FIRST DIVISION

[G.R. NO. 168396, June 22, 2006]

MARCELINA V. ESPINO, FOR HERSELF AND IN REPRESENTATION OF HER DECEASED MOTHER, EMERENCIANA V. ESPINO, AND SPOUSES FELIPE DE LOS SANTOS AND MARISSA DE LOS SANTOS, PETITIONERS, VS. SPOUSES RICARDO VICENTE AND EMMA M. VICENTE, RESPONDENTS.

DECISION

YNARES-SANTIAGO, J.:

This petition for review assails the Decision^[1] dated October 25, 2004 of the Court of Appeals in CA-G.R. CV No. 67640 which set aside the October 25, 1999 Decision^[2] of the Regional Trial Court of Malolos, Bulacan, Branch 19, in Civil Case No. 431-M-97, as well as the Resolution^[3] dated May 27, 2005 denying petitioners' motion for reconsideration.

The antecedent facts are as follows:

Emerenciana and Doroteo Espino, the parents of herein petitioner, Marcelina V. Espino, were the owners of two untitled parcels of land denominated as Lots 1475 and 1476, situated in Bambang, Bulacan and covered by Tax Declaration Nos. 96-05003-00447 and 96-05003-00449, respectively, with a total area of 134 square meters. On March 31, 1995, Emerenciana sold to Marissa Delos Santos a 20-square meter undivided portion of Lot 1475 for P20,000.00.^[4]

The crux of the controversy in this case arose from the execution by Emerenciana and Marcelina on January 9, 1997 of a document, denominated as "*Pagkakaloob*,"^[5] purportedly donating Lots 1475 and 1476 to respondent Emma Vicente, the wife of Ricardo Vicente, nephew of Emerenciana.

It appears that sometime in December 1996, Emma convinced Marcelina and Emerenciana that she could facilitate the registration and titling in their name of the house and lot where they are staying. Emma allegedly asked Emerenciana and Marcelina who are both illliterate to sign a document to be used in titling the property in their name.

Subsequently, Emerenciana and Marcelina learned that the document they signed was a Deed of Donation or a "Pagkakaloob," of the house and lot in favor of Emma, including the 20 square-meter portion that was earlier sold to Marissa. As a consequence, when Emma filed an application for free patent with the DENR-PENRO Office of Malolos, Bulacan on January 13, 1997, Marissa filed an opposition with the DENR-PENRO and the Register of Deeds. On the other hand, Emerenciana and Marcelina executed a Deed of Revocation of Donation or "Kasulatan ng

Pagpapawalang Bisa sa Kasulatan ng Pagkakaloob" dated April 14, 1997.

Petitioners then filed a petition^[7] for annulment of patent/title and reconveyance of real property with damages with the Regional Trial Court of Malolos, Bulacan which was docketed as Civil Case No. 431-M-97 and raffled to Branch 19.

After due proceedings, the trial court rendered its decision, the dispositive portion of which provides:

WHEREFORE, judgment is hereby rendered in favor of the plaintiffs and against the defendants as follows:

- 1. The "Pagkakaloob" Exhibit "E" of plaintiffs and Exhibit "1" of defendants is ordered ANNULLED and VOIDED by reason of fraud;
- 2. <u>Free Patent No. 031405-97-10063</u> issued by the DENR-PENRO of Malolos, Bulacan is declared by VOID AB INITIO;
- 3. <u>Tax Declarations Nos. 96-05003-03502 & 03503</u> and <u>96-05003-03506</u> dated January 15, 1997 and January 21, 1997, respectively, are declared VOID AB INITIO;
- 4. Ordering the defendants TO PAY PLAINTIFFS the sum of TEN THOUSAND (P10,000.00) PESOS as and by way of attorney's fees; and
- 5. Costs of suit.

All other claims of plaintiffs and defendants' counterclaim are DENIED for lack of legal and factual basis.

SO ORDERED.[8]

Respondents appealed to the Court of Appeals which reversed the decision of the trial court and resolved the appeal as follows:

WHEREFORE, the decision appealed from is SET ASIDE and the complaint is DISMISSED. The Register of Deeds for the Province of Bulacan is directed to proceed with the registration of the property in the names of Marissa Delos Santos, as to an undivided 20 square-meter portion of lot 1475, and of the Spouses Emma and Ricardo Vicente, as to the remainder of lots 1475 and 1476.

