



Republic of the Philippines  
Supreme Court  
Manila

THIR DIVISION

**GUILLERMA S. SILVA,**  
*Petitioner,*

**G.R. No. 206667**

Present:

LEONEN, J., \*  
HERNANDO,  
*Acting Chairperson,*  
INTING,  
DELOS SANTOS, and  
LOPEZ, J. Y., JJ.

- versus -

Promulgated:

**CONCHITA S. LO,**  
*Respondent.*

June 23, 2021

*MisDCCBalt*

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**DECISION**

**HERNANDO, J.:**

Challenged in this petition for review<sup>1</sup> on *certiorari* are the November 8, 2012 Decision<sup>2</sup> and April 11, 2013 Resolution<sup>3</sup> of the Court of Appeals (CA) in CA-G.R. SP No. 116979 which annulled and set aside the February 9, 2010 and August 27, 2010 Orders<sup>4</sup> of the Regional Trial Court (RTC), Branch 82, Quezon City in Civil Case No. Q-89-3137, an action for partition, accounting, delivery of shares and damages among the compulsory heirs of decedent Carlos Sandico, Jr. (Carlos Jr.).

\* On Wellness Leave.

<sup>1</sup> *Rollo*, pp. 29-44.

<sup>2</sup> *Id.* at 47-60; penned by Associate Justice Priscilla J. Baltazar-Padilla and concurred in by Associate Justices Rosalinda Asuncion-Vicente and Agnes Reyes-Carpio.

<sup>3</sup> *Id.* at 62-69.

<sup>4</sup> *Id.* at 189-191, 193; penned by Judge Severino B. De Castro, Jr.

**The Facts:**

On May 20, 1975, Carlos, Jr. died intestate leaving behind a sizeable estate to his compulsory heirs: the surviving spouse, Concepcion Lim-Sandico (Concepcion), and their children, Ma. Enrica Sandico-Pascual (Enrica), Carlos L. Sandico III (Carlos III), petitioner Guillerma Sandico-Silva (Guillerma), Lily Sandico-Brown (Lily), Pamela S. Zapanta (Pamela), respondent Conchita S. Lo (Conchita) and Teodoro L. Sandico (Teodoro).

Sometime in 1976, the heirs of Carlos Jr. executed an Extrajudicial Settlement of Estate which provided that all properties of the decedent shall be owned in common, *pro indiviso*, by his heirs.<sup>5</sup> In September 1988, Carlos, Jr.'s heirs executed a Memorandum of Agreement for the physical division of the estate.<sup>6</sup> However, both agreements were never implemented and the heirs remained *pro indiviso* co-owners of the estate's properties.

On August 3, 1989, Enrica, one of the heirs, filed Civil Case No. Q-89-3137 before the RTC impleading all the other heirs, her mother and siblings, as defendants. Eventually, Teodoro withdrew as defendant and joined suit as plaintiff-in-intervention.<sup>7</sup>

Opposing the physical division of the properties, defendants therein primarily asserted Concepcion's usufructuary rights over the estate's real properties. They further alleged a diminished value and use of the properties should these be physically divided. Given the unanimity of their defense against the complaint, Conchita and two other heirs residing abroad, Lily and Pamela, executed a Special Power of Attorney (SPA) in favor of their mother Concepcion and their sister, Guillerma, respectively.<sup>8</sup>

At the pre-trial, the parties stipulated on the following:

1. That this case is between members of the same family involving the mother and her children, all of whom are already of age;
2. That Carlos Sandico, Jr., husband of defendant [Concepcion] Lim-Sandico and father of the plaintiff [Enrica] and other defendants, died intestate on May 20, 1975, leaving as forced heirs the plaintiff and other defendants herein, that is, as legitimate spouse and seven (7) legitimate children;

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<sup>5</sup> Id. at 48.

<sup>6</sup> Id.

<sup>7</sup> Id. at 75; see April 13, 2007 Order of the RTC, Annex "D".

<sup>8</sup> Id. at 80-104.

3. That at the time of his death, the said deceased left the conjugal properties xxxx, one half (1/2) of which conjugal properties constituted his intestate estate;

4. That after the death of said Carlos Sandico, Jr., the parties herein executed an Extrajudicial Settlement of Estate dated November 18, 1976 distributing the intestate estate of the deceased, comprising of one half (1/2) of the aforesaid conjugal properties, pro indiviso among the parties herein in the proportions and manner stated in the said Extra-Judicial Settlement of Estate;

5. That after the death of the deceased on May 20, 1975, the defendant Concepcion Sandico took over actual administration of the said intestate estate, jointly with defendant Carlos Sandico III as contended by the plaintiff but denied by the defendant; and

6. That the fruits or proceeds from the said intestate estate were not distributed by the [defendant Concepcion] among the [co-heirs, the decedent's legitimate children], from that time up to the present, in accordance with the proportionate distribution agreed upon in the Extrajudicial Settlement of Estate, because of an alleged grant of usufruct supposedly executed by the plaintiff [Enrica] and the other defendants in [their mother's] favor, the existence and validity of which the plaintiff [Enrica] questions or contests.<sup>9</sup>

Thereafter, the RTC issued numerous orders reflecting the negotiations during court hearings for the distribution and partition of the estate among the heirs. The trial court encouraged the heirs to arrive at a mutually acceptable partition and distribution of the estate's properties. The contentious matters among the heirs were the inventory and classification of the estate's properties and their respective proposals for settlement and division thereof.

Significantly, on September 1, 1994, the Registry of Deeds of Pampanga issued Transfer Certificate of Title (TCT) No. 377745-R<sup>10</sup> covering the subject property, a 103,024-square meter tract of agricultural land located at Talimundok, San Agustin, Magalang, Pampanga. The title was issued in the names of Concepcion and Carlos III subject to the encumbrances of the decedent's estate which listed the names of the other compulsory heirs, including herein petitioner and respondent, Guillerma and Conchita, respectively. The title's Memorandum of Encumbrances likewise noted Enrica's *lis pendens* in connection with Civil Case No. Q-89-3137.<sup>11</sup>

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<sup>9</sup> Id. at 74-75.

<sup>10</sup> Id at 70-72; Annex "C" of the Petition.

<sup>11</sup> Id.; Entry No. 3633.

In the course of the trial, the heirs agreed on the manner of division of each property—*via* raffle conducted by the trial court. The heirs drew lots for an *aliquot* of each property of the estate, with Concepcion drawing first. For the heirs who failed to attend the hearing and the scheduled raffle, their respective counsels or their appointed attorney-in-fact, either Concepcion or Guillerma, in the case of Conchita, Lily and Pamela, drew the lot on their behalf.

