

MAGDALENA BLANCIA, PETITIONER, VS. LOLITA TAN VDA. DE CALAUOR, RESPONDENT.

G.R. No. 138251. January 29, 2002

Ponente: PARDO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-138251/>

PARDO, J.:

The Case

Appeal via certiorari from the decision[1] of the Court of Appeals reversing that of the Regional Trial Court, Antique, Branch 13, ruling that the deed of sale with right of repurchase executed by respondent Lolita Tan Vda. de Calauor in favor of petitioner Magdalena Blancia of a parcel of land with an area of 2,216 sq. m., located at Culasi, Antique was an equitable mortgage.

The Facts

The facts, as found by the Court of Appeals, are as follows:

“Sometime in 1976, defendant-appellant Lolita Tan Vda. De Calauor was the owner of a parcel of land located in the municipality of Culasi, Antique, containing an area of two thousand six hundred fourteen (2614) square meters, more or less. On July 30, 1976, appellant executed in favor of plaintiffs-appellees spouses Gilbert and Magdalena Blancia a document marked as Exhibit A, quoted as follows:

“DEED OF SALE WITH RIGHT OF REPURCHASE

KNOW ALL MEN BY THESE PRESENTS: -

I, Lolita Tan Vda. De Calauor, of legal age, Filipino, widow and residing at Centro Syr, Culasi, Antique, Philippines, for and in consideration of the sum of Two Thousand Two Hundred Sixteen Pesos (P2,216.00) Philippine Currency in hand paid by Gilbert Blancia, of legal age, Filipino, married to Magdalena Alojipan, and residing at Poblacion, Culasi, Antique, the receipt of which sum is hereby acknowledged to my complete satisfaction, has sold, transferred, cede and conveyed by way of sale with right of repurchase unto the said Gilbert Blancia, his heirs, successors and assigns, a parcel of land and described as follows:

The undivided portion of Lot No. 550 of the Culasi, Cad., with improvements thereon, lying in the western side of the whole lot, located at Poblacion, Culasi, Antique. Bounded: N. -by Lot No. 549; E. by the remaining portion (now sold to Gilbert Blancia); S. by Lots Nos. 12 and 551 and W. by Lot No. 549; with an area of two thousand six hundred fourteen (2,614) sq. m. more or less.

Of which portion, I Lolita Calauor, am the true and absolute owner; thereof.

That I reserved for myself, my heirs, successors and assigns to repurchase the foregoing parcel of land after the period of one year to be counted from the date of this instrument, by returning and paying back unto the said Gilbert Blancia, his heirs, successors and assigns, the sum of P2,216.00.

That the property herein mentioned is free from all liens, charges or encumbrances of any and all kind or nature; that I have actual possession of the said property, and I have the perfect right to convey the same unto third

persons, and I further undertake to defend the rights of the vendee against all lawful claims of all adverse claimants whomsoever.

“IN WITNESS WHEREOF, I have hereunto set my hand at San Jose, Antique, this 30[th]day of July, 1976.

(Sgd) Lolita Tan Vda. de Calauor

(t) LOLITA TAN VDA. DE CALAUOR

(vendor-a-retro)”

(pp. 2-3, Decision; pp. 43-44, Rollo)

“On March 2, 1989, Blanca filed with the Regional Trial Court of San Jose, Antique, a complaint against Lolita Tan Vda. de Calauor, seeking the recovery, ownership and possession of the parcel of land subject of the above-quoted document.

“In the complaint, plaintiffs alleged that they were the owner of the land subject to the right of repurchase by defendant; that on February 2, 1989, while plaintiffs were in possession of land, defendant entered the same, cleared the growing plants, destroyed the barbed wires and plowed the land against the plaintiffs’ will; that the defendant had not duly exercised her right to repurchase the land and by virtue of the expiration of the period of redemption, the right therefore, has been deemed lost.

“In her answer, defendant posits that she is the owner of the disputed land having bought the same thru public auction from the Rural Bank of Ibajay. She narrates that on June 5, 1976, when she was badly in need of money for the college education of her children, she borrowed the amount of P2,216.00 payable on or before the end of June, 1976. For this purpose, a promissory note (annex “2”) was executed in favor of the plaintiffs. It was further more agreed that pending payment of the debt, spouses Blanca shall enjoy, and harvest the produce of palay and benefit from it. On due date, however, defendant failed to pay, hence, she was prevailed upon by the plaintiffs to execute the deed of sale with right of repurchase as security for the same loan with the verbal agreement that the possession of the land subject of the pacto de retro sale shall remain with the defendant but the produce of the land shall be enjoyed by the plaintiffs as interest of the money loaned from them; that before the expiration of the period of redemption, she approached plaintiff Magdalena Blanca and offered her the amount of P2,216.00 but the latter refused to receive the same and advised her to make the payment directly to her husband Gilbert Blanca; that subsequent attempts to pay the said amount were met with the same attitude by plaintiff Magdalena, hence, she finally consigned the amount with the court on April 6, 1984.

