

JUAN GARCIA Y PALICIO, PLAINTIFF AND APPELLEE, VS. JOSEFA DE MANZANO, AS ADMINISTRATRIX OF THE ESTATE OF HER HUSBAND NARCISO LOPEZ MANZANO, DEFENDANT AND APPELLANT.

G.R. No. 13414. February 04, 1919

Ponente: MOIR, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-13414/>

MOIR, J.:

In order to understand this case, a brief explanation of the facts is considered necessary.

Narciso Lopez Manzano was a merchant in Atimonan, Tayabas, who went to Spain in May, 1910, and died there the 8th of September, 1913. He gave a general power-of-attorney to his son, Angel L. Manzano on the 9th of February, 1910, and on the 25th of March a second general power-of-attorney to his wife, Josefa Samson.

Narciso L. Manzano had had various commercial dealings with the plaintiff in this case and renewed these dealings before leaving for Spain.

Manzano was the owner of a half interest in a small steamer, the San Nicolas, the other half being owned by Ocejo, Perez & Co., with whom there was a partnership agreement to run the steamer for a few years. When this period expired Ocejo, Perez & Co., refused to continue the contract and demanded that Manzano buy or sell. As he did not want to sell at the price offered and could not buy, Juan Garcia bought the half interest held by Ocejo, Perez & Co., on the 15th of October, 1910. Angel L. Manzano, acting under his power-of-attorney, sold in July, 1911, the other half of the boat to the plaintiff, but as Garcia is a Spaniard and could not register the boat in his name at the Custom House, the boat was registered in the name of Agustin Garcia, a son of the plaintiff, who at that time, July 2d, 1913, was a minor about twenty years old. Agustin Garcia shortly thereafter died, leaving his parents as his heirs at law, and as such heirs plaintiff's wife was made a party.

On the 23d of July, 1912, Angel L. Manzano, by virtue of the power-of-attorney from his father, Narciso L. Manzano, executed a contract, Exhibit A, made a part of the complaint, by which Juan Garcia agreed to extend a credit to Narciso L. Manzano in the sum of P12,000, and this credit was used by the house of Manzano. To secure it a mortgage was given in the same document on three parcels of land in Atimonan, with their improvements. The registration of this mortgage was refused by the registrar.

The court of First Instance of Tayabas, on the 18th of April, 1914, named Josef a Samson y San Pedro, administratrix of the property of Narciso L. Manzano, and commissioners were duly appointed, and notice was published, and no claims having been presented against the estate to the commissioners, they so reported to the court on the 7th of December, 1914.

On the 29th of July, 1915, the Court of First Instance ordered the partition of the property amongst the heirs of Narciso L. Manzano.

On the 15th day of May, 1915, the plaintiff filed his action in the Court of First Instance of Tayabas to foreclose the so-called mortgage in Exhibit A. Josefa de Manzano filed a pleading stating that the estate had already been

divided; that the property mentioned in Exhibit A of the plaintiff had been assigned, A and B, to her and her children and C entirely to her; that her son Angel had ceded his share to her; that all the other children were minors and suggesting that she be made guardian ad litem for the minors. In a second motion filed the 25th of August, 1915, the defendant's attorney states the amended complaint had not been presented as stipulated in open court and prays the court that instead of the administratrix the heirs of Narciso L. Manzano be considered defendants and the names of the heirs including Josefa de Manzano are given.

Plaintiff filed his amended complaint on the 26th of August, making them individually defendants, the minors to be represented by their guardian ad litem, and asking for a judgment against each and all of them for P14,087.59, being the amount then due on the open account and for P2,700 as attorney's fees, all secured by the so-called mortgage; and that in case the judgment was not paid, that the mortgaged property be sold to pay the debt.