For ease of reference, we reproduce some of the RTC's Orders:

On several dates, this Court issued the following Orders containing the stipulations agreed upon by the parties toward the settlement of this long delayed case:

(1) x x x As indicated in the previous Order of this Court, the only obstacle remaining in the way of the parties reaching a compromise agreement is the delivery of the Amorsolo paintings designated to the plaintiff [Enrica] and the plaintiff-in-intervention [Teodoro]. The defendants finally agreed to deliver the same; provided, this will be the last act that will be done to completely effectuate the compromise agreement. After discussion of the modes to be followed in connection with finalizing the compromise agreement and implementing the same, defendants' counsel agreed to prepare a final draft of a compromise agreement according to what have been agreed upon by the parties, without prejudice to the immediate physical division of the properties to be subdivided among the parties." (Court Order dated November 14, 1996)

(2) x x x Pursuant to the Order of this Court dated December 12, 1996, the disposition of the lots referred to as Items No. 1 to 16 were taken up one after the other. The lot designated as Item 1 was accordingly first identified by clarifying its location, boundaries and character (conjugal). Counsel of record for all the parties agreed that defendant Concepcion Lim-Sandico draw ahead to determine which portion thereof (whether left or the right) should go to her as her conjugal share, as well as her share as one of the heirs together with her children. The Court accordingly conducted the drawing of lots. Defendant Concepcion Lim-Sandico drew the left portion or the lots designated as L-1 to 8 and R-8. The lots designated as R-1 to R-7 shall appertain to the seven children or heirs of the deceased. Under the personal supervision of the Presiding Judge, counsel for the plaintiff [Enrica] drew lot R-6; counsel for the plaintiff-in-intervention drew lot R-7; defendant Guillerma Silva drew lot R-5 for herself and lot R-2 for defendant Lily S. Brown and Lot R-4 for defendant Pamela S. Zapanta; while Concepcion Lim-Sandico drew Lot R-1 for defendants Carlos Sandico III and Lot R-3 for Conchita S. Lo.<sup>12</sup>

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<sup>12</sup> Id. at 80-81.

For three years, under the supervision of the RTC, the heirs negotiated the terms of the estate's partition to be embodied in a compromise agreement. Not surprisingly, a flurry of drafts (of the compromise agreement) containing proposals for the distribution of the estate's properties were exchanged among the heirs.

After the plaintiffs, Enrica and Teodoro, signed the final draft of the compromise agreement, the defendants, Concepcion and the rest of her children, tarried signing thereof. Primarily, Concepcion continued to object to the division of the properties as it would purportedly reduce the value and utility thereof. This sparked another set of discussion among the opposing heirs culminating in the plaintiffs' (Enrica's and Teodoro's) motion for the RTC to "decide the case on the basis of the stipulations entered into by the parties embodied in the various orders of the Court."<sup>13</sup>

On January 11, 2000, the RTC issued an Order of Partition:<sup>14</sup>

After a careful and conscientious consideration of the foregoing submission of the plaintiffs and the defendants, this Court concluded that it is the better part of discretion to grant the former's Motion and decide the present case in accordance with their aforestated submissions and contentions.

x x x x

[T]his Court cannot set at naught what the parties and their lawyers have agreed upon by allowing them, or any of them, to repudiate, disown or disregard the Compromise Agreement that resulted from the negotiations they carried out and concluded under the aegis and supervision of this Court. In fact, the plaintiff and the plaintiff-in-intervention, with the assistance of their respective counsel, have already signed the final Compromise Agreement. Sad to say, the defendants balked at affixing their signatures when the plaintiff and the plaintiff-in-intervention refused to accede to the last minute change proposed by defendant Concepcion Lim-Sandico.

As a result, both plaintiff and plaintiff-in-intervention in effect moved and pray that this Court consider this case submitted for decision on the basis of the agreements reached by the parties during the arduous negotiations for the amicable settlement thereof, as embodied in the various relevant Orders of this Court aforequoted and on the basis of the terms and conditions of the Compromise Agreement already signed by them notwithstanding the refusal of the defendants to do the same.

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<sup>13</sup> Id. at 110.

<sup>14</sup> Id. at 73-113.

While it is inclined to deem defendants' eleventh hour stand not to be without logical basis, **this Court** nonetheless is of the considered opinion, and it so **holds**, that the defendants are legally bound by their previous acts and admissions and by the previous Orders of this Court as above-enumerated, and **that the final Compromise Agreement** already signed by the plaintiff and the plaintiff-in-intervention is **sufficient evidence of the extent and composition of the estate of the late Carlos Sandico, Jr. and constitutes a valid and proper project for its partition.**

**WHEREFORE**, premises considered, judgment is hereby rendered declaring and ordering the partition of the intestate estate of the late Carlos Sandico, Jr. among his surviving spouse and children (parties herein) in accordance with and pursuant to the terms and conditions contained in the final Compromise Agreement already signed by the plaintiff and the plaintiff-in-intervention, dated September 17, 1998, which is hereby incorporated to and made part of this Order disposing of the present case by way of reference. All other reliefs prayed for by the parties in their respective relevant pleadings are hereby DENIED/DISMISSED.<sup>15</sup> (Emphasis supplied)

On June 26, 2000, Conchita executed a Revocation of the SPA. Conchita filed a copy of the Revocation with the RTC but failed to furnish her agent, Concepcion, a copy thereof. The latest SPA dated June 8, 1999 issued by Conchita in favor of Concepcion provided, thus:

That I have named, constituted and appointed, and by these presents do name, constitute and appoint my mother CONCEPCION LIM-SANDICO, xxx, to be my true and lawful attorney-in-fact, for me and in my name, place and stead, to do or perform any or all of the following acts and things, to wit:

1. To represent me in all the hearings of the above-mentioned case;
2. To enter into any compromise, settlement or any agreement with respect to the said case in any manner and under such terms and conditions as she may consider appropriate and acceptable;
3. To enter into any stipulation of facts and to make any admission in connection with the said case as she may consider acceptable and appropriate;
4. To enter into any partition agreement involving the properties subject of the said case of which I have an interest or participation;
5. To make, sign, execute, acknowledge and deliver any and all documents or writing of whatever nature in connection with, or in relation to, the powers or authority herein given. xxx<sup>16</sup>

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<sup>15</sup> Id. at 11-113.

<sup>16</sup> Id. at 49.

Notably, Conchita continued to retain the same counsel, Atty. Danilo Tuason, as that of the other defendants in the case.

Despite the RTC's January 11, 2000 Order of Partition, various properties of the estate remained undivided and were not distributed among the heirs. Thus, on August 29, 2003, Enrica filed a Motion to Appoint Commissioners to Make Partition.<sup>17</sup>

On September 10, 2003, Atty. Tuason, counsel for the defendants, filed a Manifestation opposing the appointment of commissioners on the ground that the agricultural land tenants have already agreed to the subdivision of the agricultural lands. Apparently, some of the estate's agricultural lands, including the herein subject property, were covered by Republic Act No. 6657, The Comprehensive Agrarian Reform Law (CARL), for distribution to tenant-farmers. Thus, in compliance with the law, the heirs, represented by Concepcion, executed a *Kasunduan* dated May 19, 1999 (1999 *Kasunduan*)<sup>18</sup> with the tenants. The 1999 *Kasunduan*, a voluntary land transfer arrangement allowed by the CARL, provided for a 50-50 sharing of the subject property, *i.e.*, Carlos, Jr.'s heirs retained half thereof, and the other half will be distributed to the qualified beneficiaries, the tenants.

Thereafter, on October 17, 2003, the RTC granted the Motion to Appoint Commissioners. Yet again, the appointment of commissioners did not happen as plaintiffs appeared to have acquiesced to the defendants' proposed subdivision of the agricultural lands, including the herein subject property.

