

## THIRD DIVISION

[ G.R. No. 192916, October 11, 2010 ]

**MANUEL A. ECHAVEZ, PETITIONER, VS. DOZEN CONSTRUCTION  
AND DEVELOPMENT CORPORATION AND THE REGISTER OF  
DEEDS OF CEBU CITY, RESPONDENTS.**

### R E S O L U T I O N

**BRION, J.:**

Vicente Echavez (*Vicente*) was the absolute owner of several lots in Cebu City, which includes Lot No. 1956-A and Lot No. 1959 (*subject lots*). On September 7, 1985, Vicente donated the subject lots to petitioner Manuel Echavez (*Manuel*) through a Deed of Donation *Mortis Causa*.<sup>[1]</sup> Manuel accepted the donation.

In March 1986, Vicente executed a Contract to Sell over the same lots in favor of Dozen Construction and Development Corporation (*Dozen Corporation*). In October 1986, they executed two Deeds of Absolute Sale over the same properties covered by the previous Contract to Sell.

On November 6, 1986, Vicente died. Emiliano Cabanig, Vicente's nephew, filed a petition for the settlement of Vicente's intestate estate. On the other hand, Manuel filed a **petition to approve Vicente's donation *mortis causa*** in his favor and an **action to annul the contracts of sale** Vicente executed in favor of Dozen Corporation. These cases were jointly heard.

**The Regional Trial Court (RTC) dismissed Manuel's petition to approve the donation and his action for annulment of the contracts of sale.**<sup>[2]</sup> The RTC found that the execution of a Contract to Sell in favor of Dozen Corporation, after Vicente had donated the lots to Manuel, was an equivocal act that revoked the donation. The Court of Appeals (CA) affirmed the RTC's decision.<sup>[3]</sup> The CA held that since the donation in favor of Manuel was a donation *mortis causa*, compliance with the formalities for the validity of wills should have been observed. **The CA found that the deed of donation did not contain an attestation clause and was therefore void.**

**The Petition for Review on Certiorari**

Manuel claims that the CA should have applied the rule on substantial compliance in the construction of a will to Vicente's donation *mortis causa*. He insists that the strict construction of a will was not warranted in the absence of any indication of bad faith, fraud, or substitution in the execution of the Deed of Donation *Mortis Causa*. He argues that the CA ignored the Acknowledgment portion of the deed of donation, which contains the "import and purpose" of the attestation clause required in the execution of wills. The Acknowledgment reads: