

REMAN RECIO, PETITIONER, VS. HEIRS OF THE SPOUSES AGUEDO AND MARIA ALTAMIRANO, NAMELY: ALEJANDRO, ADELAIDA, CATALINA, ALFREDO, FRANCISCO, ALL SURNAMED ALTAMIRANO; VIOLETA ALTAMI...

G.R. No. 182349. July 24, 2013

Ponente: REYES, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-182349/>

REYES, J.:

This petition for review on certiorari[1] under Rule 45 of the Rules of Court seeks to modify the Decision[2] of the Court of Appeals (CA) dated November 29, 2007 in CA-G.R. CV No. 86001, affirming with modification the Decision[3] dated August 23, 2005 of the Regional Trial Court (RTC) of Lipa City, Branch 85 in Civil Case No. 97-0107. The petitioner asks this Court to reinstate in full the said RTC decision.

The Facts

In the 1950's, Nena Recio (Nena), the mother of Reman Recio (petitioner), leased from the respondents Alejandro, Adelaida, Catalina, Alfredo, Francisco, all surnamed Altamirano, Violeta Altamirano Olfato, and Loreto Altamirano Vda. De Maralit (referred to as the Altamiranos) a parcel of land with improvements, situated at No. 39 10 de Julio Street (now Esteban Mayo Street), Lipa City, Batangas. The said land has an area of more or less eighty-nine square meters and fifty square decimeters (89.50 sq m), and is found at the northern portion of two (2) parcels of land covered by Transfer Certificate of Title (TCT) Nos. 66009 and 66010 of the Registry of Deeds of Lipa City. The Altamiranos inherited the subject land from their deceased parents, the spouses Aguedo Altamirano and Maria Valduvia.[4]

Nena used the ground floor of the subject property as a retail store for grains and the upper floor as the family's residence. The petitioner claimed that in 1988, the Altamiranos offered to sell the subject property to Nena for Five Hundred Thousand Pesos (P500,000.00). The latter accepted such offer, which prompted the Altamiranos to waive the rentals for the subject property. However, the sale did not materialize at that time due to the fault of the Altamiranos. Nonetheless, Nena continued to occupy and use the property with the consent of the Altamiranos.[5]

Meanwhile, the Altamiranos consolidated the two (2) parcels of land covered by TCT Nos. 66009 and 66010. They were eventually subdivided into three (3) parcels of land which were then denominated as Lots 1, 2, and 3 of the Consolidation-Subdivision Plan PCS-04-00367. Subsequently, TCT No. T-102563 of the Registry of Deeds of Lipa City was issued to cover the subject property. The petitioner and his family remained in peaceful possession of Lot No. 3.[6]

In the latter part of 1994, the petitioner renewed Nena's option to buy the subject property. The petitioner conducted a series of negotiations with respondent Alejandro who introduced himself as representing the other heirs. After the said negotiations, the Altamiranos through Alejandro entered into an oral contract of sale with the petitioner over the subject property. In January 1995, in view of the said oral contract of sale, the petitioner made

partial payments to the Altamiranos in the total amount of One Hundred Ten Thousand Pesos (P110,000.00). Alejandro duly received and acknowledged these partial payments as shown in a receipt dated January 24, 1995. On April 14, 1995, the petitioner made another payment in the amount of Fifty Thousand Pesos (P50,000.00), which Alejandro again received and acknowledged through a receipt of the same date. Subsequently, the petitioner offered in many instances to pay the remaining balance of the agreed purchase price of the subject property in the amount of Three Hundred Forty Thousand Pesos (P340,000.00), but Alejandro kept on avoiding the petitioner. Because of this, the petitioner demanded from the Altamiranos, through Alejandro, the execution of a Deed of Absolute Sale in exchange for the full payment of the agreed price.[7]

Thus, on February 24, 1997, the petitioner filed a complaint for Specific Performance with Damages. On March 14, 1997, the petitioner also caused to annotate on the TCT No. T-102563 a Notice of Lis Pendens.[8]