Sometime in 2006, Concepcion, representing herself and the other defendants-heirs, Carlos III, petitioner Guillerma, Lily, Pamela and respondent Conchita, executed a second agreement with the tenants of the subject property designated as "*Kasunduan sa Pagwawakas/Pagtatapos ng Relasyon bilang May-ari ng Lupa at mga Ortilano/Kasama ng Lupa*" (2006 *Kasunduan*).<sup>19</sup> The 2006 *Kasunduan*, similar to the 1999 *Kasunduan*, likewise covered the partition of the subject property and the transfer of ownership of half thereof to the eight tenants while the other half remained with the heirs of Carlos, Jr.

Thereafter, the defendants filed a Motion for Approval of New Agreement and New Subdivision Plan of certain agricultural properties, including the subject property, which motion the plaintiffs no longer opposed. On March 2, 2007, the RTC issued an Order noting the agreement among the

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<sup>17</sup> Id. at 31.

<sup>18</sup> Id. at 32.

<sup>19</sup> Id. at 50.

parties to undertake a raffle for the distribution of the subject property.<sup>20</sup> Through their respective counsels, the parties filed a Minutes of the Raffle for the Distribution of the Property covered by TCT No. 377745-R.<sup>21</sup>

### **Ruling of the Regional Trial Court:**

On April 13, 2007, the trial court granted defendants' motions: it approved the New Agreement and Subdivision Plan and ordered the plaintiffs Enrica and Teodoro to sign the document. The *fallo* of the April 13, 2007 Order reads:

WHEREFORE, premises considered, the Motion for Approval of New Agreement and Subdivision Plan dated May 24, 2006 is hereby GRANTED.

Accordingly, said new agreement and subdivision plan are hereby approved subject to the distribution of the property as agreed upon in the raffle done by the parties on March 30, 2007. Plaintiffs Maria Enrica S. Pascual and Teodoro Sandico are therefore, hereby ordered to sign the same. xxx<sup>22</sup>

Curiously, Conchita did not question the March 2 and April 13, 2007 Orders of the RTC.

On May 26, 2009, to execute the RTC's April 13, 2007 Order and facilitate the issuance of new titles over the subject property, Concepcion filed a Motion to Order Register of Deeds to Enter New Titles.

At this point, Conchita actively participated in the proceedings. On November 6, 2009, through a different counsel, Conchita opposed Concepcion's May 26, 2009 Motion on the ground that the 2006 *Kasunduan* is void.<sup>23</sup> As per Conchita, the 2006 *Kasunduan* lacked her signature since she had already revoked the agency relationship with her mother, Concepcion. In addition, the signatories thereto, specifically the tenants, are not real parties in interest to the partition of the subject property forming part of the decedent's estate. In all, absent the signatures of all the heirs, the 2006 *Kasunduan* cannot be the basis for the issuance of new titles covering the subject property.

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<sup>20</sup> Id. at 32.

<sup>21</sup> Id. at 33.

<sup>22</sup> Id. at 50-51.

<sup>23</sup> Id. at 51.



On February 9, 2010, the RTC granted Concepcion's motion and ordered the Register of Deeds of Pampanga to enter new titles in the names of the tenants and the heirs of Carlos, Jr.<sup>24</sup> It ruled that its April 13, 2007 Order approving the subdivision of the subject property and its distribution *via* raffle, had already become final and executory after the affected parties, including respondent Conchita, did not file the appropriate remedy therefrom.

The RTC affirmed its February 9, 2010 Order by denying Conchita's motion for reconsideration thereof. Thus, the twin Orders were assailed by Conchita before the appellate court in CA-G.R. SP No. 116979.

Meanwhile, the Register of Deeds of Pampanga cancelled TCT No. 377745-R and issued TCT Nos. 1105, 1107, 1108, 1109, 1111 and 1112 in the names of the tenants.<sup>25</sup>

### **Ruling of the Court of Appeals:**

In her petition for *certiorari* under Rule 65 of the Rules of Court, Conchita alleged grave abuse of discretion in the RTC's February 9, 2010 and August 27, 2010 Orders. In the main, Conchita contended that: (1) the RTC effectively partitioned and distributed the decedent's estate to parties who are neither heirs nor successors-in-interest of the decedent; and (2) the April 13, 2007 Order did not attain finality as it was a void judgment based, in turn, on a void agreement—the 2006 *Kasunduan*.

During the pendency of the petition for *certiorari*, Concepcion and Carlos III died and were subsequently substituted by their heirs as respondents in the case.<sup>26</sup>

As previously adverted to, the appellate court annulled and set aside the Orders of the RTC. In its November 8, 2012 Decision, the CA invalidated the 2006 *Kasunduan* because it lacked the signature of all the heirs: Enrica's, Teodoro's and Conchita's who now repudiates her mother's, Concepcion's, signature on her behalf. The appellate court ruled that the 2006 *Kasunduan* did not conform with the procedure laid down in Rule 69 of the Rules of Court on Partition. It concluded that a void agreement could not have validly partitioned the subject property nor could it have validly transferred subsequent title over half of the land to the tenants.

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<sup>24</sup> Id.

<sup>25</sup> Id. at 36.

<sup>26</sup> Id. at 52; Concepcion was substituted by her children and Carlos III by his wife, Aida Stela Cruz-Sandico and three children, Carlos Manuel Sandico IV, Christopher Sandico and Constantine Mario Sandico.

Only Guillerma filed a motion for reconsideration which was denied by the appellate court in its April 11, 2013 Resolution.

Hence, this appeal by *certiorari* under Rule 45 of the Rules of Court impugning grave error in the CA's ruling.

### Issues

I. The Court of Appeals committed a reversible error when it ruled that the tenants, parties to the Kasunduan, are not indispensable parties to the Petition for *Certiorari*.

II. The Court of Appeals seriously erred when it did not find the Petition for *Certiorari* to be an improper remedy.

III. The Court of Appeals committed a grave error when it held that the lower court committed grave abuse of discretion amounting to lack or excess of jurisdiction.<sup>27</sup>

**The threshold issue is procedural and lies in the propriety of a petition for *certiorari* to ultimately assail the issuance of new titles to the subject property.** The assailed 2010 Orders of the RTC are traced to its April 13, 2007 Order which approved the partition agreement for the subject property based on the 2006 Kasunduan. **Thus, the main and substantive issues before us delve into: (1) the stage of the action for partition, Civil Case No. Q-89-3137, (2) the nature of the heirs' ownership over the estate's properties, and (3) the validity of the 2006 *Kasunduan* to partition and divide the subject property.**

To obviate confusion and considering the sparseness of the issues presented by the petitioner, we state the issues for adjudication of the Court:

I. Procedural

1. Whether the petition for *certiorari* filed by Conchita is the proper remedy to assail the February 9 and August 27, 2010 Orders of the RTC;

2. Whether the tenants of the subject property should have been impleaded as indispensable parties to Conchita's petition for *certiorari*; and

3. Whether the RTC's April 13, 2007 Order already attained finality.

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<sup>27</sup> Id. at 34-35.

## II. Substantive

1. Whether the Orders of the RTC issued on April 13, 2007, February 9 and August 27, 2010 are void, in violation of Rule 69 of the Rules of Court;

1.1 Corollary thereto, whether the RTC effectively distributed the estate to persons who are not heirs of the decedent by approving the transfer of, and title to, half of the subject property to the tenants;

2. Whether the 2006 Kasunduan partitioning the subject property is void because it was not signed by all the heirs of the decedent;

2.1 In the alternative, whether the 2006 Kasunduan is unenforceable as against Conchita.

At the outset, we note that the CA glossed over significant factual antecedents in the proceedings before the RTC. The matter on appeal, the questioned incident which reaches us, involves the partition of a specific property (the subject property) forming part of the decedent's estate—the main subject matter of the action for partition before the trial court. We emphasize that Civil Case No. Q-89-3137 is already at the second stage—partition of the estate's properties by agreement of the parties.<sup>28</sup> In fact, the RTC has long terminated the first stage in its January 11, 2000 Order for Partition.<sup>29</sup>

## Our Ruling

### I. Procedural

In the main, petitioner asserts that the CA erred in annulling and setting aside the RTC's February 9 and August 27, 2010 Orders as well as the April 13, 2007 Order approving the 2006 *Kasunduan*—the agreement of partition of the subject property. Petitioner posits that respondent ostensibly assailed, *via* a petition for *certiorari* before the appellate court, the February 9 and August 27, 2010 Orders directing the Registry of Deeds of Pampanga to enter the new titles covering the subject property. According to petitioner, respondent was actually assailing the RTC's April 13, 2007 Order approving the 2006 *Kasunduan's* partition of the subject property. Petitioner points out that respondent belatedly questioned the April 13, 2007 Order which had

<sup>28</sup> See Section 2, Rule 69 of the Rules of Court.

<sup>29</sup> See Section 2, Rule 69 of the Rules of Court.

already attained finality, and thus resorted to the incorrect remedy of an extraordinary writ of *certiorari* before the CA. In addition, petitioner argues that respondent should have impleaded the tenants as indispensable parties to the petition for *certiorari*.

The contentions of petitioner are correct: the CA erred in taking cognizance of the petition for *certiorari* which failed to implead indispensable parties and is an improper remedy to question the assailed orders of the RTC. The (1) April 13, 2007, (2) February 9, 2010, and (3) August 27, 2010 Orders of the RTC are final orders decreeing partition.

Section 2, Rule 69 of the Rules of Court on Partition provides:

**Section 2.** *Order for partition and partition by agreement thereunder.* — If after the trial the court finds that the plaintiff has the right thereto, it shall order the partition of the real estate among all the parties in interest. Thereupon the parties may, if they are able to agree, make the partition among themselves by proper instruments of conveyance, and the court shall confirm the partition so agreed upon by all the parties, and such partition, together with the order of the court confirming the same, shall be recorded in the registry of deeds of the place in which the property is situated.

A final order decreeing partition and accounting may be appealed by any party aggrieved thereby.

In connection thereto, Section 1, Rule 41 of the Rules of Court could not be any clearer on what may the subject of an appeal:

**SECTION 1.** *Subject of appeal.* — An appeal may be taken from a judgment or final order that completely disposes of the case, or of a particular matter therein when declared by these Rules to be appealable.

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In our jurisdiction, Rule 69 of the Rules of Court have laid down two phases of an action for partition: **first**, the trial court, after determining that a co-ownership in fact exists and that partition is proper, issues an order for partition; and, **second**, the trial court promulgates a decision confirming the sketch and subdivision of the properties submitted by the parties (if the parties reach an agreement) or by the appointed commissioners (if the parties fail to agree), as the case may be.<sup>30</sup>

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<sup>30</sup> See Sections 2 and 3, Rule 69 of the Rules of Court and *Heirs of Marasigan v. Marasigan* 572 Phil. 190 (2008).

In this case, while the property to be partitioned is the entirety of Carlos, Jr.'s estate, only one of the properties thereof, the subject property, is the subject matter of the controversy before us.

The CA overlooked the fact that the first stage of the partition has long been terminated by the RTC. In fact, the status of the parties as the compulsory heirs of Carlos, Jr. was immediately stipulated among them.<sup>31</sup> As early as January 11, 2000, the trial court had already issued an Order of Partition of the Estate among the heirs pursuant to a compromise agreement. Notably, none of the parties appeared to have appealed this final order of partition.

We have had occasion to delineate the two phases of a judicial partition in several cases, to wit:

The first phase of a partition and/or accounting suit is taken up with the determination of whether or not a co-ownership in fact exists, (*i.e.*, not otherwise legally proscribed) and may be made by voluntary agreement of all the parties interested in the property. This phase may end with a declaration that plaintiff is not entitled to have a partition either because a co-ownership does not exist, or partition is legally prohibited. It may end, upon the other hand, with an adjudgment that a co-ownership does in truth exist, partition is proper in the premises and an accounting of rents and profits received by the defendant from the real estate in question is in order. In the latter case, the parties may, if they are able to agree, make partition among themselves by proper instruments of conveyance, and the court shall confirm the partition so agreed upon. **In either case — *i.e.*, either the action is dismissed or partition and/or accounting is decreed — the order is a final one, and may be appealed by any party aggrieved thereby.**

The second phase commences when it appears that “the parties are unable to agree upon the partition” directed by the court. In that event, partition shall be done for the parties by the court with the assistance of not more than three (3) commissioners. This second stage may well also deal with the rendition of the accounting itself and its approval by the court after the parties have been accorded opportunity to be heard thereon, and an award for the recovery by the party or parties thereto entitled of their just share in the rents and profits of the real estate in question. Such an order is, to be sure, final and appealable.<sup>32</sup> (Emphasis supplied)

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<sup>31</sup> Rollo p. 74.

<sup>32</sup> *Heirs of Marasigan v. Marasigan*, supra note 29 at 221 citing *Maglucot-aw v. Maglucot*, 385 Phil. 720 (2000).

Considering that the case is among family members, the RTC could not be faulted for giving the heirs a wide latitude to reach a compromise agreement for the partition of their patriarch's estate long after its January 11, 2000 Order for Partition. We note that in separate instances, the parties have agreed to settle the decedent's properties—the 1976 Extrajudicial Settlement of Estate and the 1988 MOA. As we have noted, none of these partition agreements materialized or were executed by the parties. Thus, the litigious action for partition and accounting filed by one of the heirs, plaintiff Enrica.

Since Carlos, Jr.'s estate is sizeable, consisting in numerous properties, each property may be the subject of separate agreements for its partition. The parties may also agree to a project of partition which covers the entire estate of the decedent. These various partition agreements must all be approved by court order which are considered final orders decreeing partition appealable by an aggrieved party under the second paragraph of Section 2, Rule 69.

In this case, the issue arose during the course of the second phase, *i.e.* during the individual partition of the estate's properties, specifically the subject property, contained in the 2006 *Kasunduan* which was approved by the RTC in its April 13, 2007 Order. The RTC's April 13, 2007 Order is a final order which respondent failed to appeal before the CA following Section 2, Rule 69 in relation to Section 1, Rule 41 of the Rules of Court. Ineluctably, the April 13, 2007 Order had attained finality prompting the RTC's subsequent orders granting the entry of new titles to "the resulting subdivision of [the subject property] xxx embraced under Transfer Certificate of Title No. 377745 xxx in the names of the tenants and parties to whom they are allocated as indicated in the *Kasunduan* approved by this Court in its Order dated April 13, 2007."

