



Republic of the Philippines  
Supreme Court  
Manila

FIRST DIVISION

YOUNG SCHOLARS ACADEMY,  
INC.,

G.R. No. 264452

Petitioner,

Present:

- versus -

GESMUNDO,  
Chairperson,\*  
HERNANDO,  
Acting Chairperson,\*\*  
ZALAMEDA,  
ROSARIO, and  
MARQUEZ, JJ.

ERLINDA G. MAGALONG,  
Respondent.

Promulgated:

JUN 19 2024

*withheld*

X-----X

DECISION

HERNANDO, J.:

This Petition for Review on *Certiorari*<sup>1</sup> (Petition) challenges the Decision<sup>2</sup> and the Resolution<sup>3</sup> of the Court of Appeals (CA) in CA-G.R. CV. No. 113870, which reversed and set aside the Decision<sup>4</sup> of Branch 91, Regional Trial Court (RTC), Quezon City in Civil Case No. R-QZN-17-08699-CV.

\* On official leave.

\*\* Per Special Order No. 3098, dated June 13, 2024.

<sup>1</sup> *Rollo*, pp. 3–20.

<sup>2</sup> *Id.* at 25–42. The July 15, 2022 Decision in CA-G.R. CV No. 113870 was penned by Associate Justice Alfonso C. Ruiz II, and concurred in by Associate Justices Apolinario D. Bruselas, Jr. and Ronaldo Roberto B. Martin of the Fifth Division, Court of Appeals, Manila.

<sup>3</sup> *Id.* at 21–24. The November 7, 2022 Resolution in CA-G.R. CV No. 113870 was penned by Associate Justice Alfonso C. Ruiz II, and concurred in by Associate Justices Apolinario D. Bruselas, Jr. and Ronaldo Roberto B. Martin of the Fifth Division, Court of Appeals, Manila.

<sup>4</sup> *Id.* at 43–54. The July 26, 2019 Decision in Civil Case No. R-QZN-17-08699-CV was penned by Acting Presiding Judge Hon. Wilfredo L. Maynigo of Branch 91, Regional Trial Court, Quezon City.

*Factual Antecedents*

The instant case stemmed from a Complaint for Specific Performance with Damages<sup>5</sup> (Complaint) dated July 26, 2017 filed by Young Scholars Academy, Inc. (YSAI) against Erlinda G. Magalong (Magalong).<sup>6</sup>

Sometime in 2014, Reynaldo O. Cabansag, YSAI's representative, saw a notice for sale of a parcel of land located at Lot 19, Block 2, Filinvest Subdivision, Batasan Hills, Quezon City (subject property), registered under the name of Magalong and covered by Transfer Certificate of Title No. (TCT) RT-22422 (36529).<sup>7</sup> YSAI's representative contacted the handling real estate agent, went through negotiations, then met Magalong on May 18, 2015.<sup>8</sup>

On the same day, or on May 18, 2015, YSAI, through its representative, entered into an Offer to Purchase<sup>9</sup> with Magalong.<sup>10</sup> In their agreement, YSAI offered to buy the 240-square meter subject property for PHP 2,000,000.00.<sup>11</sup> YSAI paid PHP 40,000.00 as earnest money, as evidenced by a Banco De Oro check.<sup>12</sup> Thereafter, Magalong deposited the check in her bank account and undertook to deliver certified true copies of the title, tax declaration, and vicinity/lot plan within a month or earlier, from the date of the execution of the agreement.<sup>13</sup>

Magalong, however, only provided certifications for the payment of real property tax and tax declaration of the property.<sup>14</sup> In a Letter<sup>15</sup> dated June 28, 2015 addressed to the real estate agent, Magalong requested, among others, for another document with a lower purchase price, which would allow her to pay a lower capital gains tax.<sup>16</sup> YSAI refused Magalong's request, and instead furnished Magalong with a draft copy of a proposed Revised Agreement<sup>17</sup> enclosed in a Letter<sup>18</sup> dated September 19, 2015.<sup>19</sup> Magalong did not act upon it.<sup>20</sup>

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<sup>5</sup> *Id.* at 78–82.