Pending the return of service of summons to the Altamiranos, the petitioner discovered that the subject property has been subsequently sold to respondents Lauro and Marcelina Lajarca (Spouses Lajarca). TCT No. T-102563 was cancelled and a new title, TCT No. 112727, was issued in the name of the Spouses Lajarca by virtue of a Deed of Sale executed by the latter and the Altamiranos on February 26, 1998. Thus, the petitioner filed an Amended Complaint impleading the Spouses Lajarca and adding as a cause of action the annulment of the sale between the Altamiranos and the Spouses Lajarca.[9]

Thereafter, trial ensued. Alejandro was called to testify at the instance of the petitioner but after a brief testimony, he excused himself and never returned to the witness stand despite several subpoenas. For the respondents, the Altamiranos manifested that they would no longer present any witness while the Spouses Lajarca were considered to have waived their right to present evidence since they failed to appear on the day set for them to do so.[10]

The Ruling of the RTC in Civil Case No. 97-0107

On August 23, 2005, the trial court rendered a decision,[11] the dispositive portion of which reads as follows:

WHEREFORE, premises considered, judgment is hereby rendered in favor of plaintiff and against the defendants as follows:

1. declaring as NULL AND VOID the Deed of Absolute Sale dated 26 February 1998 between the defendants Altamiranos and the defendants Lajarcas covering that parcel of land together with all improvements thereon situated at No. 39 10 de Julio Street (now Esteban Mayo Street), Lipa City, Batangas, containing an area of more or less Eighty[-]Nine Square Meters and Fifty Square Decimeters (89.50 sq. m) then covered by Transfer Certificate of Title No. T-102563 of the Registry of Deeds of Lipa City;
2. ordering the Register of Deeds of Lipa City to cancel Transfer Certificate of Title No. T-112727 of the Registry of Deeds of Lipa City in the name of the defendants Lajarcas and to reinstate Transfer Certificate of Title No. T-102563;
3. directing the defendants Altamiranos to execute a Deed of Absolute Sale in favor of plaintiff covering the parcel of land together with all improvements thereon situated at No. 39 10 de Julio Street (now Esteban Mayo Street), Lipa City, Batangas, containing an area of more or less Eighty[-]Nine Square Meters and Fifty Square Decimeters (89.50 sq. m) then covered by Transfer Certificate of Title No. T-102563 upon payment by said plaintiff of the balance of the purchase price in the amount of THREE HUNDRED FORTY THOUSAND PESOS ([P]340,000.00).
4. directing the defendants Altamiranos and Lajarcas, jointly and severally, to pay plaintiff moral damages in the amount of [P]100,000.00, actual and compensatory damages in the amount of [P]100,000.00, [P]50,000.00 as exemplary damages and the sum of [P]50,000.00 as attorney's fees plus [P]2,500.00 for every hearing attended as and for appearance fees, and costs of suit.

SO ORDERED.[12]

Aggrieved, the Spouses Lajarca filed an appeal assailing the above RTC decision.

The Ruling of the CA in CA-G.R. CV No. 86001

In its Decision[13] dated November 29, 2007, the CA affirmed with modification, the dispositive portion of which states:

WHEREFORE, premises considered, the August 23, 2005 Decision of the Regional Trial Court, Br. 85, Fourth Judicial Region, Lipa City, in Civil Case No. 97-0107, is hereby AFFIRMED with MODIFICATION. Concomitantly, judgment is hereby rendered, as follows:

1) The complaint, as far as Adelaida Altam[i]rano, Catalina Altam[i]rano, Alfredo Altam[i]rano, Francisco Altam[i]rano, Violeta Altam[i]rano Olfato and Loreta Altam[i]rano vda. de Maralit are concerned, is hereby DISMISSED;

2) The contract of sale between Alejandro Altam[i]rano and Reman Recio is VALID only with respect to the aliquot share of Alejandro Altam[i]rano in the lot previously covered by TCT No. T-102563 (now covered by TCT No. 112727);

3) The Deed of Sale, dated February 26, 1998, between the Altam[i]ranos and the Lajarca Spouses is declared NULL and VOID as far as the aliquot share of Alejandro Altam[i]rano is concerned;

4) Reman Recio is DECLARED a co-owner of the Spouses Lauro and Marcelina Lajarca over the property previously covered by TCT No. T-102563 (now TCT No. 112727), his share being that which previously corresponds to the aliquot share of Alejandro Altam[i]rano; and

5) The damages awarded below to Reman Recio are AFFIRMED. No costs.

SO ORDERED.[14]

In précis, the CA found and ruled as follows:

1) That the summons to Alejandro is not summons to the other Altamiranos since Alejandro's authority to represent his co-heirs is disputed for lack of a written special power of attorney (SPA). Furthermore, the CA found that the Altamiranos, save for Alejandro and Violeta, reside abroad with unknown addresses. Thus, for the CA, summons to the non-resident Altamiranos should have been served extraterritorially as provided in Section 15, Rule 14[15] of the Revised Rules of Court.[16]

2) That there was a valid contract of sale entered into by Alejandro and the petitioner considering that: (a) Alejandro did not make any express reservation of ownership or title to the subject parcel of land, and that he issued receipts precisely to acknowledge the payments made for the purchase of Lot No. 3; (b) Alejandro actually delivered Lot No. 3 to the petitioner and waived the rental payments thereof; (c) Alejandro did not actually refuse the petitioner's offer to pay the balance of the purchase price but instead, merely avoided the petitioner; and (d) all the elements of a valid contract of sale exist in the transaction between the petitioner and the Altamiranos.[17]

3) That Alejandro's sale of Lot No. 3 did not bind his co-owners because a sale of real property by one purporting to be an agent of the owner without any written authority from the latter is null and void. An SPA from the co-owners pursuant to Article 1878 of the New Civil Code is necessary. However, the CA held that the contract of sale between Alejandro and the petitioner is valid because under a regime of co-ownership, a co-owner can freely sell and dispose his undivided interest, citing *Acabal v. Acabal*. [18] Furthermore, the Spouses Lajarca were not buyers in good faith because they had knowledge of the prior sale to the petitioner who even caused the annotation of the Notice of Lis Pendens on TCT No. T-102563.[19]

The CA, thereby, held that insofar as the verbal contract of sale between Alejandro and the petitioner is concerned, Alejandro's disposition affects only his pro indiviso share, such that the transferee (the petitioner) receives only what corresponds to Alejandro's undivided share in the subject lot. Likewise, the CA declared the deed of absolute sale between the Altamiranos and the Spouses Lajarca valid only insofar as the aliquot shares of the other Altamiranos are concerned. Thus, in effect, the petitioner and the Spouses Lajarca are co-owners of the subject property.

Not satisfied with the decision, the petitioner sought reconsideration but his motion was denied in the CA Resolution[20] dated March 18, 2008.

Issue

The petitioner filed the instant petition alleging in the main that the CA gravely and seriously erred in modifying the RTC decision.

Our Ruling

The petition has no merit.

Under Rule 45 of the Rules of Court, jurisdiction is generally limited to the review of errors of law committed by the appellate court. The Supreme Court is not obliged to review all over again the evidence which the parties adduced in the court a quo. Of course, the general rule admits of exceptions, such as where the factual findings of the CA and the trial court are conflicting or contradictory.[21] In the instant case, the findings of the trial court and its conclusion based on the said findings contradict those of the CA. After a careful review, the Court finds no reversible error with the decision of the CA.

At the core of the present petition is the validity of the verbal contract of sale between Alejandro and the petitioner; and the Deed of Absolute Sale between the Altamiranos and the Spouses Lajarca involving the subject property.

A valid contract of sale requires: (a) a meeting of minds of the parties to transfer ownership of the thing sold in exchange for a price; (b) the subject matter, which must be a possible thing; and (c) the price certain in money or its equivalent.[22]

In the instant case, all these elements are present. The records disclose that the Altamiranos were the ones who offered to sell the property to Nena but the transaction did not push through due to the fault of the respondents. Thereafter, the petitioner renewed Nena's option to purchase the property to which Alejandro, as the representative of the Altamiranos verbally agreed. The determinate subject matter is Lot No. 3, which is covered under TCT No. T-102563 and located at No. 39 10 de Julio Street (now Esteban Mayo Street), Lipa City, Batangas.[23] The price agreed for the sale of the property was Five Hundred Thousand Pesos (P500,000.00).[24] It cannot be denied that the oral contract of sale entered into between the petitioner and Alejandro was valid.

