

CATALINA B. VDA. DE ALVIR, ANTONIO MA. B. ALVIR, RENE MA. B. ALVIR, ROBERTO B. ALVIR AND DOUGLAS B. ALVIR, PETITIONERS, VS. THE HONORABLE COURT OF APPEALS AND HOWARD J. WEBER, R...

G.R. No. 81833. April 18, 1989

Ponente: GANCAYCO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-81833/>

GANCAYCO, J.:

The property subject of this petition is about 250 square meters with a one-story, two-room house constructed thereon. It is a portion of a bigger parcel of land situated in San Juan, Metro Manila, formerly covered by Transfer Certificate of Title No. 29457 registered in the name of Antonio D. Alvir who is now deceased.

In November, 1961, petitioners, except Douglas B. Alvir, who was then a minor, executed a deed of sale in favor of private respondent, an American citizen, of whatever rights and interest they may have over the aforementioned lot for and in consideration of P5,000.00, the terms and conditions of which provides, among others:

"The consideration of P5,000.00 shall be payable as follows:

1. P1,500.00 upon signing of this document.
2. P1,500.00 upon payment and full settlement of the encumbrance of the said lot with the Philippine National Banks; and
3. The balance of (P2,000.00 shall be) payable from whatever commissions the VENDEE stands to receive from the VENDOR as commissions and/or fees in consideration for his successful negotiation for investment of their Romblon Marble claims, San Juan and Ipo properties and the Limestone claims at Teresa, Rizal. Provided, however, that if within two (2) years from the signing of this document the VENDEE should not be entitled to any aforesaid commissions and/or fees then the balance of P2,000.00 should be payable thirty (30) days from and after the expiration of the said two years; further, should VENDEE not pay the aforesaid balance within 30 days from and after the expiration of the 2-year period then all past payments made and whatever improvements that may be constructed on the said lot shall be forfeited in favor of the VENDORS."

Private respondent paid the initial amount of P3,000.00 and constructed a house thereon.

Meanwhile, in Special Proceedings No. 3899 covering the intestate estate of Antonio B. Alvir in the Court of First Instance (CFI) of Rizal, petitioner Catalina B. Vda. de Alvir, as administratrix, submitted the report and project of partition of the estate^[2] which was approved by the trial court on December 28, 1968. The trial court authorized the administratrix to distribute and deliver to the heirs their respective shares.^[3] Petitioners held a raffle among themselves and the portion which corresponds to the subject property was drawn by petitioner Douglas Alvir. Transfer Certificate of Title No. 328543 was thus issued in his name for this portion by the Register of Deeds of Rizal.

Inasmuch as the said house and lot was occupied by the parents-in-law of private respondent, petitioner Douglas Alvir filed a complaint for ejectment against said occupants in the Municipal Court of San Juan on February 12, 1973. It was, however, dismissed for failure to implead private respondent who was a necessary party.

On March 29, 1974, private respondent filed a complaint for specific performance and damages against petitioners in the CFI of Rizal. The case was docketed as Civil Case No. 19159. After the presentation of evidence by private respondent, petitioners elected to file a motion to dismiss instead of presenting evidence. This was denied in an order dated December 8, 1978. On March 14, 1979, the case was deemed submitted for decision. On August 8, 1978, the trial court promulgated its decision, the dispositive part of which reads as follows:

"IN VIEW OF THE ABOVE CONSIDERATIONS, this Court renders Judgment directing defendants, namely: Catalina Vda. de Alvir, Antonio Ma. B. Alvir, Rene Ma. B. Alvir and Roberto B. Alvir to pay plaintiff Howard J. Weber the amount of FIVE THOUSAND PESOS (P5,000.00) with annual interest at 6% from November 1, 1961 until fully paid, ONE HUNDRED THOUSAND PESOS (P100,000.00) as moral damages, FIFTY THOUSAND PESOS (P50,000.00) as exemplary damages, FIVE THOUSAND PESOS (P5,000.00) as attorney's fees and the costs of suit.

Defendant Douglas Alvir is granted the option to appropriate the residential house on the land subject of this case upon payment of SEVENTY THOUSAND PESOS (P70,000.00) to the plaintiff or to sell to plaintiff the parcel of land subject of this case for P5,000.00 and should defendant fail to exercise the option within 30 days from notice hereof, parties shall enter into a contract of lease of the property the terms of which shall be fixed by this Court in the event of disagreement, unless plaintiff chooses to remove the improvement and restore the land to its former condition.

