

SPECIAL TWENTIETH DIVISION

[CA-G.R. CV NO. 00744, May 27, 2014]

**SPOUSES ANTENEDURO ANGTUD AND LEO-NARDA ANGTUD,
PLAINTIFFS-APPELLEES, VS. SPOUSES TERESITA NIADAS
(DECEASED) AND RICARDO NIADAS, DEFENDANTS-APPELLANTS.**

DECISION

AZCARRAGA-JACOB, J.:

Before Us on appeal is the *Decision*^[1] dated 20 January 2005 of the Regional Trial Court, Branch 55, Mandaue City, in Civil Case No. MAN-2224,^[2] an action for "annulment of deed of sale" filed by plaintiffs-spouses Anteneduro and Leonarda Angtud ('Angtud spouses') against defendants-spouses Teresita and Ricardo Niadas ('Niadas spouses').

The Antecedent Facts

The facts on record show that plaintiff Anteneduro Angtud is the owner of an unregistered parcel of land situated at Sambag, San Vicente, Lilo-an, Cebu, identified as Lot No. 3964, consisting of an area of 1,030 square meters, and covered by Tax Declaration No. 31707^[3] for the year 1969. On 22 January 1970, plaintiff Anteneduro executed a Deed of Absolute Sale of a Portion of Land^[4] in favor of his sister, herein defendant Teresita Niadas, involving a 74-square meter portion of the property. Since then, defendant Teresita Niadas and her spouse Ricardo have been in open and continuous possession of the acquired portion in the concept of an owner, and have been paying the realty taxes due thereon as shown by several tax declarations in their name. The Niadas spouses also made some improvements on the property by planting coconut and banana trees and corn crops. Sometime in June 1994, the Angtud spouses prevented the Niadas spouses from harvesting the coconuts and bananas on the property. Aggrieved, the Niadas spouses sought the intervention of the barangay authorities. In the barangay confrontation, plaintiff Ateneduro learned that the portion he conveyed to defendant Teresita in 1970 had been increased from 74 square meters to 374 square meters.

In the complaint^[5] *a quo*, plaintiff Anteneduro, joined by his wife Leonarda, alleged that sometime in 1970 defendant Teresita broached to him her intention to put up a small store within Lot 3964 to consist an area of *seventy-four (74) square meters*. As defendant Teresita is a sister, plaintiff Ateneduro readily assented and agreed to sell a 74 square meter portion of Lot 3964 for a consideration of Five Hundred (P500.00) Pesos. Consequently, defendant Teresita caused the preparation of a Deed of Absolute Sale of a Portion of Land dated 22 January 1970. Unbeknownst to the Angtud spouses, however, the Niadas spouses, through fraudulent machinations, changed the numeric figure appearing in the deed of sale by increasing the area of the conveyed portion from 74 square meters to 374 square meters.

In answer,^[6] defendant Teresita, also joined by her husband Ricard, argued that it was plaintiff Ateneduro who initially offered to sell a small parcel of land situated at San Vicente, Liloan, Cebu consisting of an area of 74 square meters. When defendant Teresita went to inspect the property, she was prevented from entering it by spouses Cesario Noval and Rufina Tagalog, who claimed that they already bought the same from plaintiff Ateneduro. Upon confrontation, plaintiff Ateneduro admitted having sold the property to the Noval spouses. To appease defendant Teresita, plaintiff Ateneduro offered to convey a portion of Lot 3964, consisting of an area of *three hundred seventy-four (374) square meters*. Later, plaintiff Ateneduro caused her to sign a Deed of Absolute Sale of a Portion of Land on 22 January 1970, along with Jose Buhay and Primitiva Angtud Actal, who acted as instrumental witnesses to the deed.

After the issues were joined, pre-trial was conducted, where both parties marked their respective documentary exhibits. In the Pre-trial Order^[7] of 10 May 19595, the trial court defined the issues to be resolved, to wit: "(i) whether the size of the area actually sold is 74 or 374 square meters; and (ii) whether the document of sale may be annulled on the ground of fraud owing to the increase of the area sold from 74 square meters to 374 square meters."

