

### Title:

\*\*Francisco vs. Francisco-Alfonso: A Case of Inheritance and Simulated Contracts\*\*

### Facts:

The case revolves around the contestation of a property sale by Aida Francisco-Alfonso, the legitimate daughter of the deceased Gregorio Francisco, against Regina Francisco and Zenaida Pascual, the late Gregorio's illegitimate children. Gregorio owned two parcels of land, which, during a hospital stay in 1990, he mentioned were in the possession of Regina and Zenaida. After his death, Aida discovered a deed of sale dated August 15, 1983, transferring these lands to Regina and Zenaida, purportedly for P25,000.

Aida filed a complaint in the Regional Trial Court (RTC) of Bulacan seeking annulment of this sale, citing the alleged forgery of Gregorio's signature. The RTC dismissed Aida's complaint, upholding the sale's validity. Dissatisfied, Aida appealed to the Court of Appeals (CA), which overturned the RTC's decision, voiding the sale and directing the reinstatement of the titles in Gregorio's name.

Regina and Zenaida escalated the case to the Supreme Court (SC), raising the primary issue of whether the SC can review factual findings of the appellate court, alongside questions on the sale's validity and its implications on Aida's inheritance rights.

### Issues:

1. Whether the Supreme Court may review the factual findings of the Court of Appeals.
2. The validity of the deed of sale executed in favor of the petitioners and its implications on the respondent's legitime.
3. The applicable law governing the inheritance rights of legitimate vs. illegitimate children.

### Court's Decision:

The Supreme Court denied the petition and affirmed the CA's decision in full. The SC emphasized its limited role in reviewing factual findings, generally upholding the CA's findings unless there's a clear abuse of discretion or lack of evidence support, which was not proven in this case.

The SC further elaborated on the simulated nature of the sale, recognizing that the purported consideration was implausible given the petitioners' known means. Additionally, it underscored that even if the sale was not fictitious, it infringed on Aida's compulsory heir rights as per the Civil Code provisions effective at the time of the transaction. Gregorio's attempt through this sale to exclude Aida from her rightful share was invalidated, restoring

her entitlement to her legitime.

**### Doctrine:**

- The conclusions of the Court of Appeals, when supported by substantial evidence, are binding and not subject to review by the Supreme Court, barring exceptions like grave abuse of discretion.
- A simulated contract of sale, especially one that attempts to circumvent the inheritance rights of compulsory heirs, is void and has no legal effect.
- The legitime of legitimate children cannot be compromised through contracts or dispositions intended to disinherit them without due process and just cause as provided by law.

**### Class Notes:**

- Reviewability of CA's factual findings by the SC is limited to exceptions.
- Simulated contracts lack the genuine intent to transfer rights and obligations, rendering them null and void.
- A legitimate child's right to their legitime, or lawful share of inheritance, is protected against any form of diminution or exclusion, outside of lawful disinheritance mechanisms.
- Civil Code provisions (Articles 886-888) protect the inheritance rights of legitimate children, ensuring their entitlement to half of the hereditary estate.

**### Historical Background:**

This case mirrors broader legal and societal considerations surrounding the rights of legitimate versus illegitimate children within Philippine inheritance law. At the heart of the dispute is the tension between traditional property relationships and modern notions of fairness and equity among heirs. It also highlights the transition period between the Civil Code and the Family Code, the latter aiming to address and moderate some of the harsher distinctions between legitimate and illegitimate children in matters of succession and inheritance.