SO ORDERED."[4]

Dissatisfied therewith, petitioners appealed to the then Intermediate Appellate Court (IAC) wherein in due course a decision was rendered on September 17, 1984 affirming in toto the appealed decision with costs against petitioners.[5] A motion for reconsideration was filed by petitioners and on December 6, 1984 they asked leave to submit evidence. Over the opposition of private respondent, the appellate court allowed petitioners to present evidence in the interest of justice. Hearings were conducted where petitioner Roberto Alvir testified. Thereafter, the motion for reconsideration was nevertheless denied on January 25, 1988.[6]

Hence, this petition for review wherein the petitioners raise the following errors allegedly committed by the appellate court:

"A. THE RESPONDENT COURT OF APPEALS ERRED IN SANCTIONING A DIRECT VIOLATION OF THE CONSTITUTIONAL PROHIBITION AGAINST ALIENS ACQUIRING OR OWNING PRIVATE AGRICULTURAL (INCLUDING RESIDENTIAL) LANDS IN THE PHILIPPINES.

B. THE RESPONDENT COURT OF APPEALS ERRED IN ALLOWING EVIDENCE TO BE INTRODUCED BEFORE IT AND THEN, WITHOUT EXPUNGING THE SAME FROM ITS RECORDS, COMPLETELY IGNORING THE SAID EVIDENCE AND THEREAFTER ISSUING A RESOLUTION WITHOUT CLEARLY STATING THE BASIS THEREFOR, IN VIOLATION OF THE CONSTITUTIONAL MANDATE TO DO SO.

C. THE RESPONDENT COURT OF APPEALS ERRED IN SANCTIONING A GROSSLY- ERRONEOUS INTERPRETATION OF THE LAW ON PRESCRIPTION OF ACTIONS.

D. THE RESPONDENT COURT OF APPEALS ERRED IN ALLOWING A DRASTIC AND RADICAL CHANGE IN THE NATURE OF THE PRIVATE RESPONDENT WEBER'S CAUSE OF ACTION (FROM SPECIFIC PERFORMANCE TO DAMAGES) AND THEREAFTER AWARDING EXCESSIVE

DAMAGES WHICH WERE NOT EVEN PRAYED FOR SPECIFICALLY IN HIS COMPLAINT."[7]

The Court finds that the third assigned error as to whether or not the cause of action of private respondent has prescribed deserves prior attention.

In disposing of this issue, the appellate court held that prescription had not yet set in by holding -

"2. Defendants-appellants also contend that plaintiff-appellees claim is barred by prescription, inasmuch as the Deed of Sale sued upon was executed in November 1961, while plaintiff-appellee's complaint was filed only on March 29, 1974 (thereafter), or more than ten years, in violation of Article 1144 of the Civil Code.

Article 1144 of the Civil Code provides that an action upon a written contract must be brought within 10 years from the time the right of action accrues. In order to have a good cause of action, the following essential elements must coexist: legal right in the plaintiff, with a corresponding legal duty in the defendant, and a violation or breach of that right or duty with consequential injury or damage to the plaintiff, for which he may maintain an action for appropriate relief (*Ma-ao Sugar Central Co. vs. Barrios*, 79 Phil. 666). There is no actionable wrong, that is, no cause of action, unless there has been a breach of such duty either by means of the defendant's failure to perform some contractual obligation which he has undertaken, or by means of some tortious or illegal act which violates or infringes some right of the plaintiff with respect to which a duty or obligation is owing, resulting in an injury to plaintiff (1 Am. Jur. p. 420). The right of action accrues from the moment there occurs a breach of right or duty, for from that moment the action can be legally instituted; from that moment, therefore, the period of prescription of action begins to run.

In the case at bar, the Deed of Sale of November 1961, Exh. 'A', provides that defendants-appellants agree to transfer, cede and convey unto HOWARD WEBER whatever rights and interests we may have over 250 square meters of land located at San Juan, Rizal and being a portion of Lot No. 7 and covered by Transfer Certificate of Title No. 29457 issued by the Register of Deeds for Rizal. It is clear therefore that plaintiff-appellee has no legal right to demand the transfer, cession or conveyance of a portion of 250 square meters of Lot 7 until defendants-appellants' rights and interests thereto shall have been definitely determined. Said rights were definitely determined only upon the termination of the Intestate proceedings, No. 3899 of Br. I, CFI of Rizal, of the deceased Antonio Alvir, Sr., which, according to Atty. Sotelo, was on December 28, 1968 (TSN, Aug. 13, 1976, p. 100). Plaintiff-appellee's cause of action, therefore, did not accrue in November 1961, as contended by defendants-appellants, but not earlier than December 28, 1968. Plaintiff-appellee's complaint filed on March 29, 1974 was not barred by prescription.

