

003



# Republic of the Philippines Supreme Court Manila

### **SECOND DIVISION**

SPS. RONICO LOPEZ<sup>\*</sup> and G.R. No. 250846 MARCELINA LOPEZ, and SPS. GLORIA LOPEZ ADORZA and Present: NICOMEDES ADORZA,

Petitioners, PERLAS-BERNABE, S.A.J.,

Chairperson, HERNANDO, INTING, SUSANA GAERLAN, and OR and DIMAAMPAO, JJ.

SPS. **ADOLFO** and POTOY, SPS. VICTOR BERLINA LUMAPAT. SPS. JUANITO AND LUZ POTOY, SPS. **TEOFISTO and SOTERA POTOY,** SPS. ALLAN AND CARMELITA POTOY, SPS. HERBERTO<sup>\*\*</sup> AND **ROSARIO POTOY, SPS. SONNY** AND ELENITA POTOY, SPS. MANITO AND SHIRLEY PALLER, SPS. REYNALDO AND MARILOU **DOLLOSO.** SPS. RICARDO AND ISIDRA SIBAYAN, AND SPS. AND LOLITA BONJOC, Respondents.

- versus -

S. VICTOR Promulgated: C, Respondents. JAN 0 5 2022 RESOLUTION

INTING, J.:

Before the Court is a Petition<sup>1</sup> for Review on *Certiorari* under Rule 45 of the Rules of Court assailing the Decision<sup>2</sup> dated January 24,

<sup>\*</sup> Petitioner Ronico Lopez died on May 2, 2009 and was substituted by his heirs Marcelina Lopez, Johnny Lopez, Rosemary L. Villacorta and Ronico Lopez, Jr., per Order dated February 22, 2010 of the Regional Trial Court, *rollo*, p. 97.

<sup>\*\*</sup> Referred to as Hereberto in some parts of the *rollo*.

<sup>&</sup>lt;sup>1</sup> *Id.* at 5-26.

<sup>&</sup>lt;sup>2</sup> Id. at 96-104; penned by Associate Justice Pamela Ann Abella Maxino with Associate Justices

2019 and the Resolution<sup>3</sup> dated November 5, 2019 of the Court of Appeals (CA) in CA-G.R. CV No. 04771. The CA reversed and set aside the Decision<sup>4</sup> dated July 20, 2012 of Branch 35, Regional Trial Court (RTC), Ormoc City in Civil Case No. 4677-0.

#### The Antecedents

Spouses Ronico Lopez (Ronico) and Marcelina Lopez and Spouses Gloria Lopez Adorza (Gloria) and Nicomedes Adorza (collectively, petitioners) filed a Complaint<sup>5</sup> for Quieting of Title and Damages against respondents<sup>6</sup> that sought to quiet title over a parcel of land registered in the name of petitioners under Transfer Certificate of Title (TCT) No. 28487,<sup>7</sup> measured at 80,000 square meters (sq. m.), described as Lot No. 9194-B of subdivision plan (LRC) Psd 277952, and situated in Barrio Nueva Vista, Ormoc City (subject property).<sup>8</sup>

The subject property was originally part of Lot No. 9194 registered in the name of Ronico and Gloria's parents, Severino Lopez (Severino) and Esperanza Lopez (Esperanza), under TCT No. 2556<sup>9</sup> and measured at 261,425 sq. m.<sup>10</sup>

Petitioners denied having executed any deed of conveyance covering the subject property and averred that respondents' allegation that they acquired a two-hectare portion of Lot No. 9194 was baseless.<sup>11</sup>

Respondents countered that Severino and Esperanza sold to Agustin Potoy (Agustin) a two-hectare portion of Lot No. 9194 registered under TCT No. 2556 as evidenced by a notarized Deed of

Id. at 57-62; penned by Presiding Judge Apolinario M. Buaya.

<sup>5</sup> *Id.* at 28-34.

<sup>9</sup> Id. at 45-46.

Louis P. Acosta and Dorothy P. Montejo-Gonzaga, concurring.

*Id.* at 126-128; penned by Associate Justice Pamela Ann Abella Maxino with Associate Justices Marilyn B. Lagura-Yap and Dorothy P. Montejo-Gonzaga, concurring.

<sup>&</sup>lt;sup>5</sup> The following are respondents: Spouses Adolfo and Susana Potoy, Spouses Victor and Berlina Lumapat, Spouses Juanito and Luz Potoy, Spouses Teofisto and Sotera Potoy, Spouses Allan and Carmelita Potoy, Spouses Herberto and Rosario Potoy, Spouses Sonny and Elenita Potoy, Spouses Manito and Shirley Paller, Spouses Reynaldo and Marilou Dolloso, Spouses Ricardo and Isidra Sibayan, and Spouses Victor and Lolita Bonjoc.

<sup>&</sup>lt;sup>7</sup> Id. at 36-37.

<sup>&</sup>lt;sup>8</sup> *Id.* at 29.

<sup>&</sup>lt;sup>10</sup>. Id. at 98.