However, the CA found that it was only Alejandro who agreed to the sale. There is no evidence to show that the other co-owners consented to Alejandro's sale transaction with the petitioner. Hence, for want of authority to sell Lot No. 3, the CA ruled that Alejandro only sold his aliquot share of the subject property to the petitioner.

In *Alcantara v. Nido*,[25] the Court emphasized the requirement of an SPA before an agent may sell an immovable property. In the said case, Revelen was the owner of the subject land. Her mother, respondent Brigida Nido accepted the petitioners' offer to buy Revelen's land at Two Hundred Pesos (P200.00) per sq m. However, Nido was only authorized verbally by Revelen. Thus, the Court declared the sale of the said land null and void under Articles 1874 and 1878 of the Civil Code.[26]

Articles 1874 and 1878 of the Civil Code explicitly provide:

Art. 1874. 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.

Art. 1878. Special powers of attorney are necessary in the following cases:

x x x x

(5) To enter into any contract by which the ownership of an immovable is transmitted or acquired either gratuitously or for a valuable consideration;

The petitioner insists that the authority of Alejandro to represent his co-heirs in the contract of sale entered into with the petitioner had been adequately proven during the trial. He alleges that the other Altamiranos are deemed to have knowledge of the contract of sale entered into by Alejandro with the petitioner since all of them, either personally or through their authorized representatives participated in the sale transaction with the Spouses Lajarca involving the same property covered by TCT No. T-102563. In fact, said TCT even contained a notice of lis pendens which should have called their attention that there was a case involving the property. Moreover, the petitioner points out that Alejandro represented a considerable majority of the co-owners as can be observed from other transaction and documents, i.e., three (3) Deeds of Sale executed in favor of the Spouses Lajarca and the two other buyers of the parcels of land co-owned by the Altamiranos.[27]

The petitioner's contentions are untenable. Given the expressed requirement under the Articles 1874 and 1878 of the Civil Code that there must be a written authority to sell an immovable property, the petitioner's arguments must fail. The petitioner asserts that since TCT No. T-102563 contained a notice of lis pendens, the Altamiranos very well knew of the earlier sale to him by Alejandro. While this may be true, it does not negate the fact that Alejandro did not have any SPA. It was a finding that need not be disturbed that Alejandro had no authority from his co-owners to sell the subject property.

Moreover, the fact that Alejandro allegedly represented a majority of the co-owners in the transaction with the Spouses Lajarca, is of no moment. The Court cannot just simply assume that Alejandro had the same authority when he transacted with the petitioner.

In *Woodchild Holdings, Inc. v. Roxas Electric and Construction Company, Inc.*[28] the Court stated that "persons dealing with an assumed agency, whether the assumed agency be a general or special one, are bound at their peril, if they would hold the principal liable, to ascertain not only the fact of agency but also the nature and extent of authority, and in case either is controverted, the burden of proof is upon them to establish it." [29] In other words, when the petitioner relied only on the words of respondent Alejandro without securing a copy of the SPA in favor of the latter, the petitioner is bound by the risk accompanying such trust on the mere assurance of Alejandro.

The same *Woodchild* case stressed that apparent authority based on estoppel can arise from the principal who knowingly permit the agent to hold himself out with authority and from the principal who clothe the agent with indicia of authority that would lead a reasonably prudent person to believe that he actually has such authority.[30] Apparent authority of an agent arises only from "acts or conduct on the part of the principal and such acts or conduct of the principal must have been known and relied upon in good faith and as a result of the exercise of reasonable prudence by a third person as claimant and such must have produced a change of position to its detriment." [31] In the instant case, the sale to the Spouses Lajarca and other transactions where Alejandro allegedly represented a considerable majority of the co-owners transpired after the sale to the petitioner; thus, the petitioner cannot rely upon these acts or conduct to believe that Alejandro had the same authority to negotiate for the sale of the subject property to him.

