

TIBURCIO LEOQUINCO, PLAINTIFF AND APPELLANT, VS. THE POSTAL SAVINGS BANK ET AL., DEFENDANTS AND APPELLEES.*G.R. No. 23630. August 25, 1925*

Ponente: JOHNSON, J.

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This action was commenced in the Court of First Instance of the City of Manila on the 15th day of May, 1924, against the Postal Savings Bank (El Banco Postal de Ahorros) and its board of directors composed of Cipriano Unson, Miguel Unson, Antonio Villa-Real, Jose Topacio, Ben F. Wright, and Jose Alba.

Plaintiff alleged that he was the highest bidder at a public auction held by the defendants on March 31, 1924, for the sale of a piece or parcel of land belonging to the Bank, situated at Navotas, Province of Rizal, having offered P27,000 for said property; that in Resolution No. 31 of the board of directors of the Bank, authorizing the sale of said property at public auction, as well as in the public notice announcing said sale, the board of directors have expressly reserved to themselves the right to reject any and all bids; that as such highest bidder at said auction, he wrote a letter to the defendants on May 9, 1924, advising that he was ready to tender payment for the land as soon as the deed of sale of the same in his favor is executed and delivered by the defendants; that the defendants refused to execute the deed in spite of requests made therefor by him; that said refusal caused him damages in the sum of P25,000 more or less. Plaintiff prayed that said defendants be ordered to execute and deliver the deed of sale of said land in his favor, and to pay him damages amounting to P25,000, and the costs.

The defendants answered, admitting the allegations of the complaint, except the conclusions of law therein set forth and the damages alleged to have been suffered by plaintiff. As a special defense, the defendants alleged that in Resolution No. 31 of the board of directors of the Postal Savings Bank, authorizing the sale at public auction of the property in question, as well as in the notice announcing said sale, the defendants expressly reserved to themselves "the right to reject any and all bids," and that they never accepted the bid or offer of the plaintiff. The defendants prayed for relief from the complaint, with costs against the plaintiff.

Upon the issue thus presented the cause was brought on for trial, at the conclusion of which and after a careful consideration of the evidence adduced pro and con, the Honorable C. A. Imperial, judge, rendered a judgment holding that the plaintiff had not established his case, and dismissed the complaint without costs. From said judgment the plaintiff appealed, and now raises several questions of both fact and law.

There is no dispute as to the facts of this case which are essential to the decision thereof. They are clearly set forth in the pleadings and admitted by both parties. It only remains to be added that the defendants not only did not accept the plaintiff's bid, but on May 10, 1924, they wrote him a letter, advising him that his bid was rejected by the board of directors at its meeting of May 6, 1924.

There is absolutely no merit in this appeal. It may be summarily disposed of, without need for a discussion of the errors assigned by appellant's counsel. Appellant set forth and admitted in his pleadings that in the resolution adopted by the board of directors authorizing the sale at public auction of the land, as well as in the notice

announcing the auction, the appellees had expressly reserved to themselves the right to reject any and all bids. By taking part in the auction and offering his bid, the appellant voluntarily submitted to the terms and conditions of the auction sale, announced in the notice, and clearly acknowledged the right so reserved to the appellees. The appellees, making use of that right, rejected his offer. Clearly, the appellant has no ground of action to compel them to execute a deed of sale of the land in his favor, nor to compel them to accept his bid or offer. "The owner of property offered for sale at auction has the right to prescribe the manner, conditions and terms of sale, and where these are reasonable and are made known to the buyer, they are binding upon him, and he cannot acquire a title in opposition to them, and against the consent of the owner. * * *" (Farr vs. John, 23 Iowa, 286; Batemann, on Auctions, p. 2; 6 Corpus Juris, p. 827.)

The owner of property offered for sale either at public or private auction has the right to prescribe the manner, conditions and terms of such sale. He may provide that all of the purchase price shall be paid at the time of the sale or any portion thereof, or that time will be given for the payment. (Blossom vs. Milwaukee and Chicago Railroad Co., 3 Wallace [U. S.], 196.)

The conditions of a public sale, announced by an auctioneer or the owner of the property at the time and place of the sale, are binding upon a purchaser, whether he knew them or not. (Kennell vs. Boyer, 144 Iowa, 303; Vanleer vs. Fain, 6 Humphrey [Tenn.], 104.)

Therefore, the sentence appealed from should be and is hereby affirmed, with costs against the appellant. So ordered.

Avanceña, C. J., Street, Malcolm, Villamor, Ostrand, and Johns, JJ., concur.

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