

FIRST DIVISION

[G.R. No. 118599, June 26, 1998]

ANICETO^[1] M. QUIÑO, PETITIONER, VS COURT OF APPEALS, PURIFICACION L. CANSON, EDITHA G. LEONARDO, CARMELITA L. MORI, JOSEFINA L. BAIS, AIDA L. COLLYER, ANTONIO G. LEONARDO, RUDOLFO G. LEONARDO, ROBERTO G. LEONARDO AND TERESA L. REGNER, IN SUBSTITUTION FOR ANTONIO LEONARDO SR., JOSEFA GALAN AND JOSE BITOON, RESPONDENTS.

D E C I S I O N

BELLOSILLO, J.:

On 29 October 1974 Bernarda and Rosario Galan sold their agricultural land with an area of 2.3926 hectares situated in Basak, Compostela, Cebu, to spouses Antonio Leonardo Sr. and Josefa Galan for P2,000.00. More than a decade later, or on 30 October 1986, petitioner Aniceto Quiño filed a complaint for redemption of the property against the vendees claiming that he had been instituted as tenant thereon by the Galans since 1951; consequently, he had the right to be notified in writing of the owners' intention to sell the property to enable him to exercise his right of preemption under Sec. 11 of RA No. 3844^[2] but that notwithstanding the Galans had not informed him of the sale. He claimed that he learned of the transaction only on 1 September 1986 when he found out that the Leonardos were already the new owners. He therefore prayed that he be allowed to redeem the property and consigned the purchase price with the trial court on the same day he filed his complaint.

Meanwhile, on 4 November 1986 the Leonardos sold the property to private respondent Jose Bitoon for P30,000.00.

On 12 November 1986 petitioner filed another complaint against the same spouses for injunction with a prayer for a restraining order to enjoin his ejection from the property.

During the pendency of the case, Antonio Leonardo Sr. died. His children, private respondents Purificacion L. Canson, Editha G. Leonardo, Carmelita L. Mori, Josefina L. Bais, Aida L. Collyer, Antonio G. Leonardo, Rudolfo G. Leonardo, Roberto G. Leonardo and Teresa L. Regner, were substituted in his stead as co-defendants.

Sometime thereafter, petitioner received a letter from the counsel of respondent Bitoon dated 24 November 1986 notifying him of the transfer of ownership of the land to his client. As no supporting document was attached to the letter to bolster counsel's claim, petitioner went to the Notarial Division of the Capitol Building and obtained on 2 March 1987 a copy of the pertinent deed of sale between spouses Leonardo and respondent Bitoon.

On 27 July 1987 petitioner filed an amended complaint impleading Jose Bitoon as additional defendant. However, on 8 October 1990 the trial court dismissed the original as well as the amended complaint after finding that majority of the essential requisites of tenancy relationship between the parties did not exist.^[3]

The Court of Appeals however arrived at an entirely different evaluation of the evidence.^[4] On 5 August 1994 it held that all the essential requisites for tenancy relationship were present, and being a tenant petitioner was entitled to the rights of preemption and redemption under Secs. 11 and 12, respectively, of RA No. 3844. Nevertheless it noted a stumbling block to petitioner's complete victory thus -

Be that as it may, since the land in question had already pass(ed) on to defendant-appellee Jose Bitoon, and plaintiff-appellant's quests against defendant-appellees spouses Antonio Leonardo and Josefa Galan may be considered moot and academic under RA 3844, Section 10, defendant-appellee Jose Bitoon having been subrogated to the rights and obligations of his predecessors-in-interest, his obligation under the law to the tenant-plaintiff continues and subsists, that if he decides to sell the land, then plaintiff-appellant can still exercise his rights under the law (*Velasquez v. Nery*, 211 SCRA 28, *underscoring supplied*).^[5]

