

GUADALUPE GONZALEZ AND LUIS GOMEZ, PLAINTIFFS AND APPELLANTS, VS. E. J. HABERER, DEFENDANT AND APPELLEE.

G.R. No. 22604. February 03, 1925

Ponente: OSTRAND, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-22604/>

OSTRAND, J.:

This action is brought to recover the sum of P34,260 alleged to be due the plaintiffs from the defendant upon a written agreement for the sale of a tract of land situated in the Province of Nueva Ecija. The plaintiffs also ask for damages in the sum of P10,000 for the alleged failure of the defendant to comply with his part of the agreement.

The defendant in his answer admits that of the purchase price stated in the agreement a balance of P31,000 remains unpaid, but by way of special defense, cross-complaint and counter-claim alleges that at the time of entering into the contract the plaintiffs through false representations lead him to believe that they were in possession of the land and that the title to the greater portion thereof was not in dispute; that on seeking to obtain possession he found that practically the entire area of the land was occupied by adverse claimants and the title thereto disputed; that he consequently has been unable to obtain possession of the land; and that the plaintiffs have made no efforts to prosecute the proceedings for the registration of the land. He therefore asks that the contract be rescinded; that the plaintiffs be ordered to return to him the P30,000 already paid by him to them; and to pay P25,000 as damages for breach of the contract.

The court below dismissed the plaintiffs' complaint, declared the contract rescinded and void and gave the defendant judgment upon his counterclaim for the sum of P30,000, with interest from the date upon which the judgment becomes final. The case is now before this court upon appeal by the plaintiffs from that judgment.

The contract in question reads as follows:

"Know all men by these presents:

"That I, Guadalupe Gonzalez y Morales de Gomez, married with Luis Gomez, of age, and resident of the municipality of Bautista, Province of Pangasinan, Philippine Islands, do hereby state:

"1. That I am the absolute and exclusive owner of a parcel of land situated in the barrio of Partida, municipality of Guimba, Nueva Ecija, described as follows:

"Bounded on the north by the land of Don Marcelino Santos; on the east, by the land of Dona Cristina Gonzalez; on the south by the Binituan River; and on the west, by the land of Doña Ramona Gonzalez; containing an area of 488 hectares approximately.

"2. That an application was filed for the registration of the above described land in the registry of property of Nueva Ecija, which application is still pending in the Court of First Instance of Nueva Ecija.

"3. That in consideration of the sum of P125 per hectare I do hereby agree and bind myself to sell and transfer by way of real and absolute sale the land above described to Mr. E. J. Haberer, binding myself to execute the deed of sale immediately after the decree of the court adjudicating said land in my favor is registered in the

registry of property of the Province of Nueva Ecija. The conditions of this obligation to sell are as follows:

" '1. That Mr. E. J. Haberer has at this moment paid me the sum of P30,000 on account of the price of the aforesaid land.

" '2. That said Mr. E. J. Haberer agrees and binds himself to pay within six months from the date of the execution of this document the unpaid balance of the purchase price.

" '3. That said Mr. E. J. Haberer shall have the right to take possession of the aforesaid land immediately after the execution of this document together with all the improvements now existing on the same land, such as palay plantations and others.

" '4. That said Mr. E. J. Haberer agrees and binds himself to pay the expenses to be incurred from this date in the registration of the aforesaid land up to the filing of the proper decree in the office of the register of deeds of the Province of Nueva Ecija.

" '5. That in the event that the court should hold that I am not the owner of all or any part of the aforesaid land, I agree and bind myself to return without interest all such amounts of money as I have received or may receive from Mr. E. J. Haberer as the purchase price of said land, but, in the event that the court should adjudicate a part of the aforesaid land to me, then I agree and bind myself to sell said portion adjudicated to me, returning all the amounts received from Mr. E. J. Haberer in excess of the price of said portion at the rate of P125 per hectare.

" '6. That Mr. E. J. Haberer does hereby waive any interest or indemnity upon the amount that I am to return to him and which I have received from Mr. E. J. Haberer as the purchase price of the aforesaid land.'

"I, E. J. Haberer, married, of age, and resident of the municipality of Talavera, Nueva Ecija, do hereby state that, having known the contents of this document, I accept the same with all the stipulations and conditions thereof.

"I, Luis Gomez, married, of age, and resident of the municipality of Bautista, Province of Pangasinan, do hereby grant my wife, Doña Guadalupe Gonzalez y Morales de Gomez, the due marital license to execute this document and make effective the definite sale of the land as above stipulated, she being empowered to execute the deed of sale and other necessary documents in order that the full ownership over the aforesaid land may be transferred to Mr. E. J. Haberer, as stipulated in this document.

"In testimony whereof, we hereunto set our hands at Manila, this 7th day of July, 1920.

(Sgd.)

"GUADALUPE G. DE GOMEZ

"E. J. HABERER

"LUIS GOMEZ

"Signed in the presence of the witnesses:

(Sgd.)

"EMIGDIO DOMINGO**"L. G. ALVAREZ**

"(Acknowledged before notary.)"

It is conceded by the plaintiffs that the defendant never obtained actual or physical possession of the land, but it is argued that under the contract quoted the plaintiffs were under no obligation to place him in possession. This contention cannot be sustained. Cause 3 of paragraph 3 of the contract gave the defendant the right to take possession of the land immediately upon the execution of the contract and necessarily created the obligation on the part of the plaintiffs to make good the right thus granted; it was one of the essential conditions of the agreement and the failure of the plaintiffs to comply with this condition, without fault on the part of the defendant, is in itself sufficient ground for the rescission, even in the absence of any misrepresentation on their part. (Civil Code, art. 1124; Pabalan vs. Velez, 22 Phil., 29.)

It is therefore unnecessary to discuss the question whether the defendant was induced to enter into the agreement through misrepresentations made by the plaintiff Gomez. We may say, however, that the evidence leaves no doubt that some misrepresentations were made and that but for such misrepresentations the defendant would not have been likely to enter into the agreement in the form it appeared. As to the contention that the plaintiff Gonzalez cannot be charged with the misrepresentations of Gomez, it is sufficient to say that the latter in negotiating for the sale of the land acted as the agent and representative of the other plaintiff, his wife; having accepted the benefit of the representations of her agent she cannot, of course, escape liability for them. (Haskell vs. Starbird, 152 Mass., 117; 23 A. S. R., 809.)

The contention of the appellants that the symbolic delivery effected by the execution and delivery of the agreement was a sufficient delivery of the possession of the land, is also without merit. The possession referred to in the contract is evidently physical; if it were otherwise it would not have been necessary to mention it in the contract. (See Cruzado vs. Bustos and Escaler, 34 Phil., 17.)

The judgment appealed from is in accordance with the law, is fully sustained by the evidence, and is therefore affirmed, with the costs against the appellants. So ordered.

Johnson, Street, Malcolm, Villamor, Johns, and Romualdez, 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.