Subsequently, trial on the merits ensued. Thereafter, plaintiffs Angtud spouses formally offered their exhibits, consisting of the following: (1) the Deed of Absolute Sale of a Portion of Land^[8] dated 22 January 1970; (2) the Questioned Document Report No. 031-97^[9] dated 15 April 1997; (3) the Questioned Document Report No. 068-97^[10] dated 25 July 1997; and (4) the Sketch Plan of Lot 3964.^[11]

On their part, defendants Niadas spouses formally offered their exhibits, which consisted of: (a) the Deed of Absolute Sale of a Portion of Land^[12] dated 22 January 1970; (b) the Questioned Document Report No. 031-97^[13] dated 15 April 1997; (c) the Questioned Document Report No. 068-97^[14] dated 25 July 1997; (d) Tax Declaration No. 31707^[15] for the year 1969 in the name of plaintiff Anteneduro; (e) Tax Declaration No. 32700^[16] for the same year 1969 in plaintiff Ateneduro's name; (f) Tax Declaration No. 00186^[17] for the year 1974 in plaintiff Ateneduro's name; (g) Tax Declaration No. 30820^[18] for the year 1980 in plaintiff Ateneduro's name; (h) Tax Declaration No. 08812^[19] for the year 1985 in the name of plaintiff Ateneduro; (i) Tax Declaration No. 2401100227^[20] for the year 1995 in the name of plaintiff Ateneduro; (j) Official Receipt No. 903716^[21] dated 19 May 2000 issued by the Office of the Municipal Treasurer of Liloan, Cebu to defendant Teresita; (k) the Certification^[22] dated 19 May 2000 of the Office of the Municipal Treasurer of Liloan, Cebu which states that the property covered by Tax Declaration No. 2401100229 is owned by defendant Teresita and that the taxes due thereon have been fully paid; (l) Tax Declaration No. 2401100229^[23] for the year 1995 in the name of defendant Teresita; (m) Tax Declaration No. 14789^[24] for the year 1985 in the name of defendant Teresita; (n) Tax Declaration No. 30822^[25] for the year 1980 in defendant Teresita's name; (o) Tax Declaration No. 09538^[26] for the year 1974 in defendant Teresita's name; (p) Tax Declaration No. 32699^[27] for the year 1980 in defendant Teresita's name; and (q) Warrant of Arrest in Criminal Case No. 4230-L

filed by defendant Teresita against plaintiff Ateneduro for theft.

The Ruling of the Trial Court

In due time, the court *a quo* rendered its now assailed decision^[28] finding for the plaintiffs Angtud spouses and against the defendants Niadas spouses. The trial court observed that the numeric figures "374" depicting the area of the sold portion as appearing in the Deed of Absolute Sale of a Portion of Land dated 22 January 1970 were handwritten in pen unlike the other entries which were visibly typewritten, except the signatures of the vendor, the witnesses, and the notary public. Relying on Questioned Document Report No. 031-97, the trial court ruled that the numeric figure "3" was superimposed and added to numbers "74" while the deed of sale was in the possession of defendant Teresita, to make it appear that the portion conveyed by plaintiff Ateneduro was "374" square meters, instead of only 74 square meters. The trial court, however, held that the intercalation of figures did not invalidate the document of sale in question because "there was a perfected contract between the parties involving an area of 74 square meters of subject land with a purchase price of P500.00. In conclusion, the trial court disposed of the case as follows:

WHEREFORE, premises considered, judgment is rendered in favor of the plaintiff, Anteneduro Angtud, and against defendants, Spouses Teresita Niadas and Ricardo Niadas, as follows, to wit:

- 1) Declaring the subject Deed of Absolute Sale of a Portion of Land (Exhs. "A" & "1") as valid, however, the area is ordered reduced to 74 sq. meters instead of 374 sq. meters;
- 2) Declaring the tax declarations covering the said 374 sq. meters in the name of defendants as null and void and of no force and effect;
- 3) Ordering defendants to pay moral damages in the amount of P30,000.00;
- 4) Ordering defendants to pay P20,000.00 as exemplary damages;
- 5) Ordering defendants to pay P10,000.00 as attorney's fees plus P500.00 per court appearance of his counsel, as well as the cost[s] of litigation.

SO ORDERED.

The Issues

In this appeal, defendants (now appellants) Niadas spouses allege that the trial court erred: (i) in declaring the validity of the subject deed of sale while reducing the area of the conveyed portion despite the failure of plaintiffs (now appellees) Angtud spouses to establish their cause of action through preponderance of evidence; and (ii) in awarding moral and exemplary damages and attorney's fees.

Appellants Niadas spouses allege that appellees Angtud spouses are guilty of laches for having filed the case *a quo* only in 1994 or after a period of twenty-four (24) years since the execution of the Deed of Absolute Sale of a Portion of Land in 1970.

Appellants Niadas spouses also aver that appellees Angtud spouses could not feign ignorance that they (appellants) have been in possession and occupation of the whole 374 portion inasmuch as they have visibly introduced improvements on it by planting to coconut and banana trees and corn crops.

