

## SECOND DIVISION

**[ G.R. No. 165851, February 02, 2011 ]**

**MANUEL CATINDIG, REPRESENTED BY HIS LEGAL  
REPRESENTATIVE EMILIANO CATINDIG-RODRIGO, PETITIONER,  
VS. AURORA IRENE VDA. DE MENESES, RESPONDENT.**

**[ G.R. NO. 168875 ]**

**SILVINO ROXAS, SR., REPRESENTED BY FELICISIMA  
VILLAFUERTE ROXAS, PETITIONER, VS. COURT OF APPEALS AND  
AURORA IRENE VDA. DE MENESES, RESPONDENTS.**

### D E C I S I O N

**PERALTA, J.:**

Before this Court are two consolidated cases, namely, (1) Petition for Review on *Certiorari* under Rule 45 of the Rules of Court, docketed as G.R. No. 165851, filed by petitioner Manuel Catindig, represented by Emiliano Catindig-Rodrigo, assailing the Decision<sup>[1]</sup> of the Court of Appeals (CA) in CA-G.R. CV No. 65697, which affirmed the Decision of the Regional Trial Court of Malolos, Bulacan in Civil Case No. 320-M-95; and (2) Petition for *Certiorari* under Rule 65 of the Rules of Court, docketed as G.R. No. 168875, filed by petitioner Silvino Roxas, Sr., represented by Felicisima Villafuerte Roxas, seeking to set aside the Decision<sup>[2]</sup> and Resolution<sup>[3]</sup> of the CA in CA-G.R. CV No. 65697, which affirmed the decision of the Regional Trial Court of Malolos, Bulacan in Civil Case No. 320-M-95.

The property subject of this controversy pertains to a parcel of land situated in Malolos, Bulacan, with an area of 49,139 square meters, titled in the name of the late Rosendo Meneses, Sr., under Transfer Certificate of Title (TCT) No. T-1749 (hereinafter referred to as the Masusuwi Fishpond). Respondent Aurora Irene C. Vda. de Meneses is the surviving spouse of the registered owner, Rosendo Meneses, Sr. She was issued Letters of Administration over the estate of her late husband in Special Proceedings Case No. 91498 pending before the then Court of First Instance of the City of Manila, Branch 22. On May 17, 1995, respondent, in her capacity as administratrix of her husband's estate, filed a Complaint for Recovery of Possession, Sum of Money and Damages against petitioners Manuel Catindig and Silvino Roxas, Sr. before the Regional Trial Court of Malolos, Bulacan, to recover possession over the Masusuwi Fishpond.

Respondent alleged that in September 1975, petitioner Catindig, the first cousin of her husband, deprived her of the possession over the Masusuwi Fishpond, through fraud, undue influence and intimidation. Since then, petitioner Catindig unlawfully leased the property to petitioner Roxas. Respondent verbally demanded that petitioners vacate the Masusuwi Fishpond, but all were futile, thus, forcing respondent to send demand letters to petitioners Roxas and Catindig. However,

petitioners still ignored said demands. Hence, respondent filed a suit against the petitioners to recover the property and demanded payment of unearned income, damages, attorney's fees and costs of suit.

In his Answer, petitioner Catindig maintained that he bought the Masusuwi Fishpond from respondent and her children in January 1978, as evidenced by a Deed of Absolute Sale. Catindig further argued that even assuming that respondent was indeed divested of her possession of the Masusuwi Fishpond by fraud, her cause of action had already prescribed considering the lapse of about 20 years from 1975, which was allegedly the year when she was fraudulently deprived of her possession over the property.

Petitioner Roxas, on the other hand, asserted in his own Answer that respondent has no cause of action against him, because Catindig is the lawful owner of the Masusuwi Fishpond, to whom he had paid his rentals in advance until the year 2001.

After trial, the trial court ruled in favor of respondent, thus:

WHEREFORE, judgment is hereby rendered in favor of the plaintiff [respondent herein],

(a) Ordering the defendants [petitioners herein] to vacate the Masusuwi Fishpond and turn over the possession/occupancy thereof to plaintiff [respondent herein];

(b) Ordering the defendants [petitioners herein] to pay and/or reimburse plaintiff [respondent herein] the amount of P90,000.00 per year since 1985 up to the time possession of the fishpond is surrendered to plaintiff [respondent herein];

(c) Ordering the defendants [petitioners herein] jointly and severally to pay plaintiff [respondent herein] the amount of P100,000.00 as attorney's fees, and to pay the costs of suit.

