

LEONILA SARMIENTO, PETITIONER, VS. HON. ENRIQUE A. AGANA, DISTRICT JUDGE, COURT OF FIRST INSTANCE OF RIZAL, SEVENTH JUDICIAL DISTRICT, BRANCH XXVIII, PASAY CITY, AND SPOUSES ERN...*G.R. No. 57288. April 30, 1984*

Ponente: MELENCIO-HERRERA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-57288/>**MELENCIO-HERRERA, J.:**

This Petition for Certiorari questions a March 29, 1979 Decision rendered by the then Court of First Instance of Pasay City. The Decision was one made on memoranda, pursuant to the provisions of RA 6031, and it modified, on October 17, 1977, a judgment of the then Municipal Court of Parañaque, Rizal, in an Ejectment suit instituted by herein petitioner Leonila SARMIENTO against private respondents, the spouses ERNESTO Valentino and Rebecca Lorenzo. For the facts, therefore, we have to look to the evidence presented by the parties at the original level.

It appears that while ERNESTO was still courting his wife, the latter's mother had told him the couple could build a RESIDENTIAL HOUSE on a lot of 145 sq. ms., being Lot D of a subdivision in Parañaque (the LAND, for short). In 1967, ERNESTO did construct a RESIDENTIAL HOUSE on the LAND at a cost of P8,000.00 to P10,000.00. It was probably assumed that the wife's mother was the owner of the LAND and that, eventually, it would somehow be transferred to the spouses.

It subsequently turned out that the LAND had been titled in the name of Mr. & Mrs. Jose C. Santos, Jr. who, on September 7, 1974, sold the same to petitioner SARMIENTO. The following January 6, 1975, SARMIENTO asked ERNESTO and wife to vacate and, on April 21, 1975, filed an Ejectment suit against them. In the evidentiary hearings before the Municipal Court, SARMIENTO submitted the deed of sale of the LAND in her favor, which showed the price to be P15,000.00. On the other hand, ERNESTO testified that the then cost of the RESIDENTIAL HOUSE would be from P30,000.00 to P40,000.00. The figures were not questioned by SARMIENTO.

The Municipal Court found that private respondents had built the RESIDENTIAL HOUSE in good faith, and, disregarding the testimony of ERNESTO, that it had a value of P20,000.00. It then ordered ERNESTO and wife to vacate the LAND after SARMIENTO has paid them the mentioned sum of P20,000.00.

The Ejectment suit was elevated to the Court of First Instance of Pasay where, after the submission of memoranda, said Court rendered a modifying Decision under Article 448 of the Civil Code. SARMIENTO was required, within 60 days, to exercise the option to reimburse ERNESTO and wife the sum of P40,000.00 as the value of the RESIDENTIAL HOUSE, or the option to allow them to purchase the LAND for P25,000.00. SARMIENTO did not exercise any of the two options within the indicated period, and ERNESTO was then allowed to deposit the sum of P25,000.00 with the Court as the purchase price for the LAND. This is the hub of the controversy. SARMIENTO then instituted the instant Certiorari proceedings.

We agree that ERNESTO and wife were builders in good faith in view of the peculiar circumstances under which they had constructed the RESIDENTIAL HOUSE. As far as they knew, the LAND was owned by ERNESTO's mother-in-law who, having stated they could build on the property, could reasonably be expected to later on give them the LAND.

In regards to builders in good faith, Article 448 of the Code provides:

"ART. 448. The owner of the land on which anything has been build, sown or planted in good faith, shall have the right to appropriate as his own the works, sowing or planting, after payment of the indemnity provided for in articles 546 and 548, or to oblige the one who built or planted to pay the price of the land, and the one who sowed, the proper rent.

However, the builder or planter cannot be obliged to buy the land if its value is considerably more than that of the building or trees. In such case, he shall pay reasonable rent, if the owner of the land does not choose to appropriate the building or trees after proper indemnity. The parties shall agree upon the terms of the lease and in case of disagreement, the court shall fix the terms thereof." (Paragraphing supplied)

The value of the LAND, purchased for P15,000.00 on September 7, 1974, could not have been very much more than that amount during the following January when ERNESTO and wife were asked to vacate. However, ERNESTO and wife have not questioned the P25,000.00 valuation determined by the Court of First Instance.

In regards to the valuation of the RESIDENTIAL HOUSE, the only evidence presented was the testimony of ERNESTO that its worth at the time of the trial should be from P30,000.00 to P40,000.00. The Municipal Court chose to assess its value at P20,000.00, or below the minimum testified by ERNESTO, while the Court of First Instance chose the maximum of P40,000.00. In the latter case, it cannot be said that the Court of First Instance had abused its discretion.

The challenged decision of respondent Court, based on valuations of P25,000.00 for the LAND and P40,000.00 for the RESIDENTIAL HOUSE, cannot be viewed as not supported by the evidence. The provision for the exercise by petitioner SARMIENTO of either the option to indemnify private respondents in the amount of P40,000.00, or the option to allow private respondents to purchase the LAND at P25,000.00, in our opinion, was a correct decision.

"The owner of the building erected in good faith on a land owned by another, is entitled to retain the possession of the land until he is paid the value of his building, under article 453 (now Article 546). The owner of the land, upon the other hand, has the option, under article 361 (now Article 448), either to pay for the building or to sell his land to the owner of the building. But he cannot, as respondents here did, refuse both to pay for the building and to sell the land and compel the owner of the building to remove it from the land where it is erected. He is entitled to such remotion only when, after having chosen to sell his land, the other party fails to pay for the same. (underscoring ours)

"We hold, therefore, that the order of Judge Natividad compelling defendants-petitioners to remove their buildings from the land belonging to plaintiffs-respondents only because the latter chose neither to pay for such buildings nor to sell the land, is null and void, for it amends substantially the judgment sought to be executed and is, furthermore, offensive to articles 361 (now Article 448) and 453 (now Article 546) of the Civil Code." (Ignacio vs. Hilario, 76 Phil. 605, 608 [1946]).

WHEREFORE, the Petition for Certiorari is hereby ordered dismissed, without pronouncement as to costs.

SO ORDERED.

Teehankee, (Chairman), Plana, Relova, Gutierrez, Jr., and De la Fuente, 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.