“On the basis of the evidence adduced by the parties, the trial court rendered on January 4, 1994 a decision declaring that the document executed was a pacto de retro sale and that the defendant lost her right to redeem the land for not having taken any step within the period of four (4) years provided by law to redeem the property.”[2]

On February 4, 1994, petitioner appealed the decision to the Court of Appeals.[3]

On December 2, 1998, the Court of Appeals promulgated a decision, the dispositive portion of which reads:

“PREMISES CONSIDERED, the decision of the Regional Trial Court Branch 13 of Culasi, Antique is hereby REVERSED. Accordingly, We declare the contract entered into by the parties as one of equitable mortgage.”[4]

On December 24, 1998, petitioner filed with the Court of Appeals a motion for reconsideration of the decision.[5]

On March 5, 1999, the Court of Appeals denied the motion.[6]

Hence, this appeal.[7]

The Issue

Is the deed of sale with right to repurchase executed by respondent Lolita Tan Vda. de Calauor in favor of Gilbert and petitioner Magdalena Blanca of a parcel of land with an area of 2,216 square meters, located at Culasi, Antique a pacto de retro sale or an equitable mortgage.[8]

The Court's Ruling

We deny the petition.

The issue raised is factual. In an appeal via certiorari, we may not review the factual findings of the Court of Appeals.[9] When supported by substantial evidence, the findings of fact of the Court of Appeals are conclusive and binding on the parties and are not reviewable by this Court,[10] unless the case falls under any of the recognized exceptions to the rule.[11]

Petitioner failed to prove that the case falls within the exceptions.[12] The Supreme Court is not a trier of facts.[13] It is not our function to review, examine and evaluate or weigh the probative value of the evidence presented.[14] A question of fact would arise in such event.[15]

Indeed, despite the alleged sale with right to repurchase, the vendor remained in possession of the property and the Tax Declaration was not transferred to the vendee. Moreover, after the expiration of the redemption period, the vendee did not institute an action for consolidation of ownership of the land. Even the complaint filed by petitioner for recovery, ownership and possession of the land was filed on March 2, 1989, long after the expiration of the right to repurchase the property.[16]

Hence, the Court of Appeals correctly ruled that the transaction was an equitable mortgage, not a sale with pacto de retro.

In fact, respondent tendered the amount of the loan to petitioner but she refused to accept payment. Respondent consigned the amount with the trial court.

The Fallo

IN VIEW WHEREOF, we DENY the petition and affirm the decision of the Court of Appeals.[17]

We DISMISS the complaint in COMPLAINT in Civil Case No. 2324 of the Regional Trial Court, Antique, Branch 13.

No costs.

SO ORDERED.

Davide, Jr., C.J., (Chairman), Puno, Kapunan, and Ynares-Santiago, JJ., concur.

[1] In CA-G.R. CV No. 48428, promulgated on December 2, 1998 (Rollo, pp. 23-29). Bello, Jr., ponente, Montoya and Reyes, R.T., JJ., concurring.

[2] Rollo, pp. 23-29, at pp. 23-26.

[3] Original Record, p. 91.

[4] Rollo, at p. 28.

[5] CA Rollo, pp. 67-75.

[6] Rollo, pp. 31-32.

[7] Petition filed on May 3, 1999, posted by registered mail, Rollo, pp. 7-21. On November 29, 1999, we gave due course to the petition (Rollo, pp. 60-61).

[8] Respondent's Memorandum, Rollo, pp. 62-79, at p. 74.

[9] *Cristobal v. Court of Appeals*, 353 Phil. 320, 326 [1998]; *Sarmiento v. Court of Appeals*, 353 Phil. 834, 845-846 [1998]; *Concepcion v. Court of Appeals*, 324 SCRA 85, 91 [2000], citing *Congregation of the Virgin Mary v. Court of Appeals*, 353 Phil. 591, 597 [1998] and *Sarmiento v. Court of Appeals*, supra; *Arriola v. Mahilum*, 337 SCRA 464, 469 [2000]; *Bolanos v. Court of Appeals*, 345 SCRA 125, 130-131 [2000].

[10] *Atillo v. Court of Appeals*, 334 Phil. 546, 555 [1997].

[11] *Cebu Shipyard and Engineering Works, Inc. v. William Lines, Inc.*, 366 Phil. 439, 452 [1999].

[12] *Rivera v. Court of Appeals*, 348 Phil. 734, 743 [1998].

[13] *Trade Unions of the Philippines v. Laguesma*, 236 SCRA 586 [1994].

[14] *Ibid.*

[15] *Cheesman v. Intermediate Appellate Court*, 193 SCRA 93 [1991]; *Ramos v. Pepsi Cola Bottling Co.*, 125 Phil. 701 [1967]; *Pilar Dev. Corp. v. Intermediate Appellate Court*, 146 SCRA 215 [1986]; *Arroyo v. Beaterio del Santissimo Rosario de Molo*, 132 Phil. 9 [1968]; *Bernardo v. Court of Appeals*, 216 SCRA 224 [1992].

[16] Executed on July 30, 1976.

[17] In CA-G.R. CV No. 48428.

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.