The defendants, "Josefa de Manzano y otros," filed an answer on September 4, 1915, stating they knew such a mortgage document set up in the complaint existed, but as they were not certain that Exhibit A was an exact copy, they denied, the document; they denied its efficacy and legal effect; they denied the jurisdiction of the court to hear and decide the case, and alleged that the action had prescribed.

They alleged no facts in their answer.

The defendants also filed a counter-claim against Juan Garcia and his wife, Conception Castro, in which they allege that Narciso L. Manzano was the owner of one-half of the small steamer San Nicolas and Juan Garcia the owner of the other half; that Garcia taking advantage of the youth and inexperience of Angel L. Manzano falsely and maliciously made him believe that he had authority under the power-of-attorney from his father to sell the half interest in the San Nicolas, and that he did so. That Angel L. Manzano had no authority to sell the interest in the steamer, but that since the date of said sale, July, 1912, (1911?) the plaintiff had illegally appropriated all rents and profits of the boat to his own use, which amount to P30,000 per year, after paying for all repairs, etc., and they ask the court to absolve them from the complaint, to declare them the owners of one-half of the steamer San Nicolas, and to order the plaintiffs to render a detailed account of all the profits received from the San Nicolas, and to order one-half of the profits paid to the defendants.

There are other immaterial questions presented by the counterclaim.

The trial court held there was no legal mortgage and gave judgment for the plaintiff against Josefa Samson only, for the amount admitted by her letter to be due, i. e., P12,752.85, and dismissed the claim against the other defendants and also dismissed the counterclaim of defendants. The plaintiffs did not appeal. All of the defendants presented a motion for a new trial, but only the defendant Josefa de Manzano excepted to the order of the court denying the motion for a new trial, and she sets up the following assignments of error in the decision giving judgment against her individually. (The alleged errors of the trial court regarding the counterclaim are set out later.)

"1. The court exceeded its jurisdiction in deciding a question and granting a relief not comprised within the pleadings and contentions of the parties.

"2. The trial court acted without jurisdiction in judging and holding that there was a novation of the debt.

"3. The trial court erred in an essential matter in holding that there was a novation of the debt."

The argument presented in support of the first error assigned is that the action was against the administratrix of the estate and not against the heirs individually. What are the facts? The original action was presented against Josefa de Manzano as administratrix of her deceased husband, Narciso L. Manzano, on May 15, 1915. The defendants attorneys on the 6th of August filed a pleading stating that the estate had been distributed by the court

on the 27th of July, and giving the names of the heirs and stating that some are minors for whom the mother "is the guardian" and agreeing that she be named guardian ad litem for the minors which was done by the court's order dated the 4th of September, and she took the oath prescribed by law for such guardian.

On the 25th of August the same attorneys filed another pleading saying the time stipulated by the parties in open court for filing an amended complaint had passed, that the complaint had not been presented and "Wherefore they respectfully request the Honorable Court that, in place of the defendant-administratrix, the heirs of the late Narciso L. Manzano, whose names are Josefa Samson de Manzano, widow, Paz Manzano, Matilde Manzano, Soledad Manzano, Carmelo Manzano, Narcisa Manzano, and Jose Manzano, be considered defendants in this case"—The first two of legal age and the others minors, and they pray that Josefa Samson be named guardian ad litem for the minors, which the court did. The plaintiff's amended complaint making all the above heirs and Angel L. Manzano defendants by name had been filed in the clerk's office the day before, but it is assumed the defendants were not then aware of the fact.

The defendants filed their answer on September 4th, 1915, which is headed "Josefa de Manzano y Otros, demandados." The court's judgment is against them individually.

It is difficult to conceive what more defendants could want in order to make them individually defendants, or what effect they intended their pleadings to have if they were not to be considered as defendants. The only thing that might be considered as lacking is an order of the court admitting the amended complaint, but this admission was supplied by the facts of defendants themselves. All the parties were before the court individually and the court could only give judgment against them individually if they were obligated individually.

When the whole record shows that the trial proceeded on the theory set up in an amended complaint this court will not inquire as to whether the court actually entered an order admitting the amended complaint. There is no error in this part of the decision.

