## FIRST DIVISION

# [ G.R. No. 200383, March 19, 2018 ]

# NORMA M. DIAMPOC, PETITIONER, VS. JESSIE BUENAVENTURA AND THE REGISTRY OF DEEDS FOR THE CITY OF TAGUIG, RESPONDENTS.

#### DECISION

### **DEL CASTILLO, J.:**

This Petition for Review on *Certiorari* <sup>[1]</sup> seeks to set aside the February 21, 2011 Decision<sup>[2]</sup> and May 6, 2011 Resolution<sup>[3]</sup> of the Court of Appeals (CA) in CA-G.R. CV No. 92453 which denied herein petitioner's appeal and affirmed the December 20, 2007 Decision<sup>[4]</sup> of the Regional Trial Court of Pasig City, Branch 268 (RTC) in Civil Case No. 70076.

#### Factual Antecedents

In July, 2004, petitioner Norma M. Diampoc and her husband Wilbur L. Diampoc (the Diampocs) filed a Complaint<sup>[5]</sup> for annulment of deed of sale and recovery of duplicate original copy of title, with damages, against respondent Jessie Buenaventura (Buenaventura) and the Registry of Deeds for the Province of Rizal. The case was docketed before the RTC as Civil Case No. 70076.

The Diampocs alleged in their Complaint that they owned a 174-square meter parcel of land (subject property) in Signal Village, Taguig City covered by Transfer Certificate of Title No. 25044 (TCT 25044); that Buenaventura became their friend; that Buenaventura asked to borrow the owner's copy of TCT 25044 to be used as security for a P1 million loan she wished to secure; that they acceded, on the condition that Buenaventura should not sell the subject property; that Buenaventura promised to give them P300,000.00 out of the P1 million loan proceeds; that on July 2, 2000, Buenaventura caused them to sign a folded document without giving them the opportunity to read its contents; that Buenaventura failed to give them a copy of the document which they signed; that they discovered later on that Buenaventura became the owner of a one-half portion (87 square meters) of the subject property by virtue of a supposed deed of sale in her favor; that they immediately proceeded to the notