



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

LAGRIMAS DE JESUS G.R. No. 162930
ZAMORA,

Petitioner,

Present:

- versus

SPOUSES BEATRIZ ZAMORA
HIDALGO MIRANDA and
ARTURO MIRANDA, ROSE
MARIE MIRANDA GUANIO,
MARY JULIE CRISTINA S.
ANG, JESSIE JAY S. ANG,
JASPER JOHN S. ANG and the
REGISTER OF DEEDS for
Davao City,

VELASCO, JR., J., Chairperson,
PERALTA,
ABAD,
MENDOZA, and
LEONEN, JJ.

Promulgated:

05 December 2012

Respondents.

Maopiano

x-----x

DECISION

PERALTA, J.:

This is a petition for review on *certiorari*¹ of the Court of Appeals' Decision dated September 17, 2003 in CA-G.R. CV No. 74156, and its Resolution dated February 9, 2004, denying petitioner's motion for reconsideration.

The Court of Appeals affirmed the decision of the Regional Trial Court (RTC) of Davao City, Branch 12, which dismissed petitioner's complaint for specific performance, annulment of sale and certificate of title and damages.

¹ Under Rule 45 of the Rules of Court.

A

The facts, as stated by the Court of Appeals and the trial court, are as follows:

Petitioner is the widow of the late Fernando Zamora, the son of Alberto Zamora. Respondent Beatriz Miranda is the cousin of Alberto Zamora, while respondent Rose Marie Miranda-Guanio is the daughter of respondent Beatriz Miranda.

Respondent Beatriz Miranda was the registered owner of the property in question, which is a parcel of land, with an area of more or less 5,090 square meters, covered by Transfer Certificate of Title (TCT) No. 1594 of the Register of Deeds for the City of Davao. The said parcel of land is located at Carmelite, Bajada, Davao City.

According to petitioner, her father-in-law, Alberto Zamora, through an *encargado*, Eduardo Cecilio, was in possession of the property in question. In 1952, she (petitioner) was designated by Alberto Zamora as his assistant on land matters. The property in question was turned over to her and she was introduced to Eduardo Cecilio. After the year 1952, Alberto Zamora told her that the property in question was owned by respondent Beatriz Miranda whose family was permanently residing in Manila.

Petitioner allegedly contacted respondent Beatriz Miranda, and petitioner was given a calling card and was told to see her (Beatriz). In October 1972, petitioner claimed that she went to the residence of respondent Beatriz Miranda in Quezon City. While there, they talked about the property in question and respondent Beatriz Miranda drew a sketch depicting the location of the property.² Thereafter, petitioner alleged that respondent Beatriz Miranda sold to her the said property for the sum of ₱50,000.00. An acknowledgment³ of the receipt of the amount of

² Exhibits "B," to "B-1," records, vol. I, p. 266.

³ Exhibit "B-2," *id.*

₱50,000.00 was prepared, and respondent Beatriz Miranda allegedly signed⁴ the same. The receipt was dated October 23, 1972.⁵ In the sketch, and acknowledgment of the receipt of ₱50,000.00, marked as Exhibit "B,"⁶ there is a notation "Documents for Agdao Property follows." This notation referred to the property in Agdao, which was the subject of negotiation. Petitioner prepared the document relative to the Agdao property.⁷

Petitioner further claimed that after 1972, she rented out portions of the property in question. Eduardo Cecilio allegedly continued to be her *encargado* as there were squatters on the property. In January 1996, the tenants reported to her that there were two men who went to the property in question. On the first week of February 1996, she (petitioner) met Atty. Cabebe and Mr. Joe Ang. She informed them that she was the owner of the property in question as she bought it in 1972. After sometime, she (petitioner) learned that the occupants of the property in question were being harassed and were told to vacate. She (petitioner) went to Manila and confronted respondent Beatriz Miranda, and told her that she would file a case in court.