<sup>&</sup>lt;sup>11</sup> Id. at 57.

Absolute Sale<sup>12</sup> executed in their local dialect. Agustin then executed an Affidavit of Adverse Claim<sup>13</sup> which caused the inscription of Entry No. 28508<sup>14</sup> on TCT No. 2556.<sup>15</sup> However, the adverse claim was canceled together with TCT No. 2556 upon the issuance of TCT No. 20066 to Dionisio Torrevillas (Torrevillas) and Esperanza Larrazabal as purchasers of Lot No. 9194.<sup>16</sup>

#### The Ruling of the RTC

In the Decision<sup>17</sup> dated July 20, 2012, the RTC found, by preponderance of evidence, that the claim of respondents was without merit; and it ordered them to respect the ownership of petitioners over the subject property. It also adjudged attorney's fees and costs of litigation in favor of petitioners.<sup>18</sup>

The RTC ruled that: (1) respondents did not present any evidence to prove their relationship to the deceased Agustin;<sup>19</sup> (2) they failed to establish which portion of the property was sold to Agustin considering that Lot No. 9194 is 261,425 sq. m.; and (3) it was Torrevillas who caused the cancellation of Agustin's adverse claim and not petitioners.<sup>20</sup> It was not convinced of the validity of the sale in favor of Agustin in view of the Notary Public's doubt as to the identity and capacities of the parties to the instrument.<sup>21</sup>

The RTC disposed of the case; thus:

WHEREFORE, in view of the foregoing, this Court hereby finds the preponderance of evidence to be in favor of the plaintiffs as judgment is rendered quieting title of the plaintiffs over Lot no. 9194-B-4 now covered by TCT No. 48970 and declaring the claim of the defendants to be without merit. The defendants are hereby ordered to respect the ownership of the plaintiffs over the property in litigation,

<sup>13</sup> *Id.* at 49.

<sup>16</sup> *Id.* at 58.

- <sup>18</sup> *Id.* at 61-62.
- <sup>19</sup> *Id.* at 60.
- <sup>20</sup> *Id.* at 61,
- <sup>21</sup> Id.

<sup>&</sup>lt;sup>12</sup> Id. at 48. See also Kalig-onan sa Pagbaligya dated October 25, 1969, id. at 47.

<sup>&</sup>lt;sup>14</sup> Id. at 45-A.

<sup>&</sup>lt;sup>15</sup> *Id.* at 57-58.

<sup>&</sup>lt;sup>17</sup> *Id.* at 57-62.

and are hereby ordered to pay to the plaintiffs, the amount of twenty five thousand pesos (P25,000.00) as attorney's fees and the amount of thirteen thousand nine hundred fifty seven and 75/100 (P13,957.75) representing litigation expenses.

SO ORDERED.<sup>22</sup>

#### The Ruling of the CA

In the assailed Decision<sup>23</sup> dated January 24, 2019, the CA reversed and set aside the RTC Decision, the dispositive portion of which reads:

WHEREFORE, the present appeal is GRANTED. The Decision dated July 20, 2012, of the Regional Trial Court, Branch 35, Ormoc City in Civil Case No. 4677-0 is REVERSED and SET ASIDE. Plaintiffs-Appellees' Complaint dated October 18, 2006 is DISMISSED.

#### SO ORDERED.<sup>24</sup>

The CA expressed a different appreciation of facts and reversed and set aside the RTC Decision: (1) it upheld the validity of the sale as its being duly notarized converted it into a public document which enjoyed the presumption of regularity and that petitioners failed to overturn this presumption by clear and convincing evidence;<sup>25</sup> (2) it lent no credence to petitioners' denial of having signed the duly notarized Deed of Absolute Sale as no other evidence was presented to show that it was not validly executed;<sup>26</sup> (3) it disagreed with the RTC's conclusion that the Notary Public's testimony could not be given too much weight and should be received with caution considering the passage of time and the natural tendency of notaries public to validate documents they allegedly notarized for fear of administrative liabilities;<sup>27</sup> and (4) it held that it was sufficient that the Notary Public testified that at the time the Deed of Absolute Sale was signed before him, he personally knew the parties, and that each party signed the document in his presence.<sup>28</sup>

Id. at 61-62.
Id. at 96-104.
Id. at 104.
Id. at 102-103.
Id.
Id. at 103.

 $^{28}$  Id.

Aggrieved, petitioners elevated the case to the Court *via* a Petition for Review on *Certiorari*.

#### The Issue

The lone issue brought forth in the petition is whether the CA committed reversible error in dismissing the Complaint for Quieting of Title anchored on the presumption of regularity accorded to the notarized Deed of Absolute Sale.

#### The Court's Ruling

#### The petition is devoid of merit.

Petitioners reiterate that there is no deed of sale involving the subject property because they neither executed nor signed any, although they do not allege forgery as to the signatures appearing on the Deed of Absolute Sale.<sup>29</sup> They argue that the presumption of regularity of a notarized document cannot be applied when there is uncertainty by the notary public as regards the identity and legal capacities of the parties to the instrument.<sup>30</sup>

The Court is not convinced.