<sup>6</sup> *Id.* at 26.

<sup>7</sup> *Id.* at 27.

<sup>8</sup> *Id.* at 83. Also referred to as “Offer to Buy” in the records.

<sup>9</sup> *Id.*

<sup>10</sup> *Id.* at 27.

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> *Id.* at 27–28.

<sup>14</sup> *Id.* at 28.

<sup>15</sup> *Id.* at 86.

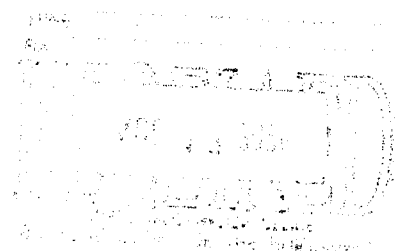
<sup>16</sup> *Id.* at 28.

<sup>17</sup> *Id.* at 87–90.

<sup>18</sup> *Id.* at 87.

<sup>19</sup> *Id.* at 28.

<sup>20</sup> *Id.*



On October 14, 2015, Magalong wrote another Letter<sup>21</sup> with the subject “Notice of Decline” signifying her intention to decline the offer to purchase of YSAI.<sup>22</sup> Magalong sought to enforce the provision in the Offer to Purchase, which reads: “Be it understood that this Earnest/Reservation Money is ‘Refundable’ to the undersigned without need of demand in case you decline to accept this Offer or you fail to submit the aforesaid documents.”<sup>23</sup>

In another Letter<sup>24</sup> dated March 15, 2016, Magalong returned the earnest money amounting to PHP 40,000.00 evidenced by a Philippine National Bank (PNB) check.<sup>25</sup>

YSAI reached out to Magalong several times, but the latter refused to negotiate.<sup>26</sup> YSAI likewise sent a Demand Letter<sup>27</sup> dated July 30 2016, to which Magalong did not respond.<sup>28</sup>

In all, Magalong denied that there was a perfected contract of sale because there was no meeting of the minds on the manner of payment of the purchase price of the subject property.<sup>29</sup> Magalong did not respond to the letter from YSAI’s representative detailing the documents that she needed to submit by claiming that she never received the letter.<sup>30</sup> Magalong further alleged that she requested YSAI’s representative to pay the remaining balance of the purchase price through PNB manager’s checks and not through post-dated checks.<sup>31</sup> Thus, when she did not receive any feedback from YSAI’s representative, Magalong decided to decline the offer to purchase.<sup>32</sup>

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

On July 26, 2019, the RTC granted the Complaint of YSAI and dismissed the counterclaim of Magalong.

The dispositive portion of the RTC Decision<sup>33</sup> reads:

**WHEREFORE**, premises considered, judgment is hereby rendered in favor of the [YSAI] and against the [Magalong], as follows:

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<sup>21</sup> *Id.* at 91.

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

<sup>24</sup> *Id.* at 92–93.

<sup>25</sup> *Id.* at 28.

<sup>26</sup> *Id.* at 28, 93.

<sup>27</sup> *Id.* at 94.

<sup>28</sup> *Id.* at 28.

<sup>29</sup> *Id.* at 29.

<sup>30</sup> *Id.*

<sup>31</sup> *Id.*

<sup>32</sup> *Id.*

<sup>33</sup> *Id.* at 26–27, 43–54.

1. Ordering [Magalong], to execute a deed of sale embodying the terms and conditions stated in the document denominated as “Offer to Purchase” and to perform specifically the sale of her subject property by presentation and [turnover] of pertinent records of the subject property and acceptance of the balance of the purchase price from [YSAI] within sixty (60) days from the finality of the judgment of the Court;
2. Ordering [Magalong] to pay attorney’s fees and litigation expenses amounting to [PHP] 81,990.00 to the [YSAI] plus costs of this suit; and
3. Ordering the dismissal of the claim for moral and exemplary damages of both parties for lack of factual and legal basis.