We find that the RTC's February 9 and August 27, 2010 Orders pertain to the requirement in Section 2, Rule 69 for the recording of the partition agreed upon by all the parties and the order of the court confirming the deed of partition in the registry of deeds of the place where the property is situated.<sup>33</sup>

It is therefore plainly apparent that respondent sought to obliquely assail a final order of partition of the trial court when she questioned the RTC's subsequent final orders of partition, *i.e.* the February 9 and August 27, 2010

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<sup>33</sup> **Section 2. Order for partition and partition by agreement thereunder.** — x x x Thereupon the parties may, if they are able to agree, make the partition among themselves by proper instruments of conveyance, and the court shall confirm the partition so agreed upon by all the parties, and such partition, together with the order of the court confirming the same, shall be recorded in the registry of deeds of the place in which the property is situated.

Orders, in a petition for *certiorari* before the CA. Contrary to the rule laid down in Section 2 of Rule 69, respondent circumvented the procedure to question the partition of the subject property *via* a record on appeal<sup>34</sup> by treating the February 9 and August 27, 2010 Orders as interlocutory orders which could not be the subject of an appeal.

We have defined an interlocutory order as referring to something between the commencement and end of the suit which decides some point or matter but it is not the final decision on the whole controversy.<sup>35</sup> It does not terminate or finally dismiss or finally dispose of the case, but leaves something to be done by the court before the case is finally decided on the merits.<sup>36</sup> On the other hand, a final order is one which leaves to the court nothing more to do to resolve the case.<sup>37</sup>

On more than one occasion, we laid down the test to ascertain whether an order is interlocutory or final *i.e.*, “Does it leave something to be done in the trial court with respect to the merits of the case? If it does, it is interlocutory; if it does not, it is final. The key test to what is interlocutory is when there is something more to be done on the merits of the case.”<sup>38</sup>

The February 9 and August 27, 2010 Orders are not interlocutory as there is nothing more to be done as regards the partition of the subject property. What remains to be done is the partition of the rest of the estate’s properties and the accounting for the fruits, profits and rentals thereof. Clearly, respondent filed an incorrect remedy to assail several final orders of the RTC.

Since ownership of half of the subject property was already transferred and registered to new owners, respondent should have filed a separate action and directly annul the new titles of the tenants alleging the purported void partition, the 2006 *Kasunduan*. But she did not.

*Next.* Corollary to the foregoing, respondent should have impleaded the new title holders, the tenants, as indispensable or necessary parties to the petition for *certiorari* before the CA.

The tenants are not strangers or third parties to the subject property. Prior to being transferees of half of the subject property, they were the

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<sup>34</sup> See Section 2(a), Rule 41 of the Rules of Court.

<sup>35</sup> *Bitong v. Court of Appeals*, 354 Phil 516, 533 (1998).

<sup>36</sup> *Philgreen Trading Construction Corporation v. Court of Appeals*, 338 Phil. 433, 440 (1997).

<sup>37</sup> *Metropolitan Bank & Trust Company v. Court of Appeals*, 408 Phil. 686, 694 (2001).

<sup>38</sup> *Raymundo v. Suarez*, 593 Phil. 28, 48 (2008).

agricultural tenants thereof. We note, however, that the subject property is private agricultural compulsorily covered for distribution to qualified beneficiaries such as the tenants under the CARL. Hence, the heirs entered a voluntary transfer arrangement, offering to sell half of the subject property pursuant to the CARL. Notably, the parties have known, consented and acquiesced to the voluntary sale of the subject property as contained in the 1999 *Kasunduan* executed prior to the 2006 *Kasunduan* and the respondent's revocation of the agency relationship with her mother, Concepcion, in 2000.

Concededly, the tenants are not heirs and are thus strangers to the estate of the decedent, the subject matter of the action for partition. However, in relation to the subject property, as tenants who are qualified beneficiaries thereof under the CARL and to whom new titles had been issued, they are palpably real parties-in-interest.<sup>39</sup> While the validity of the partition of the subject property and consequent distribution thereof can still be finally determined in CA-G.R. SP No. 116979, a complete relief for those already parties or the complete determination of the claim could not be had since the tenants were not impleaded. In short, the tenants are not indispensable parties<sup>40</sup> but, at the least, are necessary parties<sup>41</sup> in the determination of the partition of the subject property.

In *Reyes v. Mauricio*<sup>42</sup> we ruled that a tenancy relationship cannot be extinguished by the sale, alienation or the transfer of legal possession of the landholding. Section 9 of Republic Act No. 1199 or the Agricultural Tenancy Act provides:

SECTION 9. *Severance of Relationship.* — The tenancy relationship is extinguished by the voluntary surrender of the land by, or the death or incapacity of, the tenant, but his heirs or the members of his immediate farm household may continue to work the land until the close of the agricultural year. **The expiration of the period of the contract as fixed by the parties, and the sale or alienation of the land does not of themselves extinguish the relationship. In the latter case, the purchaser or transferee shall assume the rights and obligations of the former landholder in relation to the tenant. In case of death of the landholder, his heir or heirs shall likewise assume his rights and obligations.** (Emphasis supplied)

In addition, Section 10 of Republic Act No. 3844 (Code of Agrarian Reforms of the Philippines) likewise provides:

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<sup>39</sup> See Section 2, Rule 3 of the Rules of Court.

<sup>40</sup> See Section 7, Rule 3 of the Rules of Court.

<sup>41</sup> See Section 8, Rule 3 of the Rules of Court.

<sup>42</sup> 650 Phil. 438, 446 (2010).



SEC. 10. *Agricultural Leasehold Relation Not Extinguished by Expiration of Period, etc.* — The agricultural leasehold relation under this Code shall not be extinguished by mere expiration of the term or period in a leasehold contract nor by the sale, alienation or transfer of the legal possession of the landholding. **In case the agricultural lessor sells, alienates or transfers the legal possession of the landholding, the purchaser or transferee thereof shall be subrogated to the rights and substituted to the obligations of the agricultural lessor.** (Emphasis supplied)

By operation of law, the tenancy relationship between the tenants on one hand, and the co-owners of the subject property, the heirs of the decedent, on the other hand, subsisted even after the death of one of the landholders. Under the CARL, the tenants are deemed qualified beneficiaries to ownership of a portion of their tilled land. Ultimately, the tenants cannot be cursorily excluded from a court determination of the validity of the partition, and consequent change in ownership, of the subject property.

## II. Substantive

In annulling the RTC's February 9 and August 27, 2010 Orders, the CA ruled that these emanated from the trial court's April 13, 2007 Order which, in turn, was based on a void partition agreement—the 2006 *Kasunduan*. The CA makes much of the fact that not all the heirs signed the 2006 *Kasunduan* in violation of Rule 69 of the Rules of Court, buttressed by our holding in *Dadizon v. Bernadas*<sup>43</sup> that the partition of property should be agreed upon by all parties who signified their assent by signing the partition agreement.

