE RULES OF COURT;
- WHETHER THE SUM OF P300,000.00 RECEIVED BY ALICE DIZON FROM PRIVATE RESPONDENT WAS INTENDED AS PARTIAL PAYMENT OF THE PURCHASE PRICE OF THE PROPERTY, OR AS PAYMENT OF BACK RENTALS ON THE PROPERTY;
- WHETHER ALICE DIZON WAS AUTHORIZED TO RECEIVE THE SUM OF P300,000.00 ON BEHALF OF PETITIONERS;
- (A) IF SO, WHETHER PETITIONERS ARE ESTOPPED FROM QUESTIONING THE BELATED EXERCISE BY PRIVATE RESPONDENT OF ITS OPTION TO BUY WHEN THEY ACCEPTED THE SAID PARTIAL PAYMENT;
- (B) IF SO, WHETHER ALICE DIZON CAN VALIDLY BIND PETITIONERS IN THE ABSENCE OF A

WRITTEN POWER OF ATTORNEY;

- (A) WHETHER THERE WAS A PERFECTED CONTRACT OF SALE BETWEEN THE PARTIES;

(B) WHETHER THERE WAS A CONTRACT OF SALE AT LEAST WITH RESPECT TO THE SHARES OF FIDELA AND ALICE DIZON; AND

- WHETHER PRIVATE RESPONDENT'S ACTION FOR SPECIFIC PERFORMANCE HAS PRESCRIBED.

In order to resolve the first issue, it is necessary to pass upon the other questions which relate to the merits of the case. It is only where there exist strong compelling reasons, such as serving the ends of justice and preventing a miscarriage thereof, that this Court can suspend the rules.[1]

After reviewing the records, we find that, despite all of private respondent's protestations, there is absolutely no written proof of Alice Dizon's authority to bind petitioners. First of all, she was not even a co-owner of the property. Neither was she empowered by the co-owners to act on their behalf.

The acceptance of the amount of P300,000.00, purportedly as partial payment of the purchase price of the land, was an act integral to the sale of the land. As a matter of fact, private respondent invokes such receipt of payment as giving rise to a perfected contract of sale. In this connection, Article 1874 of the Civil Code is explicit that: "When a sale of a piece of land or any interest therein is through an agent, the authority of the latter shall be in writing; otherwise, the sale shall be void."

When the sale of a piece of land or any interest thereon is through an agent, the authority of the latter shall be in writing; otherwise, the sale shall be void. Thus the authority of an agent to execute a contract for the sale of real estate must be conferred in writing and must give him specific authority, either to conduct the general business of the principal or to execute a binding contract containing terms and conditions which are in the contract he did execute. A special power of attorney is necessary to enter into any contract by which the ownership of an immovable is transmitted or acquired either gratuitously or for a valuable consideration. The express mandate required by law to enable an appointee of an agency (couched) in general terms to sell must be one that expressly mentions a sale or that includes a sale as a necessary ingredient of the act mentioned. For the principal to confer the right upon an agent to sell real estate, a power of attorney must so express the powers of the agent in clear and unmistakable language. When there is any reasonable doubt that the language so used conveys such power, no such construction shall be given the document.[2]

It necessarily follows, therefore, that petitioners cannot be deemed to have received partial payment of the supposed purchase price for the land through Alice Dizon. It cannot even be said that Alice Dizon's acceptance of the money bound at least the share of Fidela Dizon, in the absence of a written power of attorney from the latter. It should be borne in mind that the Receipt dated June 20, 1975, while made out in the name of Fidela Dizon, was signed by Alice Dizon alone.