A notarized instrument has in its favor the presumption of regularity. In the case, there is evidence that the sale between Esperanza Lopez and her children namely: Ronico, Catalina, and Gloria, as sellers; and Agustin, married to Crescenciana, as buyer was executed and notarized before Notary Public Demosthenes Tugonon (Tugonon).<sup>31</sup> The respondents presented the notarized Deed of Absolute Sale executed in favor of Agustin which Tugonon duly identified in his testimony in court.<sup>32</sup>

<sup>31</sup> *Id.* at 48.

<sup>&</sup>lt;sup>29</sup> *Id.* at 13.

<sup>&</sup>lt;sup>30</sup> . *Id.* at 12-17.

<sup>&</sup>lt;sup>32</sup> TSN, October 25, 2011, pp. 8-9.

Being a public document, the subject notarized Deed of Absolute Sale enjoys the presumption of regularity. To overcome this presumption, there must be clear and convincing evidence. Absent such evidence, the presumption must be upheld.<sup>33</sup>

In the case, Tugonon, as the Notary Public who notarized the instrument, testified that Esperanza Lopez and her children: Ronico, Catalina, and Gloria, together with Agustin, went to his office sometime in 1969 for the execution and notarization of a deed of sale.<sup>34</sup> He admitted that he personally knew the Lopezes from Brgy. Buena Vista because of a religious organization they founded.<sup>35</sup> He further admitted that Esperanza and her children: Ronico, Catalina, and Gloria personally appeared before him and signed the Deed of Absolute Sale in his presence.<sup>36</sup>

The testimony of a notary public, who is an officer of the court, enjoys greater credence than that of an ordinary witness, especially if the latter's testimony consists of nothing more than mere denials.<sup>37</sup> Petitioners vehemently denied having executed any deed of sale in favor of Agustin.<sup>38</sup> But aside from Gloria's bare denial, petitioners failed to present any other evidence to prove their claim that they never executed a deed of sale in favor of Agustin involving the subject property.

One who denies the due execution of a deed where his or her signature appears has the burden of proving that contrary to the recital in the acknowledgment, one neither appeared before the notary public nor acknowledged the deed to be a voluntary act.<sup>39</sup> Although Gloria alleged minority at the time of the execution and notarization of the Deed of Absolute Sale to support her denial,<sup>40</sup> she failed to present competent evidence to prove such defense. Her testimony paled in comparison with that of Tugonon, who stated in no uncertain terms that petitioners, including Gloria, signed the Deed of Absolute Sale in his presence.

<sup>&</sup>lt;sup>33</sup> Chua v. Westmont Bank, 683 Phil. 56, 66 (2012).

<sup>&</sup>lt;sup>34</sup> TSN, October 25, 2011, pp. 8-9.

<sup>&</sup>lt;sup>35</sup> Id.

<sup>&</sup>lt;sup>36</sup> *Id.* at 19-21.

 <sup>&</sup>lt;sup>37</sup> Belgica v. Belgica, 558 Phil. 67, 75 (2007), citing Sales v. Court of Appeals, 286 Phil. 1026, 1033 (1992), Carandang-Collantes v. Capuno, 208 Phil. 572, 589 (1983).

<sup>&</sup>lt;sup>38</sup> *Rollo*, p. 13.

<sup>&</sup>lt;sup>39</sup> Chua v. Westmont Bank, supra note 33 at 65, citing Spouses Santos v. Spouses Lumbao, 548 Phil. 332, 349 (2007).

<sup>&</sup>lt;sup>40</sup> TSN, December 1, 2010, p. 32.

Respondents' undisputed possession of the subject property since 1969<sup>41</sup> is also convincing evidence that demonstrates the existence of the sale. Otherwise, petitioners would have earlier asserted and exercised their right to take over the property.

Under the foregoing circumstances, the second indispensable requisite for an action to quiet title to prosper was not met, namely: the deed, claim, encumbrance, or proceeding claimed to be casting cloud on one's title must be shown to be in fact invalid or inoperative despite its *prima facie* appearance of validity or legal efficacy. Petitioners failed to discharge the burden of proving their claim that no deed of sale was executed in favor of Agustin covering the subject property.

WHEREFORE, the petition is **DENIED**. The Decision dated January 24, 2019 and the Resolution dated November 5, 2019 of the Court of Appeals in CA-G.R. CV No. 04771 are **AFFIRMED**.

#### SO ORDERED.

**B. INTING** HENR Associate Justice

WE CONCUR:

ESTELA M. PERLAS-BERNABE Senior Associate Justice

Chairperson

ERNANDO RAM Associate Justice

SAMUEL H. GAERLAN Associate Justice

<sup>41</sup> *Rollo*, p. 99.

JAPAR B. DIMAAMPAO Associate Justice

## ATTESTATION

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

> ESTELA M. PERLAS-BERNABE Senior Associate Justice Chairperson

## CERTIFICATION

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

G. GESMUNDO ief Justice