

SPECIAL FIRST DIVISION

[G.R. No. 122544, January 28, 2003]

**REGINA P. DIZON, AMPARO D. BARTOLOME, FIDELINA D. BALZA,
ESTER ABAD DIZON AND JOSEPH ANTHONY DIZON, RAYMUND A.
DIZON, GERARD A. DIZON AND JOSE A. DIZON, JR.,
PETITIONERS, VS. COURT OF APPEALS AND OVERLAND EXPRESS
LINES, INC., RESPONDENTS.**

YNARES-SANTIAGO, J.:

On January 28, 1999, this Court rendered judgment in these consolidated cases as follows:

WHEREFORE, in view of the foregoing, both petitions are **GRANTED**. The decision dated March 29, 1994 and the resolution dated October 19, 1995 in CA-G.R. CV Nos. 25153-54, as well as the decision dated December 11, 1995 and the resolution dated April 23, 1997 in CA-G.R. SP No. 33113 of the Court of Appeals are hereby **REVERSED** and **SET ASIDE**.

Let the records of this case be remanded to the trial court for immediate execution of the judgment dated November 22, 1982 in Civil Case No. VIII-29155 of the then City Court (now Metropolitan Trial Court) of Quezon City, Branch III as affirmed in the decision dated September 26, 1984 of the then Intermediate Appellate Court (now Court of Appeals) and in the resolution dated June 19, 1985 of this Court.

However, petitioners are ordered to **REFUND** to private respondent the amount of P300,000.00 which they received through Alice A. Dizon on June 20, 1975.

SO ORDERED.

Private respondent filed a Motion for Reconsideration, Second Motion for Reconsideration, and Motion to Suspend Procedural Rules in the Higher Interest of Substantial Justice, all of which have been denied by this Court. This notwithstanding, the cases were set for oral argument on March 21, 2001, on the following issues:

1. WHETHER THERE ARE CIRCUMSTANCES THAT WOULD JUSTIFY SUSPENSION OF THE RULES OF COURT;
2. WHETHER THE SUM OF P300,000.00 RECEIVED BY ALICE DIZON FROM PRIVATE RESPONDENT WAS INTENDED AS PARTIAL PAYMENT OF THE PURCHASE PRICE OF THE PROPERTY, OR AS PAYMENT OF

BACK RENTALS ON THE PROPERTY;

3. WHETHER ALICE DIZON WAS AUTHORIZED TO RECEIVE THE SUM OF P300,000.00 ON BEHALF OF PETITIONERS;

4. (A) IF SO, WHETHER PETITIONERS ARE ESTOPPED FROM QUESTIONING THE BELATED EXERCISE BY PRIVATE RESPONDENT OF ITS OPTION TO BUY WHEN THEY ACCEPTED THE SAID PARTIAL PAYMENT;

(B) IF SO, WHETHER ALICE DIZON CAN VALIDLY BIND PETITIONERS IN THE ABSENCE OF A WRITTEN POWER OF ATTORNEY;

5. (A) WHETHER THERE WAS A PERFECTED CONTRACT OF SALE BETWEEN THE PARTIES;

(B) WHETHER THERE WAS A CONTRACT OF SALE AT LEAST WITH RESPECT TO THE SHARES OF FIDELA AND ALICE DIZON; AND

6. WHETHER PRIVATE RESPONDENT'S ACTION FOR SPECIFIC PERFORMANCE HAS PRESCRIBED.

In order to resolve the first issue, it is necessary to pass upon the other questions which relate to the merits of the case. It is only where there exist strong compelling reasons, such as serving the ends of justice and preventing a miscarriage thereof, that this Court can suspend the rules.^[1]

After reviewing the records, we find that, despite all of private respondent's protestations, there is absolutely no written proof of Alice Dizon's authority to bind petitioners. First of all, she was not even a co-owner of the property. Neither was she empowered by the co-owners to act on their behalf.

The acceptance of the amount of P300,000.00, purportedly as partial payment of the purchase price of the land, was an act integral to the sale of the land. As a matter of fact, private respondent invokes such receipt of payment as giving rise to a perfected contract of sale. In this connection, Article 1874 of the Civil Code is explicit that: "When a sale of a piece of land or any interest therein is through an agent, the authority of the latter shall be in writing; otherwise, the sale shall be void."

When the sale of a piece of land or any interest thereon is through an agent, the authority of the latter shall be in writing; otherwise, the sale shall be void. Thus the authority of an agent to execute a contract for the sale of real estate must be conferred in writing and must give him specific authority, either to conduct the general business of the principal or to execute a binding contract containing terms and conditions which are in the contract he did execute. A special power of attorney is necessary to enter into any contract by which the ownership of an immovable is transmitted or acquired either gratuitously or for a valuable consideration. The express mandate required by law to enable an appointee of an agency (couched) in general terms to sell must be one