

FIRST DIVISION

[G.R. No. 229332, August 27, 2020]

>MARCELINO B. MAGALONA, PETITIONER, VS. PEOPLE OF THE PHILIPPINES, RESPONDENTS.

DECISION

REYES, A., JR., J.:

This is a Petition for Review on *Certiorari*^[1] under Rule 45 of the Rules of Court, seeking to reverse the Decision dated August 26, 2016^[2] and Resolution dated January 13, 2017,^[3] issued by the Court of Appeals (CA) in CA-G.R. CR No. 37514.

The Facts

Petitioner Marcelino B. Magalona (Petitioner) and his co-accused Evedin Vergara (Evedin) were charged with *Estafa*, under the following Information:

That in (sic) or about 11th day of February [2005], in the City of Las Piñas, Philippines, and within the jurisdiction of this Honorable Court, the above named-accused, conspiring and confederating together and both of them mutually helping and aiding one another, with intent to gain, by means of false pretenses or fraudulent acts executed prior to (sic) or simultaneously with the (sic) commission of the (sic) fraud, did then and there willfully, unlawfully and feloniously defraud the complainant one JOEL P. LONGARES amounting to THREE MILLION FIVE HUNDRED THOUSAND (Php 3,500,000.00) PESOS, Philippine Currency, committed in the following manner to wit:

That the accused EVEDIN VERGARA introduced the other accused MARCELINO B. MAGALONA to the complainant and convinced the complainant to grant a loan in favor of MARCELINO MAGALONA in the amount of Php 3,500,000.00, that the accused EVEDIN VERGARA assured the complainant that the other Accused MARCELINO MAGALONA has the capacity to pay the loan and had several real estate properties which were given as security for the loan, to wit: Cityland property described as a condominium unit covered by CCT No. 17533 at Wack-Wack Road, Mandaluyong City, Transfer of Certificate of Title Nos. T-220998 and T-334802 issued by the Registry of Deeds of the Province of Rizal, which they represented to be registered under the name of Accused MARCELINO B. MAGALONA, who allegedly has valid Title and ownership over the said Rizal Properties, but they knew fully well that the said representations were false because the Accused MARCELINO B. MAGALONA was not authorized by the real registered owner of Wack-Wack City land properly as security or collateral for any credit or loan, and that the Transfer Certificates of Title Nos. T-220998 and T-334802

issued by the Registry of Deeds of the Province of Rizal were spurious documents, that by virtue of said representations, complainant granted a loan in favor of MARCELINO MAGALONA in the amount of Php 3,500,000.00, who, once in possession of the money, misappropriated, misapplied and converted the same for their personal use and benefit, despite repeated demands failed and refused to pay the said amount of Php 3,500,000.00 to the damage and prejudice of the Complainant in the aforesaid amount of Php 3,500,000.00.

CONTRARY TO LA W.^[4]

On arraignment, only petitioner entered a plea of Not Guilty as Evedin was still at large. Pre-trial and trial then ensued.

During Pre-trial, the following were stipulated upon by the parties: 1) existence of the Counter-Affidavit of the petitioner; 2) existence of the Counter-Affidavit executed by the petitioner together with the Reply-Affidavit executed by private complainant Joel Longares (Joel); 3) existence of Transfer Certificates of Title (TCT) Nos. 220998 and 334802 registered in the name of Petitioner; and 4) existence of the Deed of Absolute Sale dated December 8, 1970 between Irene Escusora and Marcelino Magalona.^[5]

As culled from the records, the prosecution's version of facts are as follows:

Evedin was the Account Officer of Equitable-PCI Bank (EPCIB) Philam Branch, Las Piñas (EPCIB). For several years, she handled and managed the Peso/Dollar account of Joel. Sometime in February 2005, Evedin asked Joel if he could extend a loan to her friend, Petitioner, for a project in Binangonan, Rizal. The said loan would be secured by real properties located in Wack-Wack and Binangonan. Joel was given the assurance that the loan would be paid with interest within three months or a maximum of six months. Joel, however, found out that the condominium in Wack-Wack was owned by one Timothy Sycip (Timothy). Evedin assured that petitioner was authorized to use the condominium as collateral, that petitioner is a good person and a family friend, and that she will be responsible with petitioner. Evedin likewise informed Joel that there is another property in Binangonan that will secure the loan.

Thus, Joel agreed to extend the loan in the amount of P3,500,000.00 in favor of petitioner, payable within a period of six months from February 11, 2005, until August 11, 2005, with interest at the rate of 10% per month. After three months, Joel followed up the payment of the loan, but Evedin replied that petitioner could not pay the loan yet. Despite subsequent repeated follow-ups, the loan remained unpaid. The parties then arranged a meeting where petitioner presented to Joel two properties in Binangonan under his name and covered by TCT Nos. 220998 and 334802 as collaterals. Petitioner also convinced him anew to join in the development of these properties, assuring him that he would pay him after the development thereof and that part of the same would be given as payment of the loan.