We do not agree. Despite the lack of signatures of specifically three (3) heirs of the decedent, Enrica, Teodoro and respondent Conchita, the 2006 *Kasunduan* is a valid partition of the subject property which was correctly confirmed by the RTC in its April 13, 2007 Order. Even without going into the finality of the April 13, 2007 Order, the antecedents herein which we have painstakingly outlined will bear out that all the heirs have assented to the partition of the subject property.

Before we proceed further, we find it imperative to lay down the Civil Code framework of our discussion.

1. The subject property was conjugal partnership property of the Spouses Carlos, Jr. and Concepcion Sandico.<sup>44</sup> Thus, half thereof is part of

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<sup>43</sup> 606 Phil 687, 697 (2009).

<sup>44</sup> Articles 175-178 of the New Civil Code applies to the dissolution of the Spouses Carlos, Jr. and Concepcion Sandico's property regime as Carlos, Jr. died in 1975, before the effectivity of the Family Code in 1988.

Carlos, Jr.'s estate while the other half pertained to that of Concepcion's, who could validly alienate her share.

2. From the moment of death of the decedent, the heirs' rights to the succession all vested<sup>45</sup> and resulted in their co-ownership of the decedent's estate.<sup>46</sup>

3. The parties in this case are all compulsory heirs, with the surviving spouse, Concepcion, inheriting equivalent to the share of a legitimate child, all her children.<sup>47</sup> For the subject property, Concepcion owned 9/16<sup>th</sup> thereof, as conjugal owner of half plus 1/8<sup>th</sup> portion as her inheritance from the decedent.

4. Each co-owner has full ownership of his part of the property, even if held *pro indiviso*, which he can alienate, assign or mortgage.<sup>48</sup> Corollary thereto, a co-owner may demand at any time the partition of the thing owned in common;<sup>49</sup> no co-owner shall be obliged to remain in one.<sup>50</sup>

5. The binding force of a contract must be recognized as far as it is legally possible to do so.<sup>51</sup> (mutuality of contracts)

6. Unenforceable contracts which are ratified by the person in whose name it was entered into are effective.<sup>52</sup>

*First.* We sustain the RTC's confirmation of the 2006 Kasunduan. As correctly ruled by the trial court, albeit plaintiffs Enrica and Teodoro did not sign the *Kasunduan*, they acquiesced to the partition and distribution of the subject property, the qualified tenants receiving half thereof. In fact, Enrica filed a Manifestation dated December 18, 2006 that she and Teodoro will not object to the 2006 *Kasunduan* as long as they will be given their preferred portion of the subject property. Truly indicative of Enrica's and Teodoro's acquiescence to the 2006 *Kasunduan* is the fact that neither of them have questioned it nor have they intervened in CA-G.R. SP No. 116979 and in this appeal.

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<sup>45</sup> See Article 777 of the Civil Code.

<sup>46</sup> See Article 484 of the Civil Code.

<sup>47</sup> See Articles 887, 888 and 897 of the Civil Code.

<sup>48</sup> See Article 493 of the Civil Code.

<sup>49</sup> See Articles 494, 495, 498 of the Civil Code.

<sup>50</sup> See Article 494 of the Civil Code.

<sup>51</sup> See Article 1308 of the Civil Code.

<sup>52</sup> See Articles 1317, 1403, paragraph 1, and 1404 of the Civil Code.

As regards the absence of Conchita's signature to the 2006 *Kasunduan* after she has purportedly repudiated the agency relationship with her mother in 2000, we rule that the 2006 *Kasunduan* is effective as against Conchita.

Even without going into the validity of Concepcion signing the 2006 *Kasunduan* on Conchita's behalf, the appellate court could not void the sale and transfer of half of the subject property to its qualified beneficiaries under a voluntary transfer arrangement provided in the CARL. We reproduce herein the pertinent provisions of the law:

## CHAPTER II Coverage

**Section 4. *Scope.* — The Comprehensive Agrarian Reform Law of 1989 shall cover, regardless of tenurial arrangement and commodity produced, all public and private agricultural lands, as provided in Proclamation No. 131 and Executive Order No. 229, including other lands of the public domain suitable for agriculture.**

More specifically the following lands are covered by the Comprehensive Agrarian Reform Program:

- (a) All alienable and disposable lands of the public domain devoted to or suitable for agriculture. No reclassification of forest or mineral lands to agricultural lands shall be undertaken after the approval of this Act until Congress, taking into account ecological, developmental and equity considerations, shall have determined by law, the specific limits of the public domain.
- (b) All lands of the public domain in excess of the specific limits as determined by Congress in the preceding paragraph;
- (c) All other lands owned by the Government devoted to or suitable for agriculture; and
- (d) All private lands devoted to or suitable for agriculture regardless of the agricultural products raised or that can be raised thereon.**

## CHAPTER V Land Acquisition

**Section 16. *Procedure for Acquisition of Private Lands.* — For purposes of acquisition of private lands, the following procedures shall be followed:**

- (a) After having identified the land, the landowners and the beneficiaries, the DAR shall send its notice to acquire the land to the owners thereof, by personal delivery or registered mail, and post the same in a conspicuous place in the municipal building and barangay hall of the place where the**

property is located. **Said notice shall contain the offer of the DAR to pay a corresponding value in accordance with the valuation set forth in Sections 17, 18, and other pertinent provisions hereof.**

- (b) Within thirty (30) days from the date of receipt of written notice by personal delivery or registered mail, the landowner, his administrator or representative shall inform the DAR of his acceptance or rejection of the offer.
- (c) If the landowner accepts the offer of the DAR, the Land Bank of the Philippines (LBP) shall pay the landowner the purchase price of the land within thirty (30) days after he executes and delivers a deed of transfer in favor of the government and surrenders the Certificate of Title and other muniments of title.
- (d) In case of rejection or failure to reply, the DAR shall conduct summary administrative proceedings to determine the compensation for the land requiring the landowner, the LBP and other interested parties to submit evidence as to the just compensation for the land, within fifteen (15) days from the receipt of the notice. After the expiration of the above period, the matter is deemed submitted for decision. The DAR shall decide the case within thirty (30) days after it is submitted for decision.
- (e) Upon receipt by the landowner of the corresponding payment or, in case of rejection or no response from the landowner, upon the deposit with an accessible bank designated by the DAR of the compensation in cash or in LBP bonds in accordance with this Act, the DAR shall take immediate possession of the land and shall request the proper Register of Deeds to issue a Transfer Certificate of Title (TCT) in the name of the Republic of the Philippines. The DAR shall thereafter proceed with the redistribution of the land to the qualified beneficiaries.
- (f) Any party who disagrees with the decision may bring the matter to the court of proper jurisdiction for final determination of just compensation.