The other two errors assigned will be considered together.

The nature of the action having been changed from one against the administratrix to one against the heirs individually, the action against the other heirs was dismissed and judgment was given by the Court against Josefa Samson de Manzano individually, basing its decision on the following letter:

"September 10, 1913.

"Mr. JUAN GARCIA,
Manila, Philippine Islands.

"DEAR SIR: In reply to your favor, which I have received together with a copy of my current account kept in your city, showing a balance of P12,752.85, I have to state that I find the same entirely satisfactory.

"I hope to be able to remit a part of the sum during the month of October.

"I remain,

"Yours respectfully,

(Sgd.) "JOSEFA DE MANZANO."

This letter was written two days after the death of Narciso L. Manzano. Is it a novation of the obligation of her husband ?

Article 1205 of the Civil Code reads as follows:

"Novation which consists in the substitution of a new debtor in the place of the original one may be made without the knowledge of the latter, but not without the consent of the creditor."

If the creditor Garcia had consented to the substitution of debtors in this case, he would not have presented his original action against the administratrix of Narciso L. Manzano and later against all the heirs, but against Josefa de Manzano only.

As much as justice may plead for it, we can see nothing in the letter which would make appellant personally liable.

There is no denial that the debt is a just one against the estate. The judgment is based on the letter which was not intended by the writer to make her personally liable, and was not considered by the plaintiff to make her personally responsible. There was no novation of the obligation and the part of the judgment holding her liable must be reversed.

The defendants set up the following assignment of errors as to their counterclaim against plaintiffs:

"1. The trial court erred in holding that the power of attorney executed in favor of Angel L. Manzano was not revoked at least in so far as it might concern the plaintiff Juan Garcia Palicio.

"2. The court below erred in holding that the power of attorney executed by Narciso L. Manzano in favor of Angel L. Manzano authorized the latter to alienate the vessel San Nicolas.

"3. The trial court erred in holding that the sale of the vessel San Nicolas was approved by Narciso L. Manzano.

"4. The trial court erred in holding that Angel L. Manzano, in executing the sale, did not do so under the pressure of undue influences."

As to the first two alleged errors the defendants argue that the power-of-attorney to the wife revoked the one to the son, in accordance with article 1735 of the Civil Code, and that even if not revoked the power-of-attorney did not authorize the sale of the boat by Angel L. Manzano. Article 1735 of the Civil Code is as follows:

"The appointment of a new agent for the same business produces a revocation of the previous agency from the day on which notice was given to the former agent, excepting the provisions of the next preceding article"

There is no proof in the record that the first agent, the son, knew of the power-of-attorney to his mother.

It was necessary under the law for the defendants, in order to establish their counterclaim, to prove that the son had notice of the second power-of-attorney. They have not done so, and it must be considered that Angel L. Manzano was acting under a valid power-of-attorney from his father which had not been legally revoked on the date of the sale of the half interest in the steamer to the plaintiff's son, which half interest was legally inherited by the plaintiffs.

The defendant's next argument is that the power-of-attorney, if valid, does not authorize the sale of the half interest in the boat to the plaintiff.

There is no pretense that the boat was not sold for a fair price, there is no denial that the value was received in full, but the defendants allege that the power-of-attorney under which Angel L. Manzano acted, even if a valid power, did not authorize the sale of the boat, and they want it back with one-half of the profits derived from its use by the plaintiff.

The document under which Angel L. Manzano sold the boat reads in part as follows:

"To enable him to buy or sell, absolutely or under pacto de retra, any of the rural or urban estates that I now own and may acquire in the future, at such price as he may deem most advantageous, which he shall collect in cash or by installments and under such conditions as he may consider proper, and he shall set forth the encumbrances on the properties and their origin. I bind myself to warrant and defend, in accordance with law, the titles to such properties; and if the properties alienated by this agreement should be redeemed, he is empowered to redeem them by paying the price that may have been fixed, and, for this purpose, shall execute the proper instrument."