Joel, however, found out that TCT Nos. 220998 and 334802 covering the Binangonan properties, and registered under the name of petitioner were fake and spurious. He likewise discovered that petitioner was never authorized by Timothy to mortgage the condominium unit in Wack-Wack. Thus, on September 17, 2005, Joel

demanded the payment of the principal amount and interest of the loan amounting to P5,950,000.00. His demand however, was unheeded.^[6]

The Defense, on the other hand, alleged the following facts:

Petitioner alleged that he met Evedin through his Pastor whose sibling is the husband of the latter. In January 2005, at EPCIB, petitioner told Evedin that his boss, Paul Sycip (Paul), the father of Timothy wanted to mortgage his condominium in Wack-Wack for P1,500,000.00. Evedin later informed him that she wanted to see the certified true copy of the title of the condominium unit, as well as the unit itself. In the first week of February 2005, petitioner, Evedin and Joel inspected the condominium unit. A week later, Evedin informed petitioner that the loan was approved and instructed petitioner to prepare a Special Power of Attorney (SPA) in favor of Joel.

When the necessary papers were ready, Evedin and petitioner met at EPCIB. Tessie Daez (Tessie), whom Paul authorized to mortgage the condominium unit, also arrived. Evedin examined the two SPAs in favor of Tessie and Joel, as well as the certified true copy of the title of the condominium unit. Since Tessie did not bring the original duplicate copy of the title, Evedin released only P1,200,000.00 to the former. After Tessie left, Evedin made petitioner sign on a blank one-half sheet of bond paper. The following day, Tessie brought the original duplicate copy of the title. Thus, the remaining P300,000.00 was given to petitioner, who, in turn, handed it to Paul.

In June 2005, Evedin requested a meeting with petitioner. Petitioner brought his wife and a neighbor, who was a real estate agent, to the meeting, while Joel was with his lawyer, Atty. Dela Vega. Evedin, on the other hand, was accompanied by her husband. At the said meeting, the development of petitioner's property in Binangonan was discussed. Petitioner proposed that before Joel could develop the Binangonan property, he should first give a cash out equivalent to 10% to 15% of the total amount, or around P10,000,000. Joel agreed, but said he would get the money from the loan payment of Paul. Joel then instructed Atty. Dela Vega to make petitioner sign a Promissory Note, wherein he undertook to pay the loan of Paul. Upon Joel's assurance that he would be the mortgagee of the subject condominium unit, petitioner signed the Promissory Note. The spaces for the name, address, and amount were, however, left blank. Since the project did not push through, petitioner was surprised that a case was filed against him.^[7]

Ruling of the RTC

In the Judgment dated September 10, 2014,^[8] the RTC found petitioner guilty beyond reasonable doubt for the crime of Other Deceits under Article 318 of the Revised Penal Code (RPC), which, according to the RTC, is included in the offense charged.

The dispositive portion thereof reads:

IN THE LIGHT OF ALL THE FOREGOING, judgment is hereby rendered finding the accused Marcelino B. Magalona GUILTY for the crime of Other Deceits under Article 318 of the Revised Penal Code. Accordingly, accused

Marcelino B. Magalona is hereby sentenced to suffer the straight penalty of imprisonment of six (6) months of arresto mayor and to indemnify and pay complainant Joel P. Longares the amount of Php 300, 000.00 representing the money that the complainant had parted.

Let this case be archived as against accused Evedin Vergara pending her arrest.

SO ORDERED.^[9]

Joel filed a Motion for Partial Reconsideration of this Judgment, praying that the above Judgment be reconsidered and that petitioner be found civilly liable for the payment of the amount of P3,500,000.00 plus interest, liquidated damages and attorney's fees.

Petitioner, on the other hand, filed a Motion for Reconsideration seeking the reversal of the Judgment dated September 10, 2014.

The RTC, in its Order dated March 12, 2015, denied Petitioner's Motion for lack of merit. It, however, granted the Partial Motion for Reconsideration filed by Joel. The dispositive portion of this Order states:

WHEREFORE, premises considered, the instant Motion for Reconsideration and its Supplement filed by the accused Marcelino B. Magalona, through counsel, is hereby **DENIED** for *lack of merit*.

On the other hand, the Partial Motion for Reconsideration filed by private complainant Joel Longares, through counsel, is hereby **GRANTED** for being impressed with merit.

Accordingly, the Decision, dated September 10, 2014, is hereby **PARTIALLY MODIFIED** in so far as the civil aspect of the judgment is concerned. Accused Marcelino B. Magalona is hereby ordered to indemnify and pay complainant Joel P. Longares the amount of P3,500,000.00 representing the money that the complainant had parted to the accused as evidenced by receipts and other documentary pieces of evidence. The Promissory Note was also signed by the accused Marcelino B. Magalona acknowledging to have received the said amount of P3,500, 000.00 as loan from complainant Joel Longares.

SO ORDERED.^[10]

Aggrieved, petitioner elevated the matter to the CA, ascribing error upon the RTC for finding him guilty of the crime of Other Deceits and for increasing his liability to Joel from P300,000.00 to P3,500,000.00.

Ruling of the CA

The CA affirmed the conviction of petitioner of the crime of Other Deceits under paragraph 1 of Article 318 of the RPC. According to the CA, petitioner could not be convicted of Estafa as the pieces of evidence show that it was Evedin, not petitioner, who instigated the deception. Joel had already agreed to release the loan to