**SO ORDERED.**<sup>34</sup> (Emphasis in the original)

The RTC found that there was already a perfected contract of sale between the parties as early as May 18, 2015.<sup>35</sup> According to the trial court, there was consent between YSAI, manifested by its representative in his capacity as the treasurer, and Magalong.<sup>36</sup> Among others, the trial court ruled that it did not matter that YSAI’s representative did not show any special power of authority because he agreed to the terms and conditions of the sale without raising any issue or objection during his meeting or negotiation with Magalong.<sup>37</sup>

Dissatisfied, Magalong filed her appeal before the CA through a Petition for Review on *Certiorari*<sup>38</sup> under Rule 41 of the Rules of Court.<sup>39</sup>

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

On July 15, 2022, the appellate court reversed the decision of the trial court. The dispositive portion of the CA Decision<sup>40</sup> reads:

**WHEREFORE**, the present appeal is **GRANTED**. The Decision dated July 26, 2019 of the [RTC], National Capital Judicial Region, Branch 91, Quezon City is **REVERSED and SET ASIDE**. The Complaint dated July 26, 2017 is hereby **DISMISSED**.

The counterclaim is likewise **DENIED** for lack of factual and legal basis.

**SO ORDERED.**<sup>41</sup> (Emphasis in the original)

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<sup>34</sup> *Id.* at 26–27, 53–54.

<sup>35</sup> *Id.* at 51.

<sup>36</sup> *Id.*

<sup>37</sup> *Id.* at 26, 29.

<sup>38</sup> CA rollo, pp. 17–51.

<sup>39</sup> Rollo, p. 26.

<sup>40</sup> *Id.* at 25–42.

<sup>41</sup> *Id.* at 41–42.

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The appellate court ruled that YSAI is a proper party in the case because evidence showed that Magalong knew she was transacting with YSAI.<sup>42</sup>

Nonetheless, the CA found that the parties failed to enter into a valid contract of sale.<sup>43</sup> The appellate court ruled that the exchange of correspondence between the parties, coupled with the testimony of Magalong, showed that they arrived at an impasse regarding the terms of payment.<sup>44</sup> As observed by the CA, the parties were only in the negotiation phase of the contract.<sup>45</sup>

Undaunted, YSAI sought a reconsideration but to no avail.<sup>46</sup>

On November 7, 2022, the appellate court denied the motion for reconsideration of YSAI. The CA found that the arguments in the motion for reconsideration were already completely and judiciously passed upon and resolved by it in its assailed Decision dated July 15, 2022.<sup>47</sup> Thus, the dispositive portion of the CA Resolution<sup>48</sup> states:

**WHEREFORE**, the present Motion for Reconsideration is DENIED. The July 15, 2022 Decision STANDS.

**SO ORDERED.**<sup>49</sup> (Emphasis in the original)

Dissatisfied, YSAI filed the instant Petition ascribing several errors on the part of the appellate court. In summary, YSAI argues that: (1) there is a perfected contract of sale between the parties;<sup>50</sup> (2) Magalong's testimony should not be given consideration because it has no credibility, among others;<sup>51</sup> and (3) YSAI is entitled to moral damages, exemplary damages, attorney's fees, litigation expenses, and costs of suit.<sup>52</sup>

#### *Issue*

The main issue in the Petition is whether the parties entered into a valid contract of sale.

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<sup>42</sup> *Id.* at 31.

<sup>43</sup> *Id.* at 35.

<sup>44</sup> *Id.* at 37.

<sup>45</sup> *Id.* at 39.

<sup>46</sup> *Id.* at 22.

<sup>47</sup> *Id.* at 22–23.

<sup>48</sup> *Id.* at 21–24.

<sup>49</sup> *Id.* at 24.

<sup>50</sup> *Id.* at 7–10.