Moreover, defendants-appellants are estopped, under the facts of this case, to plead the limitation of action as a defense.

The record shows that defendants-appellants assured repeatedly plaintiff-appellee that they would work for the segregation of the subject lot and transfer the same to plaintiff-appellee's name as soon as the estate of the late Antonio Alvir, Sr. was settled; That there would be no trouble segregating the lot; that a claim or suit by plaintiff would only delay the proceedings and consequentially the segregation of the lot; and that they allowed plaintiff to occupy the lot and build his house therein are the things that lulled plaintiff into not filing a claim in the intestate proceedings or a separate action in court; plaintiff being then a friend and business associate of defendants.

Plaintiff-appellee relied and acted in good faith on these misrepresentations. A defendant who intentionally or negligently misleads a plaintiff by his misrepresentations, and causes him to delay suing until the statutory bar has fallen, will be estopped from pleading the statute of limitations. (*Tucker v. Owen*, (CA4) 94 F 2d 49; *Missouri P.R. Co. v. Davis*, 186 Ark. 401, 53 SW 2d 851; *Neff v. New York L. Ins. Co.*, 30 Cal. 2d 165, 180 P2nd 900, 171 ALR 563; *Holman v. Omaha C.R.R. & Bridges Co.*, 117 Iowa 268, 90 NW 833; *Missouri, K. & T.R. Co. V. Pratt*, 73 Kan. 210, 83 P 114; *State ex rel. Oliver v. United States Fidelity & G. Co.*, 176 NC 598, 97 SE 490; *Empire Gas. & Fuel Co. v. Lindersmith*, 131 Okla., 183, 268, p. 218; *Sadler v. Marsden*, 160 Va.

392, 168 SE 357, 51 Am. Jur. 2d p. 912)."[8]

We disagree.

It is true that under Article 1144 of the Civil Code an action upon a written contract must be brought within 10 years from the time the cause of action accrues. Under the terms of the contract in this case, the balance of P2,000.00 for the sale must be paid by private respondent within 30 days from and after the expiration of the 2-year period from the signing thereof. Private respondent asserts that he paid this balance on July 25, 1963. Thus, the obligation of petitioners, except Douglas Alvir, "to transfer, cede and convey" to private respondent "whatever rights and interests" petitioners may have over the property accrued when private respondent completed payment of the consideration of the sale.

The opinion of the appellate court is that the cause of action accrued only when the rights and interest of said petitioners had been definitely determined. The terms of the contract do not support this conclusion. What it simply provides is that upon full payment of the consideration, said petitioners are bound to transfer, cede and convey to private respondent whatever rights and interest they have over the property, no more no less.

Thus, private respondent's cause of action is barred by prescription. The cause of action accrued on July 25, 1963, while the complaint was filed only on March 29, 1974.

The Court is not persuaded that it was due to alleged misrepresentation of petitioners that private respondent failed to file the complaint on time. Private respondent himself asserts that on February 12, 1973, petitioner Douglas Alvir instituted an unlawful detainer case against his in-laws over the property, and this was the time he learned what happened to the intestate proceedings of the late Antonio Alvir.[9] He could have filed the action immediately thereafter and well within the reglementary period. But he tarried and failed to do so on time. He has only himself to blame if he lost the right to seek relief from the courts.

In the light of the foregoing disposition, the other issues raised need not be resolved.

WHEREFORE, the petition is GRANTED. The judgment of the Intermediate Appellate Court dated September 12, 1984 and the Resolution of the Court of Appeals dated January 25, 1988 are set aside and another judgment is hereby rendered dismissing the complaint. No costs.

SO ORDERED.

Narvasa, (Chairman), Cruz, Griño-Aquino, and Medialdea, JJ., concur.

[1] Annex A to petition; pages 42 and 43, Rollo.

[2] Annex B to petition; pages 44-56, Rollo.

[3] Annex C to petition; page 57, Rollo.

[4] Annex J to petition; page 83, Rollo.

[5] Justice Porfirio V. Sison was the ponente, with Justices Abdulwahid A. Bidin and Marcelino Veloso concurring.

[6] Justice Alfredo Marigomen was ponente, with Justices Serafin A. Camilon and Arturo B. Buena concurring.

[7] Page 21, Rollo.

[8] Pages 142 and 143, Rollo.

[9] Comment of private respondent; pages 163-165, Rollo.

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.