

SPOUSES LEON AND LOLITA ESTACIO, PETITIONERS, VS. DR. ERNESTO JARANILLA, RESPONDENT.

G.R. No. 149250. December 08, 2003

Ponente: AZCUNA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-149250/>

AZCUNA, J.:

The instant petition for review on certiorari seeks the reversal of the Decision[1] and Resolution[2] of the Court of Appeals dated June 10, 1999 and May 31, 2001, which affirmed with modification the Decision[3] of the Regional Trial Court of Pagadian City, Branch 18, in Civil Case No. 3779.

This case stemmed from an action for the annulment of deeds of conveyance and certificates of title over a parcel of land located in Barrio Bulatoc, Pagadian City, known as Lot No. 202, Pls-119 (HV-81514). The factual antecedents, as summarized by the Court of Appeals, are as follows:

There is no dispute regarding the fact that, sometime in 1987, Josefina Jaranilla went to live with her son, Ernesto Jaranilla, a doctor based in the United States of America. On June 9, 1992, however, the above-described parcel of land was sold for a price of P16,000 in favor of Luis A. Bersales, Jr. The deed of sale was executed in the name of Josefina Jaranilla by one Lolita F. Estacio who claimed to have been so authorized by a Special Power of Attorney dated July 26, 199[1]. The day following the conveyance, Josefina Jaranilla's title was cancelled and, in lieu thereof, Transfer Certificate Title of Title No. T-9,455 of the Pagadian City registry was issued in favor of Luis A. Bersales, Jr.

On June 16, 1992, Luis A. Bersales, Jr. sold the subject parcel of land for P16,000 in favor of Jorge T. Almonte, in whose name Transfer Certificate of Title No. T-9,767 was, consequently, issued by the Register of Deeds of Pagadian City. Upon the death of his wife, Jorge T. Almonte caused the issuance of a new title over the land - Transfer Certificate of Title No. T-11,732 - in his name and those of his children...

Discovering the unauthorized conveyance of her parcel of land upon her return to the Philippines in 1992, Josefina Jaranilla sent a letter to the Registrar of Deeds of Zamboanga on March 24, 1993, the contents of which are reproduced, to wit:

March 24, 1993
Cebu City

ATTY. RICARDO DIOSO JR.
Registrar of Deeds of Zamboanga del Sur
Capitol Building
Pagadian City
Zamboanga del Sur

SIR:

My client, MS. JOSEFINA JARANILLA, who is the registered owner of Lot No. 202, Pls-119 situated in the barrio Bulatoc Pagadian City, and covered by Transfer Certificate of Title No. T-3,706 duly issued by your

office dated March 20, 1968, hereby intend[s] to inform your office that she [has] not authorized anybody to negotiate or transact the above-stated parcel of land and that the owner's duplicate original of the said land is in her possession. If ever there will be any negotiation or transaction [over] the said land, my said client, Ms. Josefina Jaranilla, will enter into the same personally.

This letter is made in order to avoid trouble and confusion that may arise in the future as my client was informed that somebody is trying to negotiate and transact the aforestated land without my client's knowledge, authority and consent.

Thank you very much for your kind attention on this matter.

Yours truly,

(SGD.)

Atty. Manuel F. Ong

Counsel for Ms. Josefina Jaranilla

Done at my instance:

(SGD.)

Ms. Josefina Jaranilla

Meanwhile, employing another Special Power of Attorney dated January 4, 1993, Lolita F. Estacio ratified the sale of the land in favor of Luis A. Bersales, Jr. with the execution of another Deed of Sale dated April 19, 1993.

Josefina Jaranilla died on December 19, 1994, and her only son and heir, Ernesto Jaranilla, represented by his duly appointed Attorney-in-Fact, Rosalia Frias Muñoz, filed a complaint for declaration of nullity and/or annulment of transfer certificates of titles, deeds and conveyances, recovery of possession, and damages.... Contending that the Special Power of Attorney utilized by Lolita F. Estacio was a falsified document, plaintiff alleged, among other matters, that the subsequent transfers of the land in litigation were, for said reason alone, already null and void; and that the inadequate consideration, as well as the inordinate haste at which the land was transferred, indicates that the defendants conspired with one another in fraudulently depriving him and his predecessors-in-interest of the ownership thereof....

In the answers they separately filed after service of summons upon them, defendants Luis A. Bersales, Jr. and Jorge T. Almonte, claimed to be innocent purchasers for value and in good faith. Contending that plaintiff had no cause of action against them, they both prayed for the dismissal of the complaint and the grant of their counterclaims for moral and exemplary damages, attorney's fees, litigation expenses and the costs of the suit.

Joined by her husband, Leon Estacio, Jr., who was impleaded in the suit as a nominal defendant, Lolita F. Estacio, on the other hand, specifically denied the material allegations of the complaint in an Answer dated June 28, 1996. As affirmative defenses, she claimed that, having merely received the assailed powers of attorney from the decedent's sister, Remedios Jaranilla, she had no hand in the preparation of the documents, much less in the alleged forgery of the signatures therein; that she relied on the assurance of Remedios Jaranilla regarding the authenticity of the said documents, and transferred the subject land in favor of defendant Luis A. Bersales, Jr. in good faith... Defendants thereupon prayed for the dismissal of the complainant and sought indemnity for moral and exemplary damages, attorney's fees, as well as litigation and other expenses.

At the pre-trial conference, the parties admitted the pieces of documentary evidence attached to their pleadings and agreed to dispense with the further presentation of evidence and to submit the case on the merits.[4]

The trial court, finding the special powers of attorney used by petitioner Lolita as "highly questionable, spurious and self-evidently fabricated," nullified the original sale to Atty. Bersales. It however found that good faith had

intervened in the subsequent transaction; hence, it upheld Atty. Almonte's title to the property.

Although noting at the outset that "the parties' agreement to forego a full-blown trial of the case on the merits has left unfortunate gaps which would [otherwise] have proved useful to the resolution of the factual issues," the Court of Appeals nevertheless found sufficient evidence of forgery. It ruled that "the manifest disparity between the genuine signature of Josefina Jaranilla and those represented to be hers in the Special Powers of Attorney dated July 26, 1991 and January 4, 1993 clearly indicates that the latter signatures were, indeed, forged." It modified the trial court's decision in that it also nullified Atty. Almonte's title, finding him to have purchased the property in bad faith. Further, it reduced the damages awarded by the trial court in favor of respondent from P800,000 to P100,000. The dispositive portion of the Court of Appeals' decision states, as follows:

WHEREFORE, the Decision appealed from is MODIFIED, as follows:

- The Special Power of Attorney dated July 26, 1991, allegedly executed by Josefina Jaranilla appointing defendant Lolita Frias Estacio as her Attorney-in-Fact is declared NULL and VOID;
- The sale of the subject property between Josefina Jaranilla represented by defendant Lolita F. Estacio as the supposed Attorney-in-Fact of the former, and Atty. Luis Bersales, Jr., and the sale of the same property in litigation between Atty. Luis Bersales, Jr., as vendor and Atty. Jorge T. Almonte as vendee, are declared NULL and VOID, together with all the documents and transfer certificates of title issued subsequent thereto;
- TCT No. T-9,455 covering the subject property in the name of Atty. Luis Bersales, Jr.; TCT No. T-767 issued in the name of Atty. Jorge T. Almonte, as well as TCT No. T-11,732 issued in the name of Atty. Jorge T. Almonte, Jason P. Almonte, Oliver George P. Almonte, Jeffrey P. Almonte and Lilibeth P. Almonte, over the same lot in litigation, are hereby ANNULLED;
- TCT No. T-3,706 of the Zamboanga del Sur Register of Deeds in the name of Josefina Jaranilla is ordered REINSTATED.
- Defendant-appellant Lolita Frias Estacio is ordered to indemnify plaintiff Dr. Ernesto Jaranilla the amount of One Hundred Thousand Pesos (P100,000) as moral, nominal and temperate damages; and
- Defendant-appellant Lolita F. Estacio, defendants-appellees Luis Bersales, Jr. and Jorge T. Almonte, are directed to pay the costs of the suit.[5]

Dissatisfied with the Court of Appeals' ruling, petitioner-spouses Leon and Lolita Estacio now come before this Court raising two issues for our review. First, they question the assailed Decision and Resolution for having been decided contrary to law on the main contention that respondent miserably failed to present clear and convincing evidence to support the finding of forgery. Second, they assert that respondent's failure to prove the claim of forgery renders the order for them to pay damages devoid of legal basis.[6]

The petition is without merit.

In an attempt to cast doubt on the findings of the trial court and the Court of Appeals, petitioners make much of the fact that respondent did not personally testify nor introduce any witness to prove the alleged forgery. They aver that as a consequence of such lapse, respondent has failed to discharge the required burden of proof.[7]

Petitioners' argument is not tenable. As shown from the records, the finding of forgery was based on a comparison of the deceased's purported signatures on the assailed Special Powers of Attorney and the latter's signature appearing on a private document. Indeed, the factual conclusion of forgery could have drawn more support from other corroborating evidence such as testimonies of handwriting experts or witnesses familiar with the deceased's handwriting. It must be emphasized, however, that the lack of such evidence is the result of the agreement of petitioners and respondent to submit the case for decision on the basis of their pleadings and documents.

Petitioners would now have this Court tilt the scale in their favor on the ground that respondent had failed to offer testimonial evidence to prove his case. There is, therefore, a clear attempt by petitioners to capitalize on what was a mutual agreement to dispense with a trial on the merits. The same, however, is unavailing, because the lack of testimonial evidence by no means disturbs the finding of forgery.

It bears stressing that the trial court may validly determine forgery from its own independent examination of the documentary evidence at hand. This the trial court judge can do without necessarily resorting to experts, especially when the question involved is mere handwriting similarity or dissimilarity, which can be determined by a visual comparison of specimen of the questioned signatures with those of the currently existing ones.[8] Section 22 of Rule 132 of the Rules of Court explicitly authorizes the court, by itself, to make a comparison of the disputed handwriting "with writings admitted or treated as genuine by the party against whom the evidence is offered, or proved to be genuine to the satisfaction of the judge." [9]

This Court notes that the Special Powers of Attorney being questioned constitute public documents, having been acknowledged before a notary public. As such, their executions are entitled to a presumption of regularity.[10] But, just like any other presumption, this is not conclusive, but is rebuttable by clear and convincing evidence to the contrary.[11]

After a perusal of the records of the case, this Court finds basis for the finding of manifest discrepancy between the signatures of the deceased on the questioned Special Powers of Attorney, and the signature on the submitted specimen. The records support the finding that the signatures on the assailed Special Powers of Attorney do not appear to have been executed by the late Josefina Jaranilla. As correctly found by the Court of Appeals:

xxx xxx xxx

The manifest disparity between the genuine signature of Josefina Jaranilla and those represented to be hers in the Special Powers of Attorney dated July 26, 1991 and January 4, 1993 clearly indicates that the latter signatures were, indeed, forged. Mere variance of the signatures cannot, admittedly, be considered as exclusive proof that the same were forged in much the same way that forgery cannot be presumed. As correctly observed by the trial court, however, defendant-appellant Lolita Estacio's bare claim of good faith is belied by her use of a second special Power of Attorney in the execution of a second deed of sale in favor of defendant-appellee Luis Bersales after Josefina Jaranilla warned the Registrar of Deeds of Zamboanga del Sur of unauthorized transactions involving her property.

[A]ppellant Estacio spouses call the attention of the [c]ourt to the supposed fact, among others, that the plaintiff-appellee had failed to prove Josefina Jaranilla's continuous stay in the U.S.A. after her departure from the Philippines in 1992; and, that as public documents, the Special Powers of Attorney executed in her (Lolita Estacio's) favor, as well as the Deeds of Sale she executed in favor of defendant-appellee Luis Bersales, Jr., deserve full faith and credence. The records, however, shows that defendant-appellants have admitted the following allegations set forth in paragraph 4 of the complaint, viz:

xxx xxx xxx

- That sometime in the year 1987, deceased Josefina Jaranilla while still living, went to the United States to join her son, who has been a permanent resident thereat incidental to the latter's exercise of his medical profession and stayed thereat until her return to the Philippines in the latter part of the year 1992.

xxx xxx xxx

Far more important than their admission of Josefina Jaranilla's whereabouts during the aforesaid period of time, defendant-appellants have thereby effectively put in dubious light the authenticity of the July 26, 1991 Special Power of Attorney which, on its face, designate Cebu City as its place of execution and acknowledgement.

Having likewise admitted that the consideration stated in the deed of sale dated June 9, 1992 was false, appellant spouses are, likewise, hardly in a position to invoke the presumption of authenticity and regularity accorded to public documents. Moreover, if it were true that defendant-appellant Lolita Estacio believed the deed of sale dated June 9, 1992 to be authentic and regular, she would not have attempted to ratify the same with the subsequent execution of the deed of sale dated April 19, 1993. [12]

It can be gleaned from the aforecited decision of the Court of Appeals that in arriving at its conclusion of forgery, the trial court did not solely rely on the obvious discrepancy of the signatures as borne by the documentary evidence. It also considered the surrounding circumstances prevailing at the time of the execution of the assailed documents which reinforced the finding that the Special Powers of Attorney were indeed fraudulently executed.

First, the trial court found that the deceased was not in the country from 1987 to 1992, thereby foreclosing the possibility that the deceased executed the Special Power of Attorney in 1991, which was purportedly notarized in Cebu City in the same year. Said fact was duly established by petitioners' own unconditional admission in their verified Answer, stated in this wise:

- That defendants ADMIT the allegation of paragraph 4 of the complaint.[13]

In the absence of evidence that no such statement was made or that the same was made through palpable mistake, the foregoing admission is conclusive and does not require proof.[14]

Second, petitioners' use of the second Special Power of Attorney, which was obviously intended for curative purposes, only served to underscore the patent defect of the first transaction. It is further worth noting that the lame attempt to ratify the original sale eventually proved to be futile. As aptly found by the Court of Appeals:

xxx xxx xxx

Apart from the dubious authenticity of her signature thereon, the efficacy of the said Special Power of Attorney and the Deed of Sale dated April 19, 1993 as acts ratificatory of the initial June 9, 1992 sale of the subject realty was effectively refuted by the letter dated March 24, 1993 which Josefina Jaranilla caused to be sent to the Registrar of Deeds of Zamboanga.[15]

Unquestionably, the second authorization which sought to "confirm and ratify" all acts of petitioner Lolita, is irreconcilable with the deceased's letter to the Register of Deeds, advising the latter of unauthorized transactions being entered into by her own relatives. Apart from the inexplicable need for a second authorization, the timing of its issuance shortly after the deceased sent a warning to the registrar, draws more suspicion and lends credence to respondent's claim that the transactions under the aforesaid authorizations were indeed anomalous.

All the foregoing circumstances consequently cast doubt on the integrity, genuineness, and veracity of the questioned public instruments. Petitioners, therefore, cannot take refuge under the presumption of regularity of the public documents, as this has been clearly rebutted in this case.

This Court likewise sustains the imposition of civil damages against petitioners. Petitioner Lolita's claim that she only received the Special Powers of Attorney from the deceased's sister through mail is self-serving, to say the least. The utter lack of supporting proof prevents the Court from accepting such claim as satisfactory explanation of her possession of the forged documents. Moreover, even assuming the veracity thereof, the records are bereft of any showing that would indicate that she directly communicated with the late Josefina Jaranilla to confirm the authorization the latter allegedly issued in her favor. Given that the documents were allegedly mailed from Cebu not by the principal herself, but by the latter's sister, prudence should have cautioned petitioner Lolita into verifying the due execution of the documents. This she ought to have done, especially considering that the late Josefina Jaranilla could have mailed the documents herself, if it were true that the latter was in Cebu then, as

petitioners would have this Court believe. Clearly, it was petitioner Lolita's use of the spurious documents without diligently verifying their source and authenticity, which gave rise to the subsequent fraudulent conveyances of the subject property to the damage and prejudice of the deceased and her heirs.

As correctly pointed out by respondent,[16] findings of fact of the Court of Appeals are conclusive on the parties and carry even more weight when these coincide with the factual findings of the trial court.[17] This rule admits of exceptions as when there is a showing that the findings of the lower court are totally devoid of support, or are clearly erroneous as to constitute palpable error or grave abuse of discretion.[18] This Court finds no such grave abuse and no palpable error in the appreciation of facts and application of law by the trial court and the Court of Appeals.

WHEREFORE, the petition is DENIED and the decision and resolution of the Court of Appeals are AFFIRMED.

No costs.

SO ORDERED.

Davide, Jr., C.J., (Chairman), Panganiban, Ynares-Santiago, and Carpio, JJ., concur.

[1] Rollo, pp. 22-40.

[2] Id., at 24-26.

[3] Records, pp. 249-256.

[4] Rollo, pp. 24-27, citations omitted.

[5] Id., at 38-39.

[6] Id., at 15-17.

[7] Id., at 16-17.

[8] *Jimenez v. Commission on Ecumenical Mission and Relations of the United Presbyterian Church in the USA*, 383 SCRA 326 (2002); *Heirs of Gregorio v. CA*, 300 SCRA 565 (1998); *Gamido v. CA*, 251 SCRA 101 (1995).

[9] *Jimenez v. Commission on Ecumenical Mission and Relations of the United Presbyterian Church in the USA*, supra, note 8, citing *Punzalan v. COMELEC*, 289 SCRA 702 (1998).

[10] *Ladignon v. CA*, 336 SCRA 42 (2000), citing *Bernardo v. CA*, 332 SCRA 1 (2000); *Cacho v. CA*, 269 SCRA 159 (1997).

[11] *Rongavilla v. CA*, 294 SCRA 289 (1998).

[12] Rollo, pp. 33-34. Citations omitted. Underscoring original.

[13] Records, p. 44.

[14] *Bell Carpets International Trading Corp. v. CA*, 185 SCRA 35 (1990).

[15] Rollo, p. 45, citations omitted.

[16] Id., at 140.

[17] *Nazareno v. CA*, 343 SCRA 637 (2000).

[18] Ibid.; Potenciano v. Reynoso, G.R. No. 140707, April 22, 2003.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.