<sup>51</sup> *Id.* at 10–13.

<sup>52</sup> *Id.* at 13–15.

*Our Ruling*

We affirm.

There was no valid contract of sale over the subject property between the YSAI and Magalong. **The parties reached an impasse regarding the manner or terms of payment, thus negating mutual consent necessary for a valid contract of sale.** Thus, the CA did not commit any reversible error in its assailed rulings.

*There is no contract of sale between YSAI and Magalong. The parties reached an impasse regarding the manner or terms of payment, thus negating mutual consent necessary for a valid contract of sale*

Sale is a consensual contract because it is perfected by mere consent of the parties.<sup>53</sup> Under the New Civil Code, Article 1458,<sup>54</sup> in relation to Article 1318,<sup>55</sup> the essential elements of a contract of sale are the following: (a) consent or meeting of the minds, that is, consent to transfer ownership in exchange for the price; (b) determinate subject matter; and (c) price certain in money or its equivalent.<sup>56</sup> Thus, the mutual agreement of the parties on the subject matter of the sale and its price is sufficient for a valid contract of sale.<sup>57</sup>

In *Manila Metal Container Corporation v. Philippine National Bank*,<sup>58</sup> We explained at length the three stages of a contract of sale and emphasized that negotiations are formally initiated by an offer. Thus:

<sup>53</sup> *Heirs of Gonzales v. Spouses Basas*, G.R. No. 206847, June 15, 2022 [Per J. Hernando, First Division], citing *Tamayao v. Lacambra*, 888 Phil. 910, 934 (2020) [Per J. Caguioa, First Division] at 11. This pinpoint citation refers to the copy of the Decision uploaded to the Supreme Court website.

<sup>54</sup> CIVIL CODE, art. 1458 states: ARTICLE 1458. – **By the contract of sale one of the contracting parties obligates himself to transfer the ownership of and to deliver a determinate thing, and the other to pay therefor a price certain in money or its equivalent.**

A contract of sale may be absolute or conditional. (Emphasis supplied)

<sup>55</sup> CIVIL CODE, art. 1318 provides: ARTICLE 1318. – There is no contract unless the following requisites concur:

(1) **Consent of the contracting parties;**

(2) **Object certain which is the subject matter of the contract;**

(3) **Cause of the obligation which is established.** (Emphasis supplied)

<sup>56</sup> *Heirs of Gonzales v. Spouses Basas*, G.R. No. 206847, June 15, 2022 [Per J. Hernando, First Division], citing *Tamayao v. Lacambra*, 888 Phil. 910, 934 (2020) [Per J. Caguioa, First Division] at 11. This pinpoint citation refers to the copy of the Decision uploaded to the Supreme Court website.

<sup>57</sup> CIVIL CODE, art. 1475 states: ARTICLE 1475. – **The contract of sale is perfected at the moment there is a meeting of minds upon the thing which is the object of the contract and upon the price.**

From that moment, the parties may reciprocally demand performance, subject to the provisions of the law governing the form of contracts. (Emphasis supplied)

<sup>58</sup> 540 Phil. 451 (2006) [Per J. Callejo, Sr., First Division].

In *San Miguel Properties Philippines, Inc. v. Huang*, the Court ruled that the stages of a contract of sale are as follows: (1) *negotiation*, covering the period from the time the prospective contracting parties indicate interest in the contract to the time the contract is perfected; (2) *perfection*, which takes place upon the concurrence of the essential elements of the sale which are the meeting of the minds of the parties as to the object of the contract and upon the price; and (3) *consummation*, which begins when the parties perform their respective undertakings under the contract of sale, culminating in the extinguishment thereof.