The power-of-attorney authorizes the sale of real property, the buying of real property and mortgaging the same, the borrowing of money and in fact is general and complete.

The power does not expressly state that the agent may sell the boat, but a power so full and complete and authorizing the sale of real property; must necessarily carry with it the right to sell a half interest in a small boat. The record further shows the sale was necessary in order to get money or a credit without which it would be impossible to continue the business which was being conducted in the name of Narciso L. Manzano and for his benefit.

We consider that the authorization is so complete that it carries with it full authority to sell the one-half interest in the boat which was then owned by Narciso L. Manzano.

The last assignment of error is not supported by any reasonable evidence in the record.

That part of the judgment ordering the defendant Josefa Samson de Manzano to pay the plaintiff P12,752.85 is revoked, and the judgment in so far as it dismisses the counterclaim of the defendants is affirmed, without any declaration of costs. So ordered.

Arellano, C.J., Carson, Street, and Avanceña, JJ., concur.

Johnson, J., did not take part.

TORRES, J., with whom concurs ARAULLO, J., dissenting in part:

The undersigned, regretting not to be entirely in accord with the majority opinion, with due respect thereto, is of the opinion that the defendant Josefa Samson, widow of the late Narciso Lopez Manzano, should be obliged to pay one-half of the sum stated in her letter of September 10, 1913, with interest at the rate of 6 per cent per annum from January 10, 1917, the date on which the amended complaint was filed.

It is contended that the conjugal partnership property is directly liable for the payment of the debts of such partnership and that in order to determine what this property is, in case of the death of one of the spouses, it is indispensable that a liquidation be made of the property that may have been left by the deceased husband or wife, for the purpose of classifying and separating in the estate the private property of each spouse and such property as partakes of the nature of community property.

The record shows that, not only was the liquidation made, but also that the partition of the estate left by Narciso Lopez Manzano at his death, had already been effected, so that it appears duly determined what property as community property would have pertained to the widow, Josefa Samson; and, as it is a proven fact, and one not discussed, that, on the death of the husband Manzano, the dissolved conjugal partnership was in debt to the plaintiff in the sum of P12,752.85. Under this premise it is unquestionable that the widow Samson, the surviving member of that partnership, should be obliged to pay one-half of this sum, that is P6,376.425, for it would not be right for her to enrich herself by keeping possession of this amount, to the prejudice of the plaintiff creditor.

Although, on the death of the husband, the property of the conjugal partnership was in a mass and pro indiviso, after the liquidation and partition of this property had been made, the widow, a member of the dissolved partnership, received her share of the community property, and it would not be just that, for the collection of one-half of the debt, for which she is liable, the creditor should be forced to subject himself to and observe the proceedings prescribed for the collection of the amount owing him, from the testate or intestate estate of the deceased debtor.

We abstain in this opinion from an examination of the right which the plaintiff creditor may have had to collect the debt owing him from the estate of the deceased debtor, and we restrict our opinion solely to the debt which the defendant Josefa Samson, on her part, had the obligation to pay, not in her capacity of administratrix, but in that of widow member of the partnership, the property of which is directly liable for the debts contracted by her; and if the defendant Samson, as lawful owner of one-half of the community property, was entitled to receive it, and in fact did receive it, nothing could be more just than that she should, in turn, be compelled to pay, out of the property she received, the one-half of the debts for which part thereof she is liable.

The defendant Josefa Samson should, therefore, be ordered to pay the aforesaid sum of P6,376.425, with interest thereon at the rate of 6 per cent per annum from January 10, 1917. That part of the judgment whereby this defendant is ordered to pay the other one-half of the sum mentioned therein, should be reversed, and the dismissal of the counterclaim should be affirmed, without special finding as to costs.

Judgment modified.

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.