

**DR. MACARIO Q. FALCON, PETITIONER, VS. THE HONORABLE
INTERMEDIATE APPELLATE COURT, FIRST CON-SOLIDATED RURAL
BANK (BOHOL), INC., CITY OF TAGBILARAN; AND TEODORO E.
NAZARENO, PRO...**

G.R. No. 74049. November 29, 1988

Ponente: PARAS, J.

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PARAS, J.:

Before Us is a Motion for Reconsideration of Our Resolution dated April 1, 1987 in the above-entitled case reading as follows:

"It appearing that private respondent Bank lent money to petitioner so that the latter might purchase from a third party a tractor on the installment plan, it follows that Art. 1484 (3) of the Civil Code, prohibiting the recovery of the deficiency in case of the foreclosure of a chattel mortgage of personal property purchased on installment, does not apply, the transaction between the parties in the instant case being a loan and not a sale; accordingly, the Court RESOLVED TO DENY this petition. (Bidin, J., no part, as he concurred in the CA decision subject of the petition)." (page 59, Rollo)

In his Motion for Reconsideration, petitioner reite-rates his argument "that the transaction between the par-ties in this instant case was clearly that of a SALE and NOT A LOAN inasmuch as petitioner NEVER EVEN FOR A MOMENT got hold of the money allegedly loaned to him but instead it was the respondent bank who used the money and handed the same to the vendor and which fact alone is a clear indicium of a contract of sale between the private respondent and the vendor of said tractor in question." (Rollo, p. 60) Such argument is not novel as this was already presented to and ruled upon by the trial court and the appellate court in favor of respondent Bank. The same was again brought to Us upon a Petition for Review by Certiorari raising the same issue and argument. This petition was DENIED by Us as mentioned earlier and We now find no substantial or valid reason why We should reconsider Our resolution in the light of the undisputed findings of the trial court as affirmed by the Appellate Court, to wit:

"In the case at bar the herein plaintiff borrowed money from the Rural Bank of Tagbila-ran, Inc. in the sum of P93,124.00 and from the Rural Bank of Sierra-Bullones in the sum of P50,144.00, the two amounts totaling P143,268.00. It is to be noted that the par-ties agreed under paragraph 1 of their stipu-lation of facts that such amount was granted as a CB: IBRD Loan. This loan was extended by the original two banks in order that the plaintiff could purchase from the Aboitiz Marketing Corporation a tractor worth P156,973.42. Inasmuch as such loan was insuffi-cient to pay for the aforesaid price of the tractor, the plaintiff has to add the sum of P16,721.00 out of his own personal fund. Thus, the loan of the banks in the sum of P143,268.00 and the personal money of the plaintiff in the sum of P16,721.00 made up the purchase money paid to the Aboitiz Market-ing Corporation for the subject tractor.

"Against the foregoing backdrop it could be easily concluded that the relationship between the plaintiff and the defendant banks of Tagbilaran and Sierra-Bullones, had fallen square under the definition of Article 1933 of

the New Civil Code whereby the banks delivered to the plaintiff the money, upon condition that the same amount shall be paid and with the stipulation that plaintiff pay inte-rest.

"To formalize such contract of loan, the parties signed several documents, one of which was the promissory note (Exhibit 1-A) whereby plaintiff acknowledged receipt from the two banks the amount of P143,268.00, payable with interest of 14 per cent per annum in 7 equal installments, at P33,408.95 per installment. Beyond doubt, the said promissory note is a faithful compliance of the requirements of Art. 1953 of the Civil Code, whereby the plaintiff, as borrower, bound himself to pay the lender banks the equal amount of p143,268.00 plus the corresponding interest." (Original Record, pp. 213-214) (pp. 3-4, Decision; pp. 18-19, Rollo).

WHEREFORE, premises considered, petitioner's Motion for Reconsideration is hereby DENIED for lack of merit.

SO ORDERED.

Melencio-Herrera, (Chairperson), Padilla, Sarmiento, and Regalado, JJ., concur.

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