**A negotiation is formally initiated by an offer, which, however, must be certain. At any time prior to the perfection of the contract, either negotiating party may stop the negotiation. At this stage, the offer may be withdrawn; the withdrawal is effective immediately after its manifestation. To convert the offer into a contract, the acceptance must be absolute and must not qualify the terms of the offer; it must be plain, unequivocal, unconditional and without variance of any sort from the proposal.** In *Adelfa Properties, Inc. v. Court of Appeals*, the Court ruled that:

[. . .] The rule is that except where a formal acceptance is so required, although the acceptance must be affirmatively and clearly made and must be evidenced by some acts or conduct communicated to the offeror, it may be shown by acts, conduct, or words of the accepting party that clearly manifest a present intention or determination to accept the offer to buy or sell. Thus, acceptance may be shown by the acts, conduct, or words of a party recognizing the existence of the contract of sale.

**A qualified acceptance or one that involves a new proposal constitutes a counter-offer and a rejection of the original offer. A counter-offer is considered in law, a rejection of the original offer and an attempt to end the negotiation between the parties on a different basis.** Consequently, when something is desired which is not exactly what is proposed in the offer, such acceptance is not sufficient to guarantee consent because any modification or variation from the terms of the offer annuls the offer. The acceptance must be identical in all respects with that of the offer so as to produce consent or meeting of the minds.<sup>59</sup> (Emphasis supplied; citations omitted)

We further held in *Traders Royal Bank v. Cuison Lumber Co., Inc.*<sup>60</sup> that the offer required by law is certain and must be accepted absolutely and without qualification. We thus ruled that:

Under the law, a contract is perfected by mere consent, that is, from the moment that there is a meeting of the offer and the acceptance upon the thing and the cause that constitute the contract. **The law requires that the offer must be certain and the acceptance absolute and unqualified. An acceptance of an offer may be express and implied; a qualified offer constitutes a counter-offer.** Case law holds that an offer, to be considered certain, must be definite, while an acceptance is considered absolute and unqualified when it is

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<sup>59</sup> *Id.* at 471–472.

<sup>60</sup> 606 Phil. 700 (2009) [Per J. Brion, Second Division].

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identical in all respects with that of the offer so as to produce consent or a meeting of the minds. We have also previously held that the ascertainment of whether there is a meeting of minds on the offer and acceptance depends on the circumstances surrounding the case.<sup>61</sup> (Emphasis supplied; citations omitted)

Finally, We emphasize that the New Civil Code, Article 1319 states:

ARTICLE 1319. Consent is manifested by the meeting of the offer and the acceptance upon the thing and the cause which are to constitute the contract. The offer must be certain and the acceptance absolute. **A qualified acceptance constitutes a counter-offer.**

. . . . (Emphasis supplied)

Applying the foregoing provisions of law and precepts under jurisprudence, We find that the negotiations for the subject property were initiated by a formal offer from YSAI through its representative. In the course of negotiations between YSAI and Magalong, there is a clear absence of mutual agreement for a valid contract of sale. Evidence on record show, as the CA correctly observed, that the parties were only at the negotiation stage of the contract, that a counter-offer on the manner of payment was made by Magalong, and that the offer was eventually declined by Magalong.<sup>62</sup>

Scrutinized below are the relevant stipulations and exchange of correspondence between the parties:

*First*, in the **Offer to Purchase**<sup>63</sup> signed by Magalong on May 18, 2015, the purchase price was clearly indicated but not the manner of its payment. The relevant portion reads:

1. The sum of FORTY THOUSAND ([PHP] 40,000.00) PESOS shall be tendered and paid to you as "Earnest/ Reservation Money" to apply as Partial – Payment in case this Offer is accepted by you, in exchange for a signed Earnest Money Receipt Agreement between us. . . .
2. The remaining balance of the purchase price amounting to TWO MILLION PESOS ([PHP] 2,000,000.00) shall be payable upon execution of the Contract to Sell.<sup>64</sup>

*Second*, in a **draft Agreement**,<sup>65</sup> the manner of payment through a post-dated check was reflected. Thus:

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<sup>61</sup> *Id.* at 713.

<sup>62</sup> *Rollo*, p. 37.

<sup>63</sup> *Id.* at 83. Also referred to as "Offer to Buy" in the records.

<sup>64</sup> *Id.*

<sup>65</sup> *Id.* at 36.

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NOW THEREFORE, for and in consideration of the sum of TWO MILLION FORTY THOUSAND PESOS ([PHP] 2,040,000.00), Philippine Currency, to be paid by the BUYER in the following installments:

- a. FORTY THOUSAND PESOS ([PHP] 40,000.00) as earnest money, the receipt whereof is hereby acknowledged by the SELLER from the BUYER;
- b. **Issuance of a [post-dated] check worth TWO MILLION PESOS ([PHP] 2,000,000.00) dated two (2) months upon presentation of the following documents [ . . . ]<sup>66</sup> (Emphasis supplied)**

*Third*, in the **Letter**<sup>67</sup> signed by Magalong on June 28, 2015, she specified the manner of payment of the remaining balance and required the same through a PNB Manager's check. The fourth paragraph thereof reads:

4. Submit a computation breakdown of all expenses and the remaining balance to be paid by the Buyer to the Seller after the agreed expenses have been deducted from [PHP 2,000,000.00]. **This remaining balance shall be paid in PNB Manager's Check upon signing of the Deed of Absolute Sale.**<sup>68</sup> (Emphasis supplied)

*Fourth*, in the **Revised Agreement**<sup>69</sup> enclosed in a Letter<sup>70</sup> dated September 19, 2015, YSAI, through its representative, specified the manner of payment requested by Magalong. In her testimony, however, Magalong denied receiving the same.<sup>71</sup> In fact, Magalong also disowned the signature of the person who supposedly received the proposed Revised Agreement.<sup>72</sup>

Thus, the relevant portions of the Revised Agreement state:

NOW THEREFORE, for and in consideration of the sum of TWO MILLION FORTY THOUSAND PESOS ([PHP] 2,040,000.00), Philippine Currency, to be paid by the BUYER in the following installments:

- a. FORTY THOUSAND PESOS ([PHP] 40,000.00) as earnest money, the receipt whereof is hereby acknowledged by the SELLER from the BUYER. The earnest money shall be part of the consideration;
- b. **The balance of TWO MILLION PESOS ([PHP] 2,000,000.00) shall be paid as follows:**

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<sup>66</sup> *Id.*

<sup>67</sup> *Id.* at 86.

<sup>68</sup> *Id.*

<sup>69</sup> *Id.* at 88–90.

<sup>70</sup> *Id.* at 87.

<sup>71</sup> *Id.* at 37.

<sup>72</sup> *Id.*

1. An amount of ONE HUNDRED TWENTY-TWO THOUSAND FOUR HUNDRED PESOS ([PHP] 122,400.00) in Cash which is equivalent to the capital gains tax to be paid by the BUYER directly to the Bureau of Internal Revenue for the account of the SELLER; and
2. The remaining amount of ONE MILLION NINE HUNDRED SEVENTEEN THOUSAND SIX HUNDRED PESOS ([PHP] 1,917,600.00) in the form of a Manager's Check (MC) to be issued in the name of the SELLER which is less of the capital gains tax to be paid.

SELLER shall issue an acknowledgment receipt in the name of the BUYER in the amount of [PHP] 2,000,000.00.<sup>73</sup> (Emphasis supplied)

Finally, in Magalong's Letter<sup>74</sup> with subject "Notice of Decline" dated October 14, 2015, she expressly declined the offer initiated by YSAI through its representative. Thus, the letter emphatically reads:

This refers to your Offer-to-Purchase my Filinvest lot. . . .

....

