

FIRST DIVISION

[G.R. No. 138774, March 08, 2001]

**REGINA FRANCISCO AND ZENAIDA PASCUAL, PETITIONERS, VS.
AIDA FRANCISCO-ALFONSO, RESPONDENT.**

D E C I S I O N

PARDO, J.:

May a legitimate daughter be deprived of her share in the estate of her deceased father by a simulated contract transferring the property of her father to his illegitimate children?

The case before the Court is an appeal *via certiorari* from the decision of the Court of Appeals^[1] declaring void the deed of sale of two parcels of land conveyed to petitioners who are illegitimate children of the deceased to the exclusion of respondent, his sole legitimate daughter.

The facts^[2] are:

Respondent Aida Francisco-Alfonso (hereafter Aida) is the only daughter of spouses Gregorio Francisco and Cirila de la Cruz, who are now both deceased.

Petitioners, on the other hand, are daughters of the late Gregorio Francisco with his common law wife Julia Mendoza, with whom he begot seven (7) children.

Gregorio Francisco (hereafter Gregorio) owned two parcels of residential land, situated in Barangay Lolomboy, Bocaue, Bulacan, covered by TCT Nos. T-32740 and T-117160. When Gregorio was confined in a hospital in 1990, he confided to his daughter Aida that the certificates of title of his property were in the possession of Regina Francisco and Zenaida Pascual.

After Gregorio died on July 20, 1990,^[3] Aida inquired about the certificates of title from her half sisters. They informed her that Gregorio had sold the land to them on August 15, 1983. After verification, Aida learned that there was indeed a deed of absolute sale in favor of Regina Francisco and Zenaida Pascual. Thus, on August 15, 1983, Gregorio executed a "Kasulatan sa Ganap na Bilihan, whereby for P25,000.00, he sold the two parcels of land to Regina Francisco and Zenaida Pascual. By virtue of the sale, the Register of Deeds of Bulacan issued TCT No. T-59.585 to Regina Francisco and TCT T-59.586 to Zenaida Pascual.^[4]

On April 1, 1991, Aida filed with the Regional Trial Court, Bulacan a complaint against petitioners for annulment of sale with damages.^[5] She alleged that the signature of her late father, Gregorio Francisco, on the *Kasulatan sa Ganap na Bilihan* dated August 15, 1983, was a forgery.

In their joint answer to the complaint, petitioners denied the alleged forgery or simulation of the deed of sale. After due proceedings, on July 21, 1994, the trial court rendered a decision dismissing the complaint. The dispositive portion reads:

"WHEREFORE, on the basis of the evidence adduced and the law applicable thereon, the Court hereby renders judgment:

"a) sustaining the validity of the "Kasulatan Sa Ganap Na Bilihan" (Exh."G") executed on 15 August 1993 by the late Gregorio Francisco in favor of the defendants;

"b) affirming the validity of the Transfer Certificates of Title No. T-59.585 (Exh. "I") issued to defendant Regina Francisco and No. T-59.386 (Exh. "H") issued to defendant Zenaida Pascual; and

"c) dismissing the complaint as well as the defendants' counterclaim for damages and attorney's fees for lack of merit." [6]

In time^[7], respondent Alfonso appealed to the Court of Appeals.^[8]

After due proceedings, on April 30, 1999, the Court of Appeals promulgated its decision reversing that of the trial court, the dispositive portion of which reads:

"WHEREFORE, the Decision dated July 21, 1994 of the court *a quo* is REVERSED and SET ASIDE and another rendered as follows:

"1. The Kasulatan Sa Ganap na Bilihan dated August 15, 1983 (Exhibit "G") is declared null and void from the beginning and TCT Nos. T-59.585 (M) and T-59-586 (M), both of the Registry of Deeds of Bulacan (Meycauayan Branch) in the names of Regina Francisco and Zenaida Pascual, respectively, are annulled and cancelled;

"2. The Register of Deeds of Bulacan (Meycauayan Branch) is ordered to cancel the aforementioned TCT Nos. T-59.585 (M) and T-59.586 (M) and to reinstate Transfer Certificates of Title Nos. T-132740 and T-117160 both in the name of Gregorio Francisco.

"3. Defendants-appellees Regina Francisco and Zenaida Pascual jointly and solidarily are ordered to pay plaintiff-appellant Alfonso the amount of P5,000.00 as moral damages, P5,000.00 as exemplary damages and P5,000.00 as attorney's fees.

"4. The counterclaim of defendants-appellees is dismissed for lack of merit.

"Costs of suit against said defendants-appellees." [9]

Hence, this petition.^[10]

The main issue raised is whether the Supreme Court may review the factual findings of the appellate court. The jurisdiction of this Court in cases brought before it from

the Court of Appeals under Rule 45 of the Revised Rules of Court is limited to review of pure errors of law. It is not the function of this Court to analyze or weigh evidence all over again, unless there is a showing that the findings of the lower court are totally devoid of support or are glaringly erroneous as to constitute grave abuse of discretion.^[11]

The findings of fact of the Court of Appeals supported by substantial evidence are conclusive and binding on the parties and are not reviewable by this Court,^[12] unless the case falls under any of the recognized exceptions to the rule.^[13]

Petitioner has failed to prove that the case falls within the exceptions.^[14]

We affirm the decision of the Court of Appeals because:

First: The *kasulatan* was simulated. There was no consideration for the contract of sale. Felicitas de la Cruz, a family friend of the Franciscos, testified that Zenaida Pascual and Regina Francisco did not have any source of income in 1983, when they bought the property, until the time when Felicitas testified in 1991.^[15]

As proof of income, however, Zenaida Pascual testified that she was engaged in operating a canteen, working as cashier in Mayon Night Club as well as buying and selling RTW (Ready to Wear) items in August of 1983 and prior thereto.

Zenaida alleged that she paid her father the amount of P10,000.00. She did not withdraw money from her bank account at the Rural Bank of Meycauayan, Bulacan, to pay for the property. She had personal savings other than those deposited in the bank. Her gross earnings from the RTW for three years was P9,000.00, and she earned P50.00 a night at the club.^[16]

Regina Francisco, on the other hand, was a market vendor, selling *nilugaw*, earning a net income of P300.00 a day in 1983. She bought the property from the deceased for P15,000.00.^[17] She had no other source of income.

We find it incredible that engaging in buy and sell could raise the amount of P10,000.00, or that earnings in selling *goto* could save enough to pay P15,000.00, in cash for the land.

The testimonies of petitioners were incredible considering their inconsistent statements as to whether there was consideration for the sale and also as to whether the property was bought below or above its supposed market value. They could not even present a single witness to the *kasulatan* that would prove receipt of the purchase price.

Since there was no cause or consideration for the sale, the same was a simulation and hence, null and void.^[18]

Second: Even if the *kasulatan* was not simulated, it still violated the Civil Code^[19] provisions insofar as the transaction affected respondent's legitime. The sale was executed in 1983, when the applicable law was the Civil Code, not the Family Code.