SO ORDERED.[9]

Hence the present petition

The sole issue for resolution is whether the Court of Appeals erred in reversing the lower court's decision and concluding that the assailed deed of donation enjoys the legal presumption of due execution and validity.

Petitioners contend that the Court of Appeals overlooked or disregarded certain factual findings of the trial court and that it failed to accord due evidentiary weight

Petitioners would want us to rule on questions of fact in resolving the issue they raised before us, contrary to the settled rule that only questions of law may be raised in a petition for review.

Prefatorily, we restate the time honored principle that in petitions for review under Rule 45 of the Rules of Court, only questions of law may be raised. It is not our function to analyze or weigh all over again evidence already considered in the proceedings below, our jurisdiction being limited to reviewing only errors of law that may have been committed by the lower court. The resolution of factual issues is the function of the lower courts, whose findings on these matters are received with respect. A question of law which we may pass upon must not involve an examination of the probative value of the evidence presented by the litigants. [11]

However, this rule is not iron-clad. We have consistently recognized several exceptional circumstances where we disregarded the aforesaid tenet and proceeded to review the findings of facts of the lower court such as: (1) when the conclusion is a finding grounded entirely on speculations, surmises or conjectures; (2) when the inference is manifestly absurd, mistaken or impossible; (3) when there is grave abuse of discretion in the appreciation of facts; (4) when the judgment is premised on a misapprehension of facts; (5) when the findings of facts are conflicting; (6) when the Court of Appeals in making its findings, went beyond the issues of the case and the same is contrary to the admissions of both appellant and appellee; (7) when the Court of Appeals manifestly overlooked certain relevant facts not disputed by the parties and which, if properly considered, would justify a different conclusion; and (8) when the findings of fact of the Court of Appeals are contrary to those of the trial court or are mere conclusions without citation of specific evidence, or where the facts set forth by the petitioner are not disputed by the respondent, or where the findings of fact of the Court of Appeals are premised on absence of evidence but are contradicted by the evidence on record. [12]

Considering the conflict in the factual findings of the Regional Trial Court and of the Court of Appeals, we rule on the factual issues as an exception to the general rule.

The petition is impressed with merit.

A donation is an act of liberality whereby a person disposes gratuitously a thing or right in favor of another, who accepts it.^[13] Like any other contract, an agreement of the parties is essential. Consent in contracts presupposes the following requisites: (1) it should be intelligent or with an exact notion of the matter to which it refers; (2) it should be free, and (3) it should be spontaneous.^[14] The parties' intention must be clear and the attendance of a vice of consent, like any contract, renders the donation voidable.^[15]

For the petitioners, the vice of consent which attended the execution of the *Pagkakaloob* or the deed of donation came in the form of the fraud allegedly perpetrated by Emma in securing the signatures of Emerenciana and Marcelina. During her direct examination, Marcelina categorically testified that her signature and that of her deceased mother, Emerenciana, were procured by Emma through

fraud and misrepresentation, thus:

Atty. Cruz:

Q: Going Back to January, 1997 when you said defendant Emma Vicente came to your house and told you and your mother that she will assist you in transferring and registering that property in question, do you remember if there was a document or kasulatan that she

requested you to sign?

Marcelina Espino:

There is, sir.

Court: What was your agreement with this Emma Vicente when she went to your house on (sic) January, 1997?

A: According to her, she will help in the transferring of the property under my name, Your Honor.

Q: Why, what is the status of this property? Was is not yet titled?

A: Not yet, Your Honor.

Atty. Cruz:

When Emma Vicente told you that she will help and you said she requested you to sign, do you know what document that she requested you to sign?

A: That sheet sir. She said she is going to transfer that property under my name.

Q: Was the document that you signed, the contents of that document, was it explained to you before you signed?

A: Yes, sir.

Q: How was it explained to you, if you know? Atty. Tansinsin, Jr.:
No, because. . .

Court: Answer.

A: According to her, I should trust her because she will not fool me, Your Honor.

Atty. Cruz:

Do you know how to read?

A: No, sir.

Atty. Cruz:

What was your educational attainment?

A: Grade VI, sir.

Court: But surely you must know how to read Tagalog?