**More than five (5) months has passed since you made this Offer, and no agreement has been reached and finalized between your corporation and the undersigned within the exclusivity period of one month.**

**In view of this development, notice is hereby given to you that the undersigned declines to accept your offer.**<sup>75</sup> (Emphasis supplied)

Taken altogether and contrary to YSAI's arguments,<sup>76</sup> We agree with the CA that the exchange of correspondence between the parties, coupled with Magalong's credible testimony, prove that the parties arrived at an impasse regarding the manner or terms of payment.<sup>77</sup>

While YSAI argued that the Revised Agreement is an implied acceptance of Magalong's counter-offer,<sup>78</sup> We find that the acceptance was not communicated to Magalong as required by law.<sup>79</sup> To recall, Article 1319 of the New Civil Code states:

ARTICLE 1319. Consent is manifested by the meeting of the offer and the acceptance upon the thing and the cause which are to constitute the contract. The

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<sup>73</sup> *Id.* at 88–89.

<sup>74</sup> *Id.* at 91.

<sup>75</sup> *Id.*

<sup>76</sup> *Id.* at 10–13.

<sup>77</sup> *Id.* at 37.

<sup>78</sup> *Id.* at 8.

<sup>79</sup> *Id.* at 38.

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offer must be certain and the acceptance absolute. A qualified acceptance constitutes a counter-offer.

**Acceptance made by letter or telegram does not bind the offerer except from the time it came to his knowledge. The contract, in such a case, is presumed to have been entered into in the place where the offer was made.** (Emphasis supplied)

We rule that YSAI's implied acceptance of Magalong's counter-offer through the Revised Agreement is not binding on the latter and did not produce a valid contract of sale between the parties. As it stands, there is no proof or evidence to substantiate such claim. Thus, We agree with the CA's ruling that:

A qualified acceptance or one that involves a new proposal constitutes a counter-offer and a rejection of the original offer. **A counter-offer is considered in law, a rejection of the original offer and an attempt to end the negotiation between the parties on a different basis. Consequently, when something is desired which is not exactly what is proposed in the offer, such acceptance is not sufficient to guarantee consent because any modification or variation from the terms of the offer annuls the offer. The acceptance must be identical in all respects with that of the offer so as to produce consent or meeting of the minds.**<sup>80</sup> (Emphasis supplied)

It is clear to this Court that there is no valid contract of sale between YSAI and Magalong.

*There is no basis for the award of attorney's fees, litigation expenses, and costs of suit to YSAI*

The RTC awarded attorney's fees and litigation expenses amounting to PHP 81,990.00 plus costs of suit to YSAI.<sup>81</sup> The trial court found that Magalong breached her obligation under the contract of sale.<sup>82</sup> However, as We explained in detail, there is no perfected contract of sale between the parties. Accordingly, the CA committed no reversible error in ruling that there is no basis for the award of attorney's fees, litigation expenses, and costs of suit.<sup>83</sup>

**ACCORDINGLY**, the Petition for Review on *Certiorari* is **DENIED**. The Court of Appeals' July 15, 2022 Decision and the November 7, 2022 Resolution in CA-G.R. CV No. 113870, are **AFFIRMED**.

<sup>80</sup> *Id.* at 38–39, citing *Development Bank of the Philippines v. Medrano*, 656 Phil. 575, 585 (2011) [Per J. Villarama, Jr., Third Division].


<sup>81</sup> *Id.* at 27, 40, 54.

<sup>82</sup> *Id.* at 53.

<sup>83</sup> *Id.* at 40.

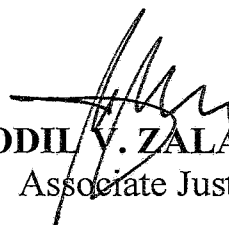
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**SO ORDERED.**


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

**WE CONCUR:**

(on official leave)  
**ALEXANDER G. GESMUNDO**  
Chairperson  
Chief Justice

  
**RODIL V. ZALAMEDA**  
Associate Justice

  
**RICARDO R. ROSARIO**  
Associate Justice

  
**JOSE MIDAS P. MARQUEZ**  
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**  
*Acting Chairperson*

### CERTIFICATION

Pursuant to Article VIII, Section 13 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.

  
**MARVIC M.V.F. LEONEN**  
*Acting Chief Justice*