On June 14, 1996, petitioner filed with the RTC of Davao City, Branch 12 (*trial court*) an action for specific performance, annulment of sale and certificate of title, damages, with preliminary injunction and temporary restraining order.⁸

Petitioner prayed that the Court render judgment nullifying the deed of sale between respondents Beatriz Miranda and Ang involving the property covered by TCT No. T-1594; declaring petitioner to be the owner of the parcel of land covered by TCT No. T-1594 and ordering respondent

⁴ Exhibit "B-3," *id.*

⁵ Exhibit "B-4," *id.*

⁶ *Id.*

⁷ Exhibit "C," *id.* at 17.

⁸ Docketed as Civil Case No. 24,442-96.

Beatriz Miranda to execute the corresponding deed of sale in her favor; and ordering respondents, except the Registrar of Deeds, to pay her (petitioner) damages, including litigation expenses and attorney's fees.

On June 17, 1996, a Temporary Restraining Order was issued. The said Temporary Restraining Order was extended for 15 days pursuant to the Order dated June 24, 1996. On July 1, 1996, a *Status Quo* Order was issued. Petitioner claimed that respondents did not respect the court orders as they caused the demolition of the structures on the property in question. The property was levelled and, thereafter, improvements were introduced thereon by respondents.

Respondent Rose Marie Miranda-Guanio declared that before the year 1941, her mother, respondent Beatriz Miranda, was a resident of Davao City. Her mother left Davao City in 1942 and resided in Manila, and she went to Davao City for vacation only. Her mother owned the property in question. When her mother (Beatriz) left Davao City, she did not appoint anyone to administer or take care of her property. She (Rose Marie) disputed the claim of petitioner that the latter visited her mother in 1972. She alleged that on June 26, 1972, she gave birth to her first child and that she and her mother, Beatriz, took care of her child. She declared that the signature on the receipt dated October 23, 1972⁹ was not the signature of her mother, Beatriz Miranda. She identified the genuine signatures of her mother (Beatriz) which were reflected on the Voter's Affidavit (Exhibits "1" - "24"); the 1973 Residence Certificate (Exhibits "3"-"20"); the 1980 Residence Certificate (Exhibits "4"-"21"); the 1981 Residence Certificate (Exhibits "5"-"22"); the 1974 expired passport (Exhibits "6"-"17").¹⁰ She also alleged that because of this case she suffered damages and incurred expenses of litigation.

⁹ Exhibit "B," records, vol. I, p. 266.

¹⁰ *Id.* at 347-351; 354-372.

Mr. Arcadio Ramos, Chief Document Examiner and Chief, Questioned Documents Division of the National Bureau of Investigation (NBI), Manila, was presented to determine whether or not the signature of respondent Beatriz Miranda appearing on the receipt dated October 23, 1972 was her genuine signature per the Order dated November 17, 1997.

After samples of the genuine signatures of respondent Beatriz Miranda (Exhibits "1" to "7" and "12" to "28") and the original copy of the receipt dated October 23, 1972 were submitted to Mr. Ramos, he prepared two reports with the following findings and conclusions:

FINDINGS:

Scientific comparative examination of the specimens submitted under the stereoscopic microscope, with the aid of hand lens and photographic enlargements (comparison chart), reveal significant differences in handwriting characteristics existing between the questioned and the sample signatures "Beatriz H. Miranda" to wit:

- manner of execution of strokes;
- structural pattern of letters; and
- other identifying minute details.

The questioned and the sample signatures "Beatriz H. Miranda" were NOT WRITTEN by one and the same person.¹¹

Atty. George Cabebe testified for respondents Mary Julie Cristina Ang, Jessie Jay Ang and Jasper John Ang. He declared that as the lawyer of Mr. Jose Ang, the father of respondents Ang, his advice was sought regarding the purchase of the property in question, which was registered in the name of respondent Beatriz Miranda. He asked for the copy of the title (TCT No. T-1594) in the name of Beatriz Miranda, and verified from the Register of Deeds whether or not there was an encumbrance. When he found no encumbrance annotated on the title, he inspected the property in question and found thereon several squatters, who agreed to vacate the premises provided they were given financial assistance. With these findings,

¹¹ Exhibits "8-A" to "8-B;" "9-A" to "9-B," records, vol. II, pp. 366-369.

he recommended to respondents Ang to proceed in purchasing the property of Beatriz Miranda. Thus, respondents Ang purchased the property in question, and they were issued TCT No. T-258316.¹² The squatters/occupants of the property in question, including Eduardo Cecilio, the alleged *encargado* of petitioner, were given financial assistance¹³ and they vacated the property in question.

As agreed upon by the parties during the pre-trial conference, the issues that had to be resolved were as follows: (1) whether or not the Deed of Sale executed by defendant (respondent) Beatriz Miranda in favor of defendants (respondents) Ang on February 26, 1996 was valid; (2) whether or not the plaintiff (petitioner) can recover the claims in the complaint; (3) whether or not defendants (respondents) can recover the claims in their counterclaims; and (4) whether or not defendants (respondents) Ang can recover the claims in the cross-claim.

On February 4, 2002, the trial court rendered a Decision,¹⁴ the dispositive portion of which reads:

IN VIEW OF ALL THE FOREGOING, judgment is hereby rendered dismissing the complaint.

All claims of the contending parties are disallowed.

Costs against the plaintiff.¹⁵

The trial court dismissed petitioner's complaint on the ground that the receipt dated October 23, 1972 which was the basis of petitioner's claim of ownership over the subject property, was a worthless piece of paper, because it was established by Mr. Arcadio Ramos, an NBI handwriting expert, that the signature appearing on the receipt was not the signature of

¹² Exhibits "2" and "2-A," *id.* at 484.

¹³ Exhibits "3" to "45," *id.* at 486-611.

¹⁴ CA *rollo*, p. 52.

¹⁵ *Id.* at 60.

respondent Beatriz Miranda, as vendor of the property, and the testimony of Mr. Ramos was not controverted.

The trial court observed that petitioner was an astute businesswoman knowledgeable in transactions involving real estate. She would not have been designated by her father-in-law as his assistant on land matters if she did not know anything about transactions involving real estate. Thus, if the property in question was really sold to petitioner by respondent Beatriz Miranda in 1972, she should have taken the appropriate action to perfect her title over the said property. She should have asked for the delivery of the owner's duplicate copy of the title. The fact that the owner's duplicate copy of the title remained in the possession of Beatriz Miranda until she sold the property in question to respondents Ang only showed that the property was not sold to petitioner. It also appeared that for more than 20 years, petitioner did nothing to perfect her title to the property allegedly sold to her.

The trial court found that the Deed of Sale¹⁶ dated February 26, 1996, executed by respondent Rose Marie Miranda-Guanio, as attorney-in-fact of Beatriz Miranda, in favor of respondents Ang, involving the property in question, was valid. All the requisites of a valid sale were present when the deed was executed. The sale was registered in the Register of Deeds and a new transfer certificate of title¹⁷ was issued in the name of respondents Ang. The trial court declared that the certificate of title in the names of respondents Ang was a conclusive evidence of ownership.

Petitioner appealed the trial court's decision to the Court of Appeals.

Petitioner alleged that the trial court erred in finding that the receipt evidencing the sale of the subject property was a worthless piece of paper

¹⁶ Exhibit "G," records, vol. I, p. 25.

¹⁷ Exhibit "2," records, vol. II, p. 484.

which could not be made the basis of her claim of ownership over the land in question; and that the trial court erred in dismissing the case.

On September 17, 2003, the Court of Appeals rendered a decision, the dispositive portion of which reads:

IN VIEW OF THE FOREGOING, the appealed decision is AFFIRMED *in toto*. Costs against appellant.¹⁸

The Court of Appeals stated that as the receipt presented by petitioner was a private document, it could not be made the basis of her claim of ownership over the property in question. More so, when the NBI handwriting expert, Mr. Arcadio Ramos, found the signature of respondent Beatriz Miranda on the receipt to be forged, as he concluded that the questioned and the sample signatures presented were not written by one and the same person.