The counterclaims of defendants [petitioners herein] are ordered dismissed, for lack of merit.

SO ORDERED.<sup>[4]</sup>

The trial court found that the Deed of Absolute Sale executed between respondent and petitioner Catindig was simulated and fictitious, and therefore, did not convey title over the Masusuwi Fishpond to petitioner Catindig. It gave due credence to the testimony of respondent that petitioner Catindig convinced her to sign the said deed of sale, because it was intended to be a mere proposal subject to the approval of the trial court wherein the proceedings for the settlement of the estate of Rosendo Meneses, Sr. was still pending. The court *a quo* was further convinced that the Deed of Absolute Sale lacked consideration, because respondent and her children never received the stipulated purchase price for the Masusuwi Fishpond which was pegged at PhP150,000.00. Since ownership over the property never transferred to Catindig, the trial court declared that he has no right to lease it to Roxas. The court also

found that petitioner Roxas cannot claim good faith in leasing the Masusuwi Fishpond, because he relied on an incomplete and unnotarized Deed of Sale.

Aggrieved, petitioners separately challenged the trial court's Decision before the CA. The CA dismissed both the petitioners' appeals and affirmed the RTC. The CA ruled that the trial court properly rejected petitioners' reliance on the deed of absolute sale executed between respondent and petitioner Catindig. The CA also found that since it is settled that a Torrens title is a constructive notice to the whole world of a property's lawful owner, petitioner Roxas could not invoke good faith by relying on the Deed of Absolute Sale in favor of his lessor, petitioner Catindig.

Hence, petitioner Catindig filed this Petition for Review on *Certiorari* under Rule 45, raising the following issues:

1. WHETHER THE COURT OF APPEALS SERIOUSLY ERRED IN UPHOLDING THE TRIAL COURT'S DECISION IN NOT HOLDING THAT RESPONDENT'S CAUSE OF ACTION IS IN REALITY, ONE FOR ANNULMENT OF CONTRACT UNDER ARTICLES 1390 AND 1391 OF THE NEW CIVIL CODE.

2. WHETHER THE COURT OF APPEALS SERIOUSLY ERRED IN UPHOLDING THE TRIAL COURT'S DECISION IN NOT HOLDING THAT RESPONDENT'S CAUSE OF ACTION IS BASED ON ALLEGED FRAUD AND/OR INTIMIDATION, HAS NOT PRESCRIBED.

3. WHETHER THE COURT OF APPEALS SERIOUSLY AND GRAVELY ERRED IN DISREGARDING THE GENUINENESS AND DUE EXECUTION OF THE DEED OF ABSOLUTE SALE.

On the other hand, petitioner Silvino Roxas, Sr. filed a Petition for *Certiorari* under Rule 65, raising this lone issue:

WHETHER THE HONORABLE COURT OF APPEALS HAS ACTED WITH GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN FINDING THAT THE PETITIONER IS JOINTLY AND SOLIDARILY LIABLE WITH HIS CO-DEFENDANT; AND IN NOT CONSIDERING THAT HE WAS A LESSEE IN GOOD FAITH OF THE SUBJECT PROPERTY.

The issues raised by petitioner Catindig could be reduced into whether the Deed of Sale was genuine or simulated.

Petitioner Catindig maintains that the deed of sale was voluntarily signed by respondent and her children, and that they received the consideration of Php150,000.00 stipulated therein. Even on the assumption that they were defrauded into signing the agreement, this merely makes the deed voidable, at most, due to vitiated consent. Therefore, any cause of action respondent may have, had already prescribed, and the contract was already ratified by respondent's failure to file any action to annul the deed within four years from 1978, the year when respondent discovered the fraud.

Respondent, on the other hand, insists that the deed of sale is not merely voidable, but void for being simulated. Hence, she could not have filed an action for annulment of contract under Articles 1390 and 1391 of the Civil Code, because this remedy applies to voidable contracts. Instead, respondent filed an action for recovery of possession of the Masusuwi Fishpond.

The issue on the genuineness of the deed of sale is essentially a question of fact. It is settled that this Court is not duty-bound to analyze and weigh again the evidence considered in the proceedings below. This is especially true where the trial court's factual findings are adopted and affirmed by the CA as in the present case. Factual findings of the trial court, affirmed by the CA, are final and conclusive and may not be reviewed on appeal.<sup>[5]</sup>

The Court finds that there exists no reason for Us to disturb the trial court's finding that the deed of sale was simulated. The trial court's discussion on the said issue is hereby quoted:

After evaluating the evidence, both testimonial and documentary, presented by the parties, this court is convinced that the Deed of Absolute Sale relied upon by the defendants [petitioners herein] is simulated and fictitious and has no consideration.

