

THIRD DIVISION

[G.R. No. 120166, August 03, 1998]

DOMINADOR ARAMBULO, PETITIONER, VS. COURT OF APPEALS AND FLORA FLORES, RESPONDENTS.

DECISION

KAPUNAN, J.:

Challenged in this petition for review on certiorari are the Decision dated September 23, 1994 of respondent Court of Appeals in CA-GR CV No. 25027 and its resolution dated April 19, 1995 denying herein petitioner's motion for reconsideration of said decision.

On March 3, 1986, petitioner Dominador Arambulo filed a complaint for annulment of sale with damages against private respondent Flora Flores, docketed as Civil Case No. 8585-R11-AF, in the Regional Trial Court of Cabanatuan City, Branch 27, alleging *inter alia* that: he is the lawful owner in fee simple of a parcel of agricultural land consisting of one hundred twenty-four thousand five hundred and twelve (124,512) square meters, more or less, located at Barangay Soledad, Sta. Rosa, Nueva Ecija and covered by Transfer Certificate of Title No. NT-21357 in his name duly entered in the Registration Book of the Registry of Deeds of Nueva Ecija, Volume A-101, page 126, as Original Certificate of Title No. 0-1330 pursuant to decree No. N-51582, issued in GLRO Cadastral Record No. 1556; that his title was illegally cancelled by the Register of Deeds in favor of one Flora Flores pursuant to a deed of sale he allegedly executed in favor of respondent Flores; that he never executed said deed of sale; that respondent Flores caused the preparation of fictitious documents to buttress her claim of ownership, namely: (a) petition for the issuance of a second owner's copy of TCT No. NT-21357 on the pretext that the same was lost and by making it appear that it was the petitioner who filed the petition; (b) order of RTC of Cabanatuan City, Branch XXV dated September 20, 1984, allegedly issued by Judge Domingo Garcia, directing the Register of Deeds of Nueva Ecija to issue a second owner's copy upon payment of prescribed fees; and (c) certification dated October 9, 1984 allegedly issued by acting branch clerk of court Rosalinda Adrineda to the effect that the decision of the RTC with respect to the foregoing petition has not been amended, supplemented or modified by any subsequent order; that upon verification with RTC, Branch XXV, it was discovered that the above orders and documents are spurious and non-existent; and that, respondent Flores was able to cause the issuance of TCT No. NT-187175 in her name by virtue of the falsified deed of sale. Petitioner prayed for the annulment of the deed of sale, the cancellation of TCT No. Nt-187175 in Flores' name, the restoration of TCT No. Nt-21357 in his name and an award for moral damages, actual damages as payment of rent and attorney's fees.

In due course, respondent Flora Flores filed her answer traversing the allegations in the complaint and averring by way of special and affirmative defenses that she

bought the property in good faith and for value and thus, caused the registration of the same in her name; that the complaint was initiated at the instance of some unscrupulous persons who wanted to extort money from her, that Dominador Arambulo is dead; that somebody is merely using his name to make it appear that he filed the present action; and that the instant complaint is malicious and is meant to harass her.

Issues having been joined, trial ensued.

During the trial, only petitioner Arambulo evidence. Respondent Flores did not submit any evidence, testimonial or otherwise.

On October 12, 1989, the trial court rendered a decision based on its finding, viz:

1. That the plaintiff (herein petitioner) is the registered owner of a parcel of land under TCT No. NT-21357, with an area of 124,512 square meters, situated at Soledad, Sta. Rosa, Nueva Ecija;
2. That the petition filed by defendant (herein respondent) for the issuance of a second owner's duplicate copy of TCT No. NT-21357 was fictitious;
3. That the alleged order of Judge Domingo Garcia dated September 20, 1984 (Exh. F is likewise fictitious;
4. That the certification (Exh. E) allegedly issued by the Acting Branch Clerk of Court, Mrs. Rosalinda Adrineda in connection with the petition for the issuance of second owner's duplicate copy of TCT No. NT-21357 is likewise fictitious;
5. That the deed of absolute sale purportedly executed by the plaintiff Dominador Arambulo in favor of the defendant Flora Flores is falsified;
6. That a decision was rendered by the Court of Appeals in the case entitled: Rosalinda Z. Tiongco vs. Dominador Arambulo, docketed as CA-G.R. No. 32537-R, CAD Case No. LRC Cad. Reg. No. 1557, whereby the title of the plaintiff Dominador Arambulo was ordered cancelled in favor of the petitioner therein, Dr. Rosalinda Z. Tiongco;
7. That the said decision of the Court of Appeals was promulgated on February 26, 1965 and has become final and executory on March 26, 1965 and that the said decision has ever been enforced since March 26, 1965 up to the present.^[1]

The dispositive portion of said decision reads:

WHEREFORE, in view of the foregoing, judgment is hereby rendered in favor of the plaintiff and against the defendant, as follows:

1. Declaring as null and void the deed of absolute sale, purportedly executed by the plaintiff Dominador Arambulo in favor of the defendant Flora Flores covering TCT No. Nt-21357 dated May 18, 1979, and more particularly known as Doc. No. 178; Page no. 36; Book No, III, Series of 1979 of the notarial register of Victor W. Galang.

