

SALES AND LEASE
Atty. Manuel Casino
Final Examinations
October 2010

4. Chiz and Noynoy entered into a contract of sale whereby the former sold to the latter a parcel of land therein described as containing an area of 5 hectares for Php 5 million, Noynoy filed an action for rescission of the contract with damages upon discovering that the parcel of land contained only 4 hectares. Will Noynoy's action prosper? Explain.

5. On August 1, 2010, Gretchen sold to John 1,000 sacks of Arabica coffee beans for Php 100, 000.00. It was agreed upon that John will pay the price a day after the sale while Gretchen will "immediately" deliver the 1,000 sacks of rice to John via the WG&A, a carrier. On August 1, 2010, Gretchen delivered the goods to WG&A for shipment to John in Manila. On August 3, 2010, Gretchen demanded payment of the purchase price from John but the latter refused to pay. While WG&A's ship was traversing the coastal waters of Cavite, Gretchen faxed a letter to WG&A, telling them that because of John's refusal to pay, she will retake possession of the goods and that WG&A holds that goods for her. WG&A approached you for legal advice. What advice will you give WG&A? Explain.

6. Rey is the owner of an agricultural land the area of which is 1,000 square meters. Adjoining that land is Lita's agricultural land whose area is 5 hectares. In exchange for Edmundos' residential land in Cubao, QC, Rey transferred the said

agricultural land to Edmundo. Lita was informed of the transaction and she wants to redeem the property given by Rey to Edmundo. Can Lita redeem the land? Why?