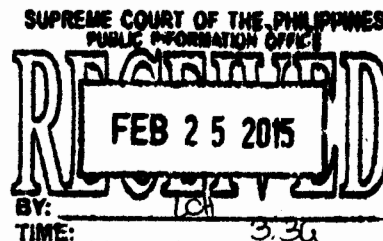




Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

NOTICE



Sirs/Mesdames:

*Please take notice that the Court, First Division, issued a Resolution dated **January 12, 2015** which reads as follows:*

“G.R. No. 160995 – GUADALUPE MATIAS, HILARIA C. BAQUIRAN, CRISANTA C. BATTUNG and MILAGROS CUSIPAG, Petitioners, v. COURT OF APPEALS and SPS. LAUREANO CUSIPAG and LEONILA D. CUSIPAG, Respondents.

Subject of this controversy is the validity of the Deed of Absolute Sale executed by the late Spouses Antonio and Martina Cusipag (Spouses Cusipag) in favor of respondent Laureano Cusipag (Laureano), one of their children, involving a registered parcel of land with an area of 432 square meters located in Tanza, Tuguegarao City in the Province of Cagayan. The petitioners, the other surviving children of the Spouses Cusipag, assailed the Deed of Absolute Sale as simulated and fictitious in the Regional Trial Court, Branch 4, in Tuguegarao City (RTC), claiming that their parents had caused the transfer only to enable Laureano to borrow funds with the land as collateral.¹ The RTC upheld the validity of the Deed of Absolute Sale in its judgment rendered on March 17, 1997.² On appeal, the Court of Appeals (CA) affirmed the RTC through the decision promulgated on April 10, 2003.³ Upon the denial of their motion for reconsideration on October 14, 2003,⁴ the petitioners now appeal.

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¹ Rollo, p. 62.

² Id. at 41-46; penned by Presiding Judge Orlando D. Beltran.

³ Id. at 61-67; penned by Associate Justice Bernardo P. Abesamis (retired), with Associate Justice Sergio L. Pestaño (retired/deceased) and Associate Justice Noel G. Tijam concurring.

⁴ Id. at 73-75; penned by Associate Justice Tijam, with Associate Justice Pestaño and Associate Justice Hakim Abdulwahid (replacing Associate Justice Abesamis who meanwhile retired) concurring.



According to the CA, the following background is relevant, viz:

Plaintiffs-appellants Guadalupe Cusipag, Crisanta Cusipag and Milagros Cusipag, and defendant-appellee Laureano Cusipag are the legitimate children of spouses Antonio and Martina Cusipag. Plaintiff-appellant Hilaria Cusipag, on the other hand, is the sole heir of Jacinto Cusipag, who predeceased his parents Antonio and Martina Cusipag.

Spouses Antonio and Martina Cusipag who died on July 17, 1974 and March 11, 1976, respectively, were the registered owners of a parcel of land located at Tanza, Tuguegarao, Cagayan with an area of 432 square meters. The land was covered by Transfer Certificate of Title No. T-5960 issued by the Register of Deeds of Cagayan.

On January 31, 1974, spouses Antonio and Martina Cusipag executed a Deed of Absolute Sale over the entire parcel of land in favor of defendant-appellee Laureano Cusipag. After the Deed of Absolute Sale was registered, Transfer Certificate of Title No T-5960 was cancelled and a new Transfer Certificate of Title No. T-25529 was issued in the name of defendant-appellee Laureano Cusipag. Thereafter, defendant-appellee Laureano Cusipag declared the property for taxation purposes and paid the taxes thereon.

Plaintiffs-appellants contend that the Deed of Absolute Sale is simulated and fictitious, as it was executed only for the purpose of accommodating the defendants-appellees to secure a loan out of the said parcel of land and no consideration whatsoever was paid by the defendants-appellees to spouses Antonio and Martina Cusipag. Hence, the Deed of Absolute Sale was void. They now pray for the annulment of Transfer of Certificate of Title No. T-25529 and for the partition of the property covered thereby.

On the other hand, defendants-appellees maintain that the parcel of land subject of this case was acquired by them in good faith and for value from spouses Antonio and Martina Cusipag; that the action is now barred by prescription and laches since title was issued way back in 1974, a period of eighteen (18) years having elapsed; that the complaint should be dismissed for failure of plaintiffs-appellants to bring the matter for conciliation proceedings pursuant to P.D. No. 1508; and the plaintiffs-appellants are now barred by estoppel to question the ownership of defendants-appellees over the land, having executed an agreement dated October 15, 1979, recognizing defendant-appellee Laureano Cusipag as the lone owner of the land.⁵

In upholding the Deed of Absolute Sale, the RTC observed and ruled in its judgment of March 17, 1997 as follows:

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⁵ Id. at 62-63.

It cannot be gainsaid that the plaintiffs had foreknowledge of the execution of the Deed of Sale on January 31, 1974. There is no ground to categorize the document in question as inexistent and voidable. The unassailable fact is that the conveyance of the land in question by their father was not vitiated with fraud nor contrary to public policy. It is unconceivable [sic] that in the span of time which elapsed, the plaintiffs have not initiated an action to verify the status of the land of their parents. This inaction only reflects on the credibility of their allegation that the sale was a simulated or fictitious contract.

X X X X

On the issue of prescription, the court finds that plaintiff's cause of action for annulment of the certificate of title and recovery of possession had already prescribed because an action for recovery of the title or possession of an interest therein can only be brought within ten (10) years after the cause of action accrues, (*Cañete vs. Benedicto*, 150-159 SCRA 675) and in this case, plaintiffs' right/cause of action accrued in 1974 when the questioned deed of sale was executed or, at the latest, in 1976 when Martina Lumauan, their mother, died, while the present complaint was only filed on June 18, 1992 or after the lapse of at least sixteen (16) years.

Moreover, partition still lies since the herein plaintiffs have no further rights to succeed to the property in suit after it was legally and validly sold and transferred to the defendants.

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In consideration of the foregoing, the Court affirms the validity of the Deed of Sale and declares the cause of action as having been estopped by prescription or laches.⁶

As stated, the CA affirmed the ruling of the RTC.

In their appeal, the petitioners insist that:

I

THE TRIAL COURT ERRED IN DECLARING THE DEED OF SALE VALID.

II

THE TRIAL COURT ERRED IN APPLYING THE RULE ON PRESCRIPTION AGAINST APPELLANTS' CAUSE OF ACTION.

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⁶ Id. at 44-45.

The petitioners argue that the purported sale did not occur because Laureano had only borrowed the certificate of title from their father to use as collateral for a bank loan; that the Deed of Absolute Sale was prepared and signed by their father in his sickbed; and that they even executed and signed an agreement prepared by Laureano designating him as the caretaker of the family home,⁷ the rentals of which would be divided among themselves.

The respondents counter that the arguments of the petitioners were based on conjectures and surmises that they did not prove; that the sale was free from fraud; and that the RTC and the CA correctly held that the complaint was already barred by prescription.⁸

Ruling

We affirm the judgment of the CA.

To start with, the petitioners assail the appreciation of evidence by the RTC and the CA. As such, the petition for review is procedurally infirm because the appreciation of evidence requires the determination of questions of fact. This appeal by petition for review on *certiorari* cannot perform such determination of questions of fact because the Court is not a trier of facts. Indeed, Section 1, Rule 45 of the *Rules of Court* expressly limits the issues to be raised only to questions of law to be distinctly set forth in the petition for review. Only questions of law should now be raised.⁹

There may be exceptional situations in which the Court may look into, and review and revise the findings of fact of the RTC and the CA, such as when the findings of facts of the RTC and those of the CA are inconsistent, or where highly meritorious circumstances are present, or where such a review of factual findings is necessary to give substantial justice to the parties.¹⁰ Here, however, the petitioners did not show and prove the presence of any of such exceptional situations to warrant the review of the factual findings by the RTC and the CA. Hence, their petition for review must fail.

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⁷ Id. at 40 (Annex "1").

⁸ Id. at 89-90.

⁹ *Francisco v. Master Iron Works & Construction Corporation*, G.R. No. 151967, February 16, 2005, 451 SCRA 494, 505.

¹⁰ Id.

And, secondly, the appeal has no substance and merit. Both the RTC and the CA concluded that the petitioners did not adduce sufficient evidence to support their allegation that the Deed of Absolute Sale had been simulated or fictitious. Their allegation that Laureano had resorted to fraud or machination in obtaining the signatures of their parents to the Deed of Absolute Sale should be substantiated by them with clear and convincing evidence because it was their burden to do so.¹¹ Mere allegations cannot be appreciated as evidence. In any event, fraud is never presumed, but must be proved by clear and convincing evidence.¹²

In debunking the petitioners' insistence that the Deed of Absolute Sale had been simulated based on their parents' desire to accommodate Laureano to enable him to obtain a loan with the land as collateral, the CA observed as follows:

Crisanta Cusipag, one of the plaintiffs-appellants in this case, who also signed as a witness in the Deed of Absolute Sale did not testify before the trial court. Her testimony could have give [sic] light on the circumstances surrounding the execution of the Deed of Absolute Sale. Only the testimony of Guadalupe Cusipag was offered by the plaintiffs-appellants. Nonetheless, they failed to prove their claim that the Deed of Absolute Sale was executed only to accommodate defendant-appellee Laureano Cusipag from securing a loan from the bank. To note, **the Transfer Certificate of Title covering the land in question was free from any lien or encumbrance which only shows that the title was never used by defendant-appellee Laureano Cusipag in securing a loan.**¹³ (Emphasis supplied)

With the foregoing observations by the CA being supported by the records, the judgment of the CA affirming the decision of the RTC is upheld.

ACCORDINGLY, the Court **DENIES** the petition for review on *certiorari*; **AFFIRMS** the judgment promulgated on April 10, 2003; and **ORDERS** the petitioners to pay the costs of suit.

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¹¹ *Sadhvani v. Court of Appeals*, G.R. No. 128119, October 17, 1997, 281 SCRA 75, 87.

¹² *Ramos v. Obispo*, G.R. No. 193804, February 27, 2013, 692 SCRA 240, 249-250; *The Manila Electric Company v. South Pacific Plastic Manufacturing Corporation*, G.R. No. 144215 and 144 300, June 27, 2006, 493 SCRA 114, 123-124.

¹³ *Rollo*, p. 64.



January 12, 2015

The letter dated October 20, 2014 of the Judicial Records Division, Court of Appeals, Manila, transmitting the Court of Appeals rollo and records of CA-G.R. CV No. 57869, as well as the petitioners' compliance with the Resolution dated June 23, 2014 stating that the present address of private respondents' counsel, Atty. Donardo S. Donato, is at Room 407, One Beatriz Tower Condominium, No. 4 Lauan Street, Project 3, Quezon City, are **NOTED**, and the said compliance of petitioner is considered **SATISFACTORY**.

The petitioners are hereby required to **SUBMIT** within five (5) days from notice hereof, a soft copy in compact disc, USB or e-mail containing the PDF file of the signed compliance pursuant to the Resolution dated February 25, 2014 in A.M. Nos. 10-3-7-SC and 11-9-4-SC.

SO ORDERED.”

Very truly yours,


EDGAR O. ARICHETA
 Division Clerk of Court 
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The Hon. Presiding Judge
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 (Civil Case No. 4456)

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 No. 12-7-1-SC)

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