## **CHAPTER VI**

### **Compensation**

**Section 20. *Voluntary Land Transfer.* — Landowners of agricultural lands subject to acquisition under this Act may enter into a voluntary arrangement for direct transfer of their lands to qualified beneficiaries subject to the following guidelines:**

- (a) **All notices for voluntary land transfer must be submitted to the DAR within the first year of the implementation of the CARP. Negotiations between the landowners and qualified beneficiaries covering any voluntary land transfer which remain unresolved after one (1) year shall not be recognized and such land shall instead be acquired by the government and transferred pursuant to this Act.**

- (b) The terms and conditions of such transfer shall not be less favorable to the transferee than those of the government's standing offer to purchase from the landowner and to resell to the beneficiaries, if such offers have been made and are fully known to both parties.
- (c) **The voluntary agreement shall include sanctions for non-compliance by either party and shall be duly recorded and its implementation monitored by the DAR.** (Emphasis supplied).

We find no equivocation in the requirements listed above. The transfer of half of the subject property was under the *aegis* of the Department of Agrarian Reform (DAR) pursuant to the law which the heirs cannot ignore or circumvent by their claim that the 2006 Kasunduan was not validly executed. Given the compulsory requirement of the law, there is no validity to respondent's assertion which was sustained by the CA, that property of the decedent was distributed to non-heirs. Plainly, the partition of the subject property, and the consequent transfer and titling of half thereof to qualified beneficiaries, is valid, just and binding on all the heirs of the decedent, including Conchita.

*Second.* The transfer and distribution of half of the subject property can be considered as the share of Concepcion in the conjugal partnership property regime during her marriage to the decedent. The legitimate children's share in the subject property pertains to only  $\frac{7}{8}$ <sup>th</sup> of  $\frac{1}{2}$  thereof, the half covering Carlos, Jr.'s share in the property regime. From that, Conchita's share is  $\frac{1}{8}$ <sup>th</sup> of  $\frac{1}{2}$ , amounting to  $\frac{1}{16}$ <sup>th</sup> of the entire property as opposed to her mother whose total share is  $\frac{9}{16}$ <sup>th</sup>. Conchita's right to the subject property is by virtue of succession, but even that pertains to only to a portion of one half thereof. Conchita's full rights as co-owner does not pertain to Concepcion's half of the subject property.

*Third.* The CA mistakenly annulled the entire partition, and sale of half, of the subject property to the tenants contrary to Articles 493-495 and 498 of the Civil Code which, in sum, allow for alienation by a co-owner of his or her share in the co-owned property, termination of the co-ownership, and partition of the property. The provisions read:

**Article 493.** Each co-owner shall have the full ownership of his part and of the fruits and benefits pertaining thereto, and he may therefore alienate, assign or mortgage it, and even substitute another person in its enjoyment, except when personal rights are involved. But the effect of the alienation or the mortgage, with respect to the co-owners, shall be limited to the portion which may be allotted to him in the division upon the termination of the co-ownership

**Article 494.** No co-owner shall be obliged to remain in the co-ownership. Each co-owner may demand at any time the partition of the thing owned in common, insofar as his share is concerned.

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**Article 495.** Notwithstanding the provisions of the preceding article, the co-owners cannot demand a physical division of the thing owned in common, when to do so would render it unserviceable for the use for which it is intended. But the co-ownership may be terminated in accordance with article 498.

**Article 498.** Whenever the thing is essentially indivisible and the co-owners cannot agree that it be allotted to one of them who shall indemnify the others, it shall be sold and its proceeds distributed.

We are not unaware of the basic principle in the law of co-ownership, both under the present Civil Code as in the Code of 1889, that no individual co-owner can claim title to any definite portion of the land or thing owned in common until the partition thereof. Prior to that time, all that the co-owner has is an ideal, or abstract, quota or proportionate share in the entire thing owned in common by all the co-owners.

As a co-owner *pro indiviso*, Conchita exercises her right to the entire co-owned property. In *Quijano v. Amante*,<sup>53</sup> we ruled that each of the co-owners holds the property *pro indiviso* and exercises his or her rights with the entire property; thus, each co-owner may use and enjoy the property with no other limitation than that he shall not injure the interests of his co-owners. Until a division is actually made, the respective share of each cannot be determined, and every co-owner exercises, together with his co-participants, joint ownership of the *pro indiviso* property, in addition to his use and enjoyment of it. However, as we have previously discussed, Conchita's share pertains to only 1/8<sup>th</sup> of 1/2 of the subject property which belongs to the estate of the decedent, Carlos, Jr.

In *Tabasondra v. Spouses Constantino*,<sup>54</sup> we upheld the right of co-owners (Valentina and Valeriana) to alienate their *pro indiviso* shares to (Sebastian and Tarcila) even without the knowledge or consent of their co-owner (Cornelio) because the alienation covered the disposition of only their respective interests in the common property. We ruled pursuant to Article 493 of the Civil Code that each co-owner "shall have the full ownership of his part and of the fruits and benefits pertaining thereto, and he may therefore alienate, assign or mortgage it, and even substitute another person in its enjoyment, except when personal rights are involved," but "the effect of the

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<sup>53</sup> 745 Phil. 40, 49 (2014).

<sup>54</sup> 802 Phil. 532, 540 (2016).

alienation or the mortgage, with respect to the co-owners, shall be limited to the portion which may be allotted to him in the division upon the termination of the co-ownership.” Hence, the petitioners therein, as the successors-in-interest of Cornelio, could not validly assail the alienation by Valentina and Valeriana of their shares in favor of the respondents.

Hewing closely to the foregoing is our ruling in the case of *Heirs of the Late Gerry Ecarma v. Court of Appeals*<sup>55</sup> where we sustained the right of an heir to ask for a partition of co-owned properties inherited from the decedent therein:

Their objection to the actual partition notwithstanding, herein petitioners and even Rodolfo Ecarma cannot compel the other co-heirs to remain in perpetual co-ownership over the subject properties. Article 494, in relation to Article 1083, of the Civil Code provides:

Art. 494. No co-owner shall be obliged to remain in the co-ownership. Each co-owner may demand at any time the partition of the thing owned in common, insofar as his share is concerned.

Nevertheless, an agreement to keep the thing undivided for a certain period of time, not exceeding ten years, shall be valid. This term may be extended by a new agreement.

A donor or testator may prohibit partition for a period which shall not exceed twenty years.

Neither shall there be any partition when it is prohibited by law.

No prescription shall run in favor of a co-owner or co-heir against his co-owners or co-heirs so long as he expressly or impliedly recognizes the co-ownership.

Art. 1083. Every co-heir has a right to demand the division of the estate unless the testator should have expressly forbidden its partition, in which case the period of indivision shall not exceed twenty years as provided in Article 494. This power of the testator to prohibit division applies to the legitime.

Even though forbidden by the testator, the co-ownership terminates when any of the causes for which partnership is dissolved takes place, or when the court finds for compelling reasons that division should be ordered, upon petition of one of the co-heirs.

The impasse between the parties is due to herein petitioners' persistent objection to proposals for the partition of the subject properties. The deceased Gerry Ecarma, Rodolfo Ecarma and herein petitioners consistently opposed the

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<sup>55</sup> G.R. No. 193374, June 8, 2016.

proposed partition of the administrator, respondent Renato, since such is ostensibly "not feasible, impractical and renders detrimental use of the Kitanlad property." However, it is apparent that Gerry Ecarma and his heirs (herein petitioners) completely object to any kind of partition of the subject properties, contravening even the proposed sale thereof.