Moreover, there could not have been a perfected contract of sale. As we held in our Decision dated January 28, 1999, the implied renewal of the contract of lease between the parties affected only those terms and conditions which are germane to the lessee's right of continued enjoyment of the property. The option to purchase afforded private respondent expired after the one-year period granted in the contract. Otherwise stated, the implied renewal of the lease did not include the option to purchase. We see no reason to disturb our ruling on this point, viz:

In this case, there was a contract of lease for one (1) year with option to purchase. The contract of lease expired without the private respondent, as lessee, purchasing the property but remained in possession thereof. Hence, there was an implicit renewal of the contract of lease on a monthly basis. The other terms of the original contract of lease which are revived in the implied new lease under Article 1670 of the New Civil Code are only

those terms which are germane to the lessee's right of continued enjoyment of the property leased. Therefore, an implied new lease does not ipso facto carry with it any implied revival of private respondent's option to purchase (as lessee thereof) the leased premises. The provision entitling the lessee the option to purchase the leased premises is not deemed incorporated in the impliedly renewed contract because it is alien to the possession of the lessee. Private respondent's right to exercise the option to purchase expired with the termination of the original contract of lease for one year. The rationale of this Court is that:

"This is a reasonable construction of the provision, which is based on the presumption that when the lessor allows the lessee to continue enjoying possession of the property for fifteen days after the expiration of the contract he is willing that such enjoyment shall be for the entire period corresponding to the rent which is customarily paid – in this case up to the end of the month because the rent was paid monthly. Necessarily, if the presumed will of the parties refers to the enjoyment of possession the presumption covers the other terms of the contract related to such possession, such as the amount of rental, the date when it must be paid, the care of the property, the responsibility for repairs, etc. But no such presumption may be indulged in with respect to special agreements which by nature are foreign to the right of occupancy or enjoyment inherent in a contract of lease." [3]-

There being no merit in the arguments advanced by private respondent, there is no need to suspend the Rules of Court and to admit the motion for reconsideration. While it is within the power of the Court to suspend its own rules, or to except a particular case from its operation, whenever the interest of justice require it, however, the movant must show strong compelling reasons such as serving the ends of justice and preventing a grave miscarriage thereof, [4] none of which obtains in this case.

Litigation must end sometime and somewhere. An effective and efficient administration of justice requires that, once a judgment has become final, the winning party be not, through a mere subterfuge, deprived of the fruits of the verdict. Courts must, therefore, guard against any scheme calculated to bring about that result. Constituted as they are to put an end to controversies, courts should frown upon any attempt to prolong them. [5]

ACCORDINGLY, the Motion to Suspend Procedural Rules in the Higher Interest of Substantial Justice filed by private respondent is DENIED WITH FINALITY. No further pleadings will be entertained in these cases.

SO ORDERED.

Puno, J., concur.

Davide, Jr., C.J., (Chairman), see separate opinion, hereto attached.

[1] Public Estates Authority v. Yujuico, et al., G.R. No. 140486, February 6, 2001.

[2] Cosmic Lumber Corp. v. Court of Appeals, 265 SCRA 168, 176 [1996].

[3] Dizon, et al. v. Court of Appeals, et al., 302 SCRA 288, 300-301 [1999], citing Dizon v. Magsaysay, 57 SCRA 250, 254 [1974].

[4] Equitable-PCI Bank v. Ku, G.R. No. 142950 March 26, 2001.

[5] Vda. de Cochingyan, et al. v. Court of Appeals, et al., G.R. No. 116092, June 29, 2001.

SEPARATE OPINION

DAVIDE, JR., C.J.,

After a meticulous evaluation of the antecedent facts in these cases I respectfully submit that private respondent's submission that the sum of P300,000 was intended as partial payment of the purchase price; it was received by Alice Dizon for and in behalf of Fidela Dizon, mother of petitioners; and that Fidela Dizon ratified the act of Alice by accepting the cashier's check representing that consideration drawn in favor of Fidela Dizon, and in encashing it. Neither Alice nor Fidela returned the money.

Therefore, there was indeed, a perfected sale in favor of private respondent of, at the very least, the rights, shares and participation in the property in question to private respondent. Hence, private respondent became a co-owner of the property as regards Fidela's co-owner.

That private respondent exercised its option to buy beyond the term of the original terms of the lease contract is then rendered academic. For, by accepting the P300,000 as partial payment of the land in question and using it for her own benefit and advantages, Fidela effectively estopped herself from insisting on a technicality.

I therefore vote to grant, pro hac vice, the second motion for reconsideration and to modify the decision by now declaring that Fidela Dizon is bound by the perfected sale to private respondent of, at least, her rights, participation, or share in the property in question.

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