Indeed, the petitioner can only apply the principle of apparent authority if he is able to prove the acts of the Altamiranos which justify his belief in Alejandro's agency; that the Altamiranos had such knowledge thereof; and if the petitioner relied upon those acts and conduct, consistent with ordinary care and prudence.[32]

The instant case shows no evidence on record of specific acts which the Altamiranos made before the sale of the subject property to the petitioner, indicating that they fully knew of the representation of Alejandro. All that the petitioner relied upon were acts that happened after the sale to him. Absent the consent of Alejandro's co-owners, the Court holds that the sale between the other Altamiranos and the petitioner is null and void. But as held by the appellate court, the sale between the petitioner and Alejandro is valid insofar as the aliquot share of respondent Alejandro is concerned. Being a co-owner, Alejandro can validly and legally dispose of his share even without the consent of all the other co-heirs.[33] Since the balance of the full price has not yet been paid, the amount paid shall represent as payment to his aliquot share. [34] This then leaves the sale of the lot of the Altamiranos to the Spouses Lajarca valid only insofar as their shares are concerned, exclusive of the aliquot part of Alejandro, as ruled by the CA. The Court finds no reversible error with the decision of the CA in all respects.

WHEREFORE, the petition is DENIED. The Decision of the Court of Appeals dated November 29, 2007 in CA-G.R. CV No. 86001 is AFFIRMED.

SO ORDERED.

Sereno, C.J., (Chairperson), Leonardo-De Castro, Bersamin, and Villarama, Jr., JJ., concur.

[1] Rollo, pp. 8-25.

[2] Penned by Associate Justice Normandie B. Pizarro, with Associate Justices Edgardo P. Cruz and Fernanda Lampas Peralta, concurring; id. at 26-45.

[3] Under the sala of Judge Avelino G. Demetria; id. at 46-56.

[4] Id. at 14-15, 28, 47.

[5] Id. at 15, 28-29, 48.

[6] Id. at 15, 29, 48.

[7] Id. at 16-17, 29-30, 48-49.

[8] Id. at 10, 27, 46.

[9] Id. at 11, 27, 46.

[10] Id. at 12, 30-31, 47.

[11] Id. at 46-56.

[12] Id. at 55-56.

[13] Id. at 26-45.

[14] Id. at 43-44.

[15] Sec. 15. Extraterritorial service – When the defendant does not reside and is not found in the Philippines and the action affects the personal status of the plaintiff or relates to, or the subject of which, is property within the Philippines, in which the defendant has or claims a lien or interest, actual or contingent, or in which relief

demand consists, wholly or in part, in excluding the defendant from any interest therein, or the property of the defendant has been attached in the Philippines, service may, by leave of court, be effected out of the Philippines by personal service as under section 7; or by publication in a newspaper of general circulation in such places and for such time as the court may order, in which case a copy of the summons and order of the court shall be sent by registered mail to the last known address of the defendant, or in any other manner the court may deem sufficient. Any order granting such leave shall specify a reasonable time, which shall not be less than sixty (60) days after notice, within which the defendant must answer.

[16] Rollo, pp. 34-35.

[17] Id. at 36-38.

[18] 494 Phil. 528 (2005).

[19] Rollo, pp. 38-43.

[20] Id. at 57-58.

[21] *Litonjua v. Fernandez*, 471 Phil. 440, 453 (2004).

[22] *Robern Development Corporation and Rodolfo M. Bernardo, Jr. v. People's Landless Association*, represented by Florida Ramos and Nardo Labora, G.R. No. 173622, March 11, 2013.

[23] Rollo, pp. 29, 47.

[24] Id. at 48.

[25] G.R. No. 165133, April 19, 2010, 618 SCRA 333.

[26] Id. at 335-336, 339-341.

[27] Rollo, pp. 20-22.

[28] 479 Phil. 896 (2004).

[29] Id. at 911.

[30] Id. at 914.

[31] Id.

[32] Id.

[33] *Calma v. Santos*, G.R. No. 161027, June 22, 2009, 590 SCRA 359, 375.

[34] Rollo, p. 39.

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.