We note that petitioners have been careful not to proffer that the subject properties are indivisible or that physical division of thereof would render such unserviceable since Article 495 of the Civil Code provides the remedy of termination of co-ownership in accordance with Article 498 of the same Code, i.e., sale of the property and distribution of the proceeds. Ineluctably, therefore, herein petitioners' absolute opposition to the partition of the subject properties which are co-owned has no basis in law. As mere co-owners, herein petitioners, representing the share of the deceased Gerry Ecarma, cannot preclude the other owners likewise compulsory heirs of the deceased spouses Natalio and Arminda, from exercising all incidences of their full ownership.

Clearly in this case, the partition and alienation of half of the subject property, through the 2006 *Kasunduan*, is not completely void and cannot be annulled as to the share of Concepcion and the other heirs, including Enrica and Teodoro.

*Fourth.* The CA makes much of the fact that Conchita revoked the SPA she had given to her mother, Concepcion, who therefore no longer had authority to represent her and sign the 2006 *Kasunduan* on her behalf.

To begin with, Conchita failed to inform her agent, Concepcion, of the fact of revocation. She continued to clothe her mother, Concepcion, with apparent authority to act on her behalf in Civil Case No. Q-893137. Moreover, Conchita's counsel, Atty. Tuason, who was likewise the counsel of the other defendants in the case, validly represented her in the proceedings before the RTC until his withdrawal as counsel for Conchita in 2009.

Law and jurisprudence recognize actual authority and apparent authority.<sup>56</sup> Apparent authority is based on the principle of estoppel. The Civil Code provides:

Article 1431. Through estoppel an admission or representation is rendered conclusive upon the person making it, and cannot be denied or disproved as against the person relying thereon.

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<sup>56</sup> *Calubad v. Ricarcen Development Corp.*, 817 Phil. 509, 527 (2017).



Article 1869. Agency may be express, or implied from the acts of the principal, from his silence or lack of action, or his failure to repudiate the agency, knowing that another person is acting on his behalf without authority.

Agency may be oral, unless the law requires a specific form.

Conchita failed to give her mother notice of the revocation and belatedly repudiated her assent to the 2006 *Kasunduan* which was signed by her mother on her behalf despite her full and complete knowledge that Civil Case No. Q-89-3137 was ongoing and that the partition of her father's estate's properties was underway. Conchita could not feign ignorance of the action for partition and what it sought, and the consequence of failing to inform her mother that she had revoked the SPA which she had previously given her.

The various Orders of the RTC partitioning different properties of the estate clearly show that Concepcion or Atty. Tuason repeatedly and consistently drew the lot on Conchita's behalf in the numerous raffles conducted by the trial court to determine which portion of the property to be divided will go to which heir.

The second paragraph of Article 1317 of the Civil Code provides that "a contract entered into in the name of another by one who has no authority xxx shall be unenforceable, unless it is ratified, expressly or impliedly, by the person on whose behalf it has been executed xxx."

In this case, Conchita has impliedly ratified her mother's assent to the partition on her behalf by failing to assail the RTC's April 13, 2007 Order and the conduct of the raffle for distribution of the property even after she had obtained a copy of the Order and the Minutes of Raffle.<sup>57</sup>

We thus sustain petitioner's assertion that:

31. The new TCTs in favor of the tenants were issued in 2009. Therefore, respondent Conchita could have prevented the cancellation of TCT No. 377745 and the actual distribution of the land had she taken action as early as 2008, when she obtained a copy of the Minutes of the Raffle.<sup>58</sup>

On the whole, we abide by the principle that the binding force of a contract must be recognized as far as it is legally possible to do so. *Quando res not valet ut ago, valeat quantum valere patet.*

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<sup>57</sup> *Rollo* p. 37.

<sup>58</sup> *Id.*

*Last.* The Rules of Court was designed to aid in the proper and efficient dispensation of justice. Technical rules of procedure are not ends in themselves but are primarily devised for a just and speedy disposition of every action and proceedings.<sup>59</sup>

As previously noted, throughout the proceedings, the RTC extended a wide latitude to enable the parties to reach a partition agreement acceptable to all parties. However, for one reason or another, the physical division of the estate's properties has not progressed.

At the point when Enrica already moved for the appointment of commissioners, defendants therein suddenly manifested that there was no need therefor since they had a proposal for the partition of the agricultural lands of the estate. Yet again, the actual partition was stalled.

When the herein subject property was eventually partitioned in the 2006 Kasunduan and confirmed by the RTC in its April 13, 2007 Order, respondent Conchita sought to annul the partition which had already resulted in the cancellation of TCT No. 37745 and the issuance of new titles.

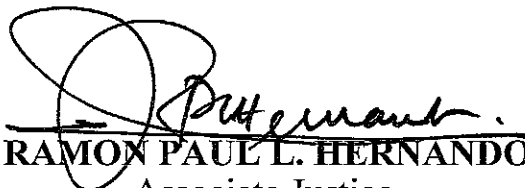
Quite apparent from all the foregoing is that a partition of the estate by agreement of the parties will never happen. Other heirs of the decedent have already died and are represented in the partition of the estate by their own heirs. Thus, we direct the RTC, Branch 82, Quezon City in Civil Case No. Q-89-3137 to appoint commissioners to make the partition pursuant to Section 3, Rule 69 of the Rules of Court.

**WHEREFORE**, the Petition for Review on *Certiorari* is **GRANTED**. The November 8, 2012 Decision and April 11, 2013 Resolution of the Court of Appeals in CA-G.R. SP No. 116979 are **REVERSED** and **SET ASIDE**. The February 9, 2010 and August 27, 2010 Orders of the Regional Trial Court, Branch 82, Quezon City in Civil Case No. Q-89-3137 are **REINSTATED**. The Regional Trial Court, Branch 82, Quezon City in Civil Case No. Q-89-3137 is **DIRECTED** to: (1) **APPOINT COMMISSIONERS** for the partition of Carlos Sandico, Jr.'s estate; and (2) **INFORM THE COURT** of its compliance within fifteen (15) days of such appointment. No costs.

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<sup>59</sup> See Section 6, Rule 1 of the Rules of Court; *Lastimoso v. Asayo*, 564 Phil. 350 (2007).


**SO ORDERED.**

  
**RAMON PAUL L. HERNANDO**  
Associate Justice  
Acting Chairperson

**WE CONCUR:**

On Wellness Leave  
**MARVIC M. V. F. LEONEN**  
Associate Justice


  
**HENRI JEAN PAUL B. INTING**  
Associate Justice

  
**EDGARDO L. DELOS SANTOS**  
Associate Justice

  
**JHOSEP Y. LOPEZ**  
Associate Justice

**ATTESTATION**

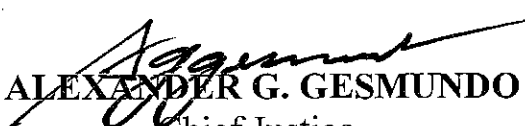
I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



**RAMON PAUL L. HERNANDO**  
Associate Justice  
Acting Chairperson

**CERTIFICATION**

Pursuant to Section 13, Article VIII of the Constitution and the Division Acting Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



**ALEXANDER G. GESMUNDO**  
Chief Justice