2. Ordering the Register of Deeds for the Province of Nueva Ecija to cancel TCT No. NT-187175 issued in the name of the defendant Flora Flores and to issue a new title in favor of the plaintiff Dominador Arambulo over the said parcel of land.
3. Ordering the defendant to surrender for cancellation the second owner's copy of TCT No. NT-187175 to the Register of Deeds for the Province of Nueva Ecija in order to enforce the decision of this Court;
4. Ordering the defendant to pay the plaintiff the amount of P50,000.00 as moral and exemplary damages;
5. Ordering the defendant to pay the plaintiff the amount of P5,000.00 as attorney's fees; and
6. Ordering the defendant to pay the costs of this suit.

SO ORDERED.^[2]

Aggrieved by the ruling, respondent Flora appealed the same to the Court of Appeals.

Respondent court, in its Decision dated September 23, 1994, sustained the trial court's findings as to falsify and spuriousness of the trial court's order of September 20, 1984 and the certification dated October 9, 1984 of its Acting Branch Clerk of Court. These forged documents, in the language of the respondent court, are "not lawful bases for the issuance of a new owner's duplicate copy of TCT No. NT-21357 (Exh. 'A') and the subsequent TCT No. NT-187175 (Exh. 'B') in the name of defendant-appellant." Nonetheless, respondent court found the Deed of Absolute Sale purportedly executed by petitioner in favor of private respondent as valid and genuine. The decretal portion of respondent court's decision reads as follows:

WHEREFORE, the appealed judgment is MODIFIED, the dispositive portion of which should read as follows:

WHEREFORE, judgment is hereby rendered:

1. Declaring as valid the Deed of Absolute Sale, executed by the plaintiff Dominador Arambulo in favor of the defendant Flora Flores covering TCT No. NT-21357 dated May 18, 1979, and more particularly known as Cod. (sic) No. 178; Page No. 30 (sic); Book No. III; Series of 1979 of the notarial register of Victor W. Galang.
2. Ordering the Register of Deeds for the Province of Nueva Ecija to cancel TCT No. NT-187175 for being null and void.
3. Ordering the defendant to surrender for cancellation the second owner's copy of TCT No. NT-187175 to the Register of Deeds for the Province of Nueva Ecija.
4. Let a copy of herein decision be furnished the Provincial Prosecutor of Nueva Ecija for proper investigation and filing of the proper criminal case

against the persons responsible for the spurious order dated September 20, 1984 (Exh. F) and certification dated October 9, 1984 (Exh. E).

SO ORDERED.^[3]

Hence, the present petition contending that respondent court committed reversible error in "disregarding the rules on pleadings and judicial admissions" with particular reference to specific denials and in "not applying settled doctrines on land titles and deeds."^[4]

The petition is impressed with merit.

While, as a rule, the findings of fact of the Court of Appeals are final and conclusive and cannot be reviewed on appeal by this Court,^[5] this Court will painstakingly scrutinize the records when the findings of the trial court and those of respondent Court of appeals' are conflicting and contradictory.

Petitioner maintains that the questioned deed of sale is spurious and non-existent. He claims that he does not know respondent Flores and has never executed a deed of sale in her favor.

However, respondent court, in declaring that said deed of sale is valid, ruled in this wise:

1. The only evidence presented by plaintiff-appellee to show that the deed of absolute sale (Exh. C) is forged in his bare testimony denying that he sold the lots in question to the defendant-appellant (TSN, Hearing of August 1, 1991, p. 5). The deed of sale which is duly acknowledged by plaintiff-appellee with the marital consent of his wife before notary public Victor W. Galang (Exh. C) cannot be set aside and declared null and void by simple denial of plaintiff-appellee. Notarization of a private document into public one and renders it admissible in court without further proof of its authenticity (Joson vs. Baltazar, 194 SCRA 114);
2. The authority of Galang to act as notary public is not questioned by plaintiff-appellee. There is no evidence imputing Galang's authority. It is not even alleged in the answer. The Supreme Court has ruled that a notarial acknowledgment attaches full faith and credit to the document concerned. It also creates upon the document the presumption of regularity in the absence of strong, complete and conclusive proof of its nullity (Sales vs. Court of Appeals, G.R. no. 40145, promulgated July 29, 1992). Appellee's evidence on this matter is nil. As such, the validity of the Deed of Absolute Sale (Exh. C) must necessarily be upheld.^[6]

We do not agree

There is no notarial acknowledgment to speak of that would give full faith and credit to the deed of sale or create a presumption of its regularity for the simple reason that the document is not the original but merely a photocopy taken from the file of the Register of Deeds of Nueva Ecija where the deed of sale was supposedly registered. The document was attached by petitioner to his complaint and submitted as evidence for the purpose of establishing that it is a forgery.