On its face, the Deed of Absolute sale (Exh. "G", Exh. "1") is not complete and is not in due form. It is a 3-page document but with several items left unfilled or left blank, like the day the document was supposed to be entered into, the tax account numbers of the persons appearing as signatories to the document and the names of the witnesses. In other words, it was not witnessed by any one. More importantly, it was not notarized. While the name Ramon E. Rodrigo, appeared typed in the Acknowledgement, it was not signed by him (Exhs. "G", "G-1", "G-4").

The questioned deed was supposedly executed in January, 1978. Defendant [petitioner herein] Catindig testified that his brother Francisco Catindig was with him when plaintiff [respondent herein] signed the document. The evidence, however, shows that Francisco Catindig died on January 1, 1978 as certified to by the Office of the Municipal Civil Registrar of Malolos, Bulacan and the Parish Priest of Sta. Maria Assumpta Parish, Bulacan, Bulacan.

The document mentions 49,130 square meters, as the area sold by plaintiff [respondent herein] and her two (2) children to defendant [petitioner herein] Catindig. But this is the entire area of the property as appearing in the title and they are not the only owners. The other owner is Rosendo Meneses, Jr. [stepson of herein respondent] whose name does not appear in the document. The declaration of defendant [petitioner herein] Catindig that Rosendo Meneses, Jr. likewise sold his share of the property to him in another document does not inspire rational belief. This other document was not presented in evidence and Rosendo Meneses, Jr.,

did not testify, if only to corroborate defendant's [petitioner herein] claim.<sup>[6]</sup>

The Court also finds no compelling reason to depart from the court *a quo's* finding that respondent never received the consideration stipulated in the simulated deed of sale, thus:

Defendant [petitioner herein] Catindig declared that plaintiff [respondent herein] and her children signed the instrument freely and voluntarily and that the consideration of P150,000.00 as so stated in the document was paid by him to plaintiff [respondent herein]. However, it is not denied that the title to this property is still in the name of Rosendo Meneses, Sr., and the owner's duplicate copy of the title is still in the possession of the plaintiff [respondent herein]. If defendant [petitioner herein] Catindig was really a legitimate buyer of the property who paid the consideration with good money, why then did he not register the document of sale or had it annotated at the back of the title, or better still, why then did he not have the title in the name of Rosendo Meneses, Sr. canceled so that a new title can be issued in his name? After all, he claims that Rosendo Meneses, Jr. [stepson of herein respondent] also sold his share of the property to him. This will make him the owner of the entire property. But the owner's duplicate copy of the title remains in the possession of the plaintiff [respondent herein] and no evidence was presented to show that at anytime from 1978, he ever attempted to get it from her. Equally telling is defendant's (Catindig) failure to pay the real estate taxes for the property from 1978 up to the present. x x x<sup>[7]</sup>

It is a well-entrenched rule that where the deed of sale states that the purchase price has been paid but in fact has never been paid, the deed of sale is null and void *ab initio* for lack of consideration. Moreover, Article 1471 of the Civil Code, provides that "if the price is simulated, the sale is void," which applies to the instant case, since the price purportedly paid as indicated in the contract of sale was simulated for no payment was actually made.<sup>[8]</sup>

Since it was well established that the Deed of Sale is simulated and, therefore void, petitioners' claim that respondent's cause of action is one for annulment of contract, which already prescribed, is unavailing, because only voidable contracts may be annulled. On the other hand, respondent's defense for the declaration of the inexistence of the contract does not prescribe.<sup>[9]</sup>

Besides, it must be emphasized that this case is one for recovery of possession, also known as *accion publiciana*, which is a plenary action for recovery of possession in an ordinary civil proceeding, in order to determine the better and legal right to possess, independently of title.<sup>[10]</sup> The objective of the plaintiffs in *accion publiciana* is to recover possession only, not ownership. However, where the parties raise the issue of ownership, the courts may pass upon the issue to determine who between the parties has the right to possess the property. This adjudication, however, is not a final and binding determination of the issue of ownership; it is only for the purpose of resolving the issue of possession where the issue of ownership is inseparably