Citing Rule 130, Section 9, paragraph 2(b) of the Rules of Evidence, appellants Niadas spouses contend that appellees Angtud spouses failed to present evidence that the portion which appellee Anteneduro sold in 1970 was only 74 square meters. According to appellants Niadas spouses, assuming that there is a defect in the subject deed of sale as to the area conveyed, their claim of possession over the disputed portion has become conclusive and indefeasible considering that they have been issued a certificate of title in their name. Lastly, appellants Niadas spouses argue that the awards of moral and exemplary damages and attorney's fees are unjustified because there was no proof adduced that they acted with malice or bad faith in asserting their preferential rights over the portion in dispute.

Essentially, the core issues to be resolved in this appeal are whether or not the trial court erred: (1) in reducing the area of the conveyed portion as appearing on the Deed of Absolute Sale of a Portion of Land dated 22 January 1970 from 374 square meters to 74 square meters; (2) in not declaring the action *a quo* to be barred by prescription and laches; (3) in not finding the appellants Niadas spouses to have vested rights over the portion in litigation; and (4) in awarding moral and exemplary damages and attorney's fees.

The Ruling of this Court

At the outset, it is worth stressing that factual findings and conclusions of the trial court are entitled to great weight and utmost respect and will not be disturbed on appeal, absent a clear showing that the trial court overlooked certain facts and circumstances which would substantially affect the outcome of the case. Since the trial court is, indeed, in a better position to examine the real evidence and have had the opportunity to observe the demeanor of the witnesses while testifying, its factual findings and conclusions are generally accorded great weight and respect, if not conclusive effect.^[29] And such findings may only be disturbed on appeal if there is any showing that the trial court overlooked substantial facts and circumstances which, if given consideration, will alter the outcome of the case.^[30]

In the present case, We find no well-grounded reason, and appellants failed to advance any, to disturb the factual findings of the trial court that the numeric figure "3" appearing in the Deed of Absolute Sale of a Portion of Land dated 22 January 1970 was merely superimposed and added to numbers "74" so as to appear that the portion conveyed by appellee Ateneduro to appellant Teresita was "374" square meters, instead of only 74 square meters.

It is apparent in the records that a technical examination of those questioned figures appearing in the deed of sale was scientifically made by a document expert in the proceedings below. The pertinent findings of Mr. Romeo Oliva Varona, the document expert of the PNP Crime Laboratory, Camp Sotero Cabahug, reflected as clearly as it is in the Questioned Document Report No. 031-97^[31] he prepared, are more than clear and convincing, thus:

SPECIMENS SUBMITTED:

1. One (1) copy of Deed of Absolute Sale of a Portion of Land notarized by Notary Public Artemio Gamallo dated 22 January 1970 marked "Q".

XXXX XXXX XXXX

PURPOSE OF LABORATORY EXAMINATION:

To determine whether there is an additional (number) to the questionable entries marked "Q".

XXXX XXXX XXXX

FINDINGS:

Thorough examination and analysis of the questionable entries marked "Q" reveal that **there is a wider distance from number 3 to 7 compare to number 7 and number 4.**

XXXX XXXX XXXX

CONCLUSION:

Number 3 could have been added to number 7 and 4 to make it appear 374. There is the presence of additional entries to emphasize the numbers 374.

XXXX XXXX XXXX

In *People v. Domasian*,^[32] the High Court lucidly explained the rule relative to the materiality of the opinion of handwriting experts, viz.:

...[T]he value of the opinion of a handwriting expert depends not upon his mere statements of whether a writing is genuine or false, but upon the assistance he may afford in pointing out distinguishing marks, characteristics and discrepancies in and between genuine and false specimens of writing which would ordinarily escape notice or detection from an unpracticed observer. The test of genuineness ought to be the resemblance, not the formation of letters in some other specimens but to the general character of writing, which is impressed on it as the involuntary and unconscious result of constitution, habit or other permanent course, and is, therefore itself permanent.^[33]

In fine, We see nothing irregular on the part of the trial court in giving credence to the findings of expert witness Mr. Varona, who testified that the number "3" appearing in the subject deed of sale was superimposed beside the numbers "74" to make it appear therein as "374", instead of only "74".

Consequently, the court *a quo* committed no error in declaring the Deed of Absolute Sale of a Portion of Land dated 22 January 1970 as valid while reducing the area of the conveyed portion from 374 square meters to 74 square meters. Likewise, the