The appellate court decreed thus -

1. declaring petitioner as tenant of Bernarda and Rosario Galan and thereafter of their successor-in-interest, Antonio Leonardo Sr. substituted by his (nine?) children and in turn of the present owner, respondent Bitoon;
2. ordering respondent Bitoon to reinstate petitioner as agricultural tenant and to maintain him in the peaceful possession and enjoyment of the land tenanted by him;
3. ordering the Clerk of Court of the trial court to return to petitioner the amount of two thousand pesos (P2,000.00) which he consigned with the trial court as redemption price for the land in question, covered by O.R. No. 9802404 J dated 30 October 1986; and,
4. no pronouncement as to costs.^[6]

On 23 November 1994 respondent Court of Appeals denied reconsideration.^[7]

The issue then is whether respondent Court of Appeals was correct in holding that petitioner could not redeem the property from respondent Bitoon unless the latter decided to sell it on the strength of the ruling in *Velasquez v. Nery*.^[8]

Petitioner asserts that *Velasquez* is inapplicable because of the difference in factual circumstances. In that case, the sale made by the landowners to a third party was by virtue of a court order and not as envisioned under Sec. 11 of RA No. 3844. In other words, the right of the tenants therein to preemptively purchase was not violated. Hence the right of redemption was unavailing to them.

For a better understanding of the controversy, it is essential to discuss first the statutory right of redemption and pertinent jurisprudence on the matter.

Section 12 of RA No. 3844 as amended by RA No. 6389 provides -

Sec. 12. *Lessee's right of Redemption.* - In case the landholding is sold to a third person without the knowledge of the agricultural lessee, the latter shall have the right to redeem the same at a reasonable price and consideration x x x x The right of redemption under this Section may be exercised within one hundred eighty days from notice in writing which shall be served by the vendee on all lessees affected and the Department of Agrarian Reform upon the registration of the sale x x x x The redemption price shall be the reasonable price of the land at the time of the sale x x x x

Simply stated, in the event that the landholding is sold to a third person without the knowledge of the agricultural lessee, the latter is granted by law the right to redeem it within one hundred eighty (180) days from notice in writing and at a reasonable price and consideration. Petitioner was not notified of the first and second instances of sale of the property apparently because all the respondents disputed petitioner's assertion that he has been a tenant thereon since 1951. These instances of sale without notification gave rise to his right to redeem the property as lessee although no longer from the Leonardos but from its present owner, respondent Bitoon.

A letter dated 24 November 1986 from the counsel of respondent Bitoon was received by petitioner informing him that the ownership of subject property has been transferred to respondent Bitoon. However the counsel did not bother to furnish petitioner with the supporting documents which is why petitioner did not readily believe what was written in the letter. Petitioner had to proceed to the Notarial Division of the Capitol Building on 2 March 1987 to secure a copy of the deed of sale between spouses Leonardo and respondent Bitoon.

The purpose of the written notice required by law is to remove all uncertainties as to the sale, its terms and its validity, and to quiet any doubts that the alienation is not definitive. The law does not prescribe any particular form of notice, nor any distinctive method for notifying the redemptioner. So long as the redemptioner is informed in writing of the sale and the particulars thereof, the period for redemption will start running.^[9] The letter received by petitioner, being bare, was not such written notice. It failed to make certain the terms, particulars and validity of the sale. Rather, only a copy of the deed of sale, in an authentic form, will satisfy the requirement of the law and serve the purpose thereof. Thus, it is proper to reckon the period of redemption from receipt of the authentic document on 2 March 1987. The amended complaint filed on 27 July 1987 is well within the redemption period of one hundred eighty (180) days.

The preceding discussion leads us to the requirement concerning reasonable price and consideration. An offer to redeem to be properly effected can either be through a formal tender with consignment or by filing a complaint in court coupled with consignment of the redemption price within the prescribed period.^[10] It must be stressed however that in making a repurchase it is not sufficient that a person offering to redeem merely manifests his desire to repurchase; this statement of intention must be accompanied by an actual and simultaneous tender of payment which constitutes the legal use or exercise of the right to repurchase. And the tender of payment must be for the full amount of the repurchased price, otherwise the offer to redeem will be held ineffectual.^[11] As to what constitutes reasonable price and consideration, the valuation placed by the Leonardo spouses and