Moreover, the Court of Appeals stated that even on the implausible assumption that respondent Beatriz Miranda's signature on the disputed document was not forged, and was therefore valid, such fact cannot be successfully invoked to invalidate the title subsequently issued to respondents Ang. At the time respondents purchased the land in question from attorney-in-fact Rose Marie Miranda-Guanio on February 26, 1996, TCT No. T-1594 was in the name of respondent Beatriz Miranda. The Court of Appeals stated that settled is the rule that where the certificate of title is in the name of the vendor when the land is sold, the vendee for value has a right to rely on what appears on the certificate of title. Thus, when innocent third persons, such as respondents Ang, relying on the correctness of the certificate thus issued, acquire rights over the property, the courts cannot disregard such rights.¹⁹

¹⁸ *Rollo*, p. 49. (Emphasis in the original)

¹⁹ Citing *Director of Lands v. Abache*, 73 Phil. 606 (1941-1942).

Petitioner filed this petition raising these issues:

I

WHETHER OR NOT THE HONORABLE COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION TANTAMOUNT TO LACK OF JURISDICTION WHEN IT RULED THAT THE RECEIPT DATED OCTOBER 23, 1972, EVIDENCING THE SALE OF THE LAND BY RESPONDENT BEATRIZ ZAMORA HIDALGO MIRANDA TO PETITIONER LAGRIMAS DE JESUS ZAMORA, BEING A PRIVATE DOCUMENT IS NOT VALID AND BINDING AND CANNOT BE MADE A BASIS OF SAID PETITIONER'S CLAIM OVER THE PROPERTY IN QUESTION.

II

WHETHER OR NOT THE HONORABLE COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION TANTAMOUNT TO LACK OF JURISDICTION WHEN IT FOUND THAT THE SIGNATURE OF RESPONDENT BEATRIZ ZAMORA HIDALGO MIRANDA ON THE RECEIPT OR NOTE EVIDENCING THE SALE OF THE LAND BY SAID RESPONDENT TO THE PETITIONER LAGRIMAS DE JESUS ZAMORA IS FORGED, CONSIDERING THE ABSENCE OF EVIDENCE TO SUPPORT SUCH FINDING AND, CONSIDERING FURTHER THAT UNDER THE RULES SHE IS DEEMED TO HAVE ADMITTED THE GENUINENESS AND DUE EXECUTION OF SAID RECEIPT OR NOTE FOR HER FAILURE TO SPECIFICALLY DENY THEM UNDER OATH IN HER ANSWER.

III

WHETHER OR NOT THE HONORABLE COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION TANTAMOUNT TO LACK OF JURISDICTION WHEN IT FOUND THAT RESPONDENTS "ANGS" ARE PURCHASERS IN GOOD FAITH AND FOR VALUE OF THE LAND IN DISPUTE EVEN IF THEY HAD ACTUAL KNOWLEDGE OF THE PREVIOUS SALE OF THE LAND BY RESPONDENT BEATRIZ HIDALGO MIRANDA TO THE PETITIONER LAGRIMAS DE JESUS ZAMORA WHO WAS IN POSSESSION THEREOF, TOGETHER WITH HER *ENCARGADO* AND TENANTS.

IV

WHETHER OR NOT THE HONORABLE COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO EXCESS OF JURISDICTION WHEN IT FOUND PETITIONER LAGRIMAS DE JESUS ZAMORA GUILTY OF LACHES, INSTEAD OF FINDING THAT SINCE THE ACTION OF SAID PETITIONER, WHO WAS IN POSSESSION OF THE LAND, IS ACTUALLY ONE FOR QUIETING OF TITLE OF REAL PROPERTY, AND RESPONDENT BEATRIZ ZAMORA HIDALGO MIRANDA, RECOGNIZING THE EXISTENCE OF THE RIGHT OF SAID PETITIONER TO THE EXECUTION OF THE DEED OF SALE, HAD FROM TIME TO TIME PROMISED TO EXECUTE THE DEED OF

SALE, THE ACTION OF SAID PETITIONER DID NOT PRESCRIBE NOR [WAS IT] BARRED BY LACHES.

V

WHETHER OR NOT THE HONORABLE COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OF JURISDICTION IN DISMISSING THE CASE INSTEAD OF (1) ANNULING THE SALE BETWEEN RESPONDENT BEATRIZ ZAMORA HIDALGO MIRANDA AND THE RESPONDENTS “ANGS”; (2) DECLARING THE PETITIONER LAGRIMAS DE JESUS ZAMORA TO BE THE OWNER OF THE PROPERTY IN DISPUTE; (3) DIRECTING THE RESPONDENT BEATRIZ ZAMORA HIDALGO MIRANDA TO EXECUTE THE DEED OF SALE IN A PUBLIC INSTRUMENT IN FAVOR OF SAID PETITIONER TO ENABLE THE LATTER TO REGISTER THE SALE; AND (4) ORDERING ALL THE RESPONDENTS, EXCEPT THE REGISTER OF DEEDS, TO PAY DAMAGES AND ATTORNEY'S FEES IN SUCH SUMS AS THE HONORABLE COURT MAY FIX.²⁰

The Court notes that the issues raised by petitioner alleged grave abuse of discretion by the Court of Appeals, which is proper in a petition for *certiorari* under Rule 65 of the Rules of Court, but not in the present petition for review on *certiorari* under Rule 45 of the Rules of Court.

The main issue in this case is whether or not the Court of Appeals erred in affirming the decision of the trial court, dismissing the complaint for specific performance, annulment of sale and certificate of title and damages.

As stated by the trial court, petitioner principally prays that she be declared the owner of the subject property; that respondent Beatriz Miranda be ordered to execute a deed of sale in her (petitioner's) favor; and that the sale of the subject property in favor of respondents Ang be nullified.

The sole evidence relied upon by petitioner to prove her claim of ownership over the subject property is the receipt dated October 23, 1972²¹ which states:

²⁰ Memorandum of Petitioner, *rollo*, pp. 157-158.

²¹ Records, vol. I, p. 16.

Rec'd the amount of fifty thousand (₱50,000) pesos from Lagrimas Zamora as payment for the property at Carmelite, Bajada, Davao City.

Documents for Agdao property follows.

(signed)
Beatriz H. Miranda

Can the receipt dated October 23, 1972 evidencing sale of real property, being a private document, be a basis of petitioner's claim over the subject property?

Article 1358²² of the Civil Code provides that acts and contracts which have for their object the transmission of real rights over immovable property or the sale of real property must appear in a public document. If the law requires a document or other special form, the contracting parties may compel each other to observe that form, once the contract has been perfected.²³

In *Fule v. Court of Appeals*,²⁴ the Court held that Article 1358 of the Civil Code, which requires the embodiment of certain contracts in a public instrument, is only for convenience, and registration of the instrument only adversely affects third parties. Formal requirements are, therefore, for the benefit of third parties.²⁵ Non-compliance therewith does not adversely

²²

Art. 1358. The following must appear in a public document:

(1) **Acts and contracts which have for their object the creation, transmission, modification or extinguishment of real rights over immovable property**; sales of real property or of an interest therein governed by Articles 1403, No. 2, and 1405;

(2) The cession, repudiation or renunciation of hereditary rights or of those of the conjugal partnership of gains;

(3) The power to administer property, or any other power which has for its object an act appearing or which should appear in a public document, or should prejudice a third person;

(4) The cession of actions or rights proceeding from an act appearing in a public document.

All other contracts where the amount involved exceeds five hundred pesos must appear in writing, even a private one. But sales of goods, chattels or things in action are governed by Articles, 1403, No. 2 and 1405. (Emphasis supplied.)

²³

Civil Code, Art. 1357. If the law requires a document or other special form, as in the acts and contracts enumerated in the following article, the contracting parties may compel each other to observe that form, once the contract has been perfected. This right may be exercised simultaneously with the action upon the contract.

²⁴

G.R. No. 112212, March 2, 1998, 286 SCRA 698.

²⁵

Fule v. Court of Appeals, *supra*, at 713; 364.

affect the validity of the contract nor the contractual rights and obligations of the parties thereunder.²⁶

However, in this case, the trial court dismissed petitioner's complaint on the ground that the receipt dated October 23, 1972 (Exhibit "B") is a worthless piece of paper, which cannot be made the basis of petitioner's claim of ownership over the property as Mr. Arcadio Ramos, an NBI handwriting expert, established that the signature appearing on the said receipt is not the signature of respondent Beatriz Miranda.

The Court of Appeals affirmed the trial court's dismissal of the complaint.

The Court sustains the decision of the Court of Appeals.

The receipt dated October 23, 1972 cannot prove ownership over the subject property as respondent Beatriz Miranda's signature on the receipt, as vendor, has been found to be forged by the NBI handwriting expert, the trial court and the Court of Appeals. It is a settled rule that the factual findings of the Court of Appeals affirming those of the trial court are final and conclusive and may not be reviewed on appeal, except under any of the following circumstances: (1) the conclusion is grounded on speculations, surmises or conjectures; (2) the inference is manifestly mistaken, absurd or impossible; (3) there is grave abuse of discretion; (4) the judgment is based on a misapprehension of facts; (5) the findings of fact are conflicting; (6) there is no citation of specific evidence on which the factual findings are based; (7) the finding of absence of facts is contradicted by the presence of evidence on record; (8) the findings of the CA are contrary to those of the trial court; (9) the CA manifestly overlooked certain relevant and undisputed facts that, if properly considered, would justify a different conclusion; (10)

²⁶ *Id.*

the findings of the CA are beyond the issues of the case; and (11) such findings are contrary to the admissions of both parties.²⁷

Considering that the aforementioned exceptions are not present in this case, the factual finding of the Court of Appeals that the signature of respondent Beatriz Miranda on the receipt dated October 23, 1972 is forged is final and conclusive upon this Court. Consequently, the complaint of petitioner has no leg to stand on and was properly dismissed by the trial court.

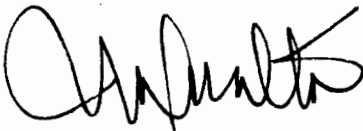
As the receipt dated October 23, 1972 has no evidentiary value to prove petitioner's claim of ownership over the property in question, there is no need to discuss the other issues raised by petitioner based on the *assumption* that she has a valid claim over the subject property.

In fine, the Court of Appeals did not err in affirming the decision of the trial court dismissing the complaint.

WHEREFORE, the petition is **DENIED**. The Court of Appeals' Decision dated September 17, 2003 in CA-G.R. CV No. 74156, and its Resolution dated February 9, 2004, are hereby **AFFIRMED**.

Costs against petitioner.

SO ORDERED.


DIOSDADO M. PERALTA
Associate Justice


²⁷

Larena v. Mapili, G.R. No. 146341, August 7, 2003, 408 SCRA 484, 488-489.

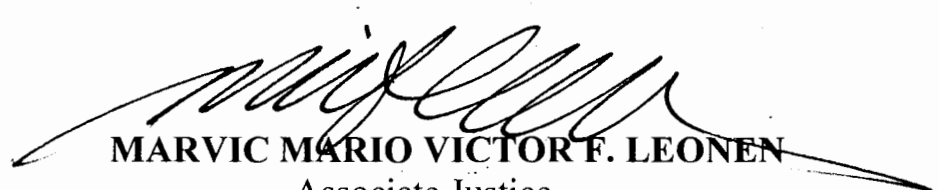
WE CONCUR:


PRESBITERO J. VELASCO, JR.

Associate Justice
Chairperson


ROBERTO A. ABAD
Associate Justice


JOSE CATRAL MENDOZA
Associate Justice


MARVIC MARIO VICTOR F. LEONEN
Associate Justice

ATTESTATION


I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


PRESBITERO J. VELASCO, JR.

Associate Justice
Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


ANTONIO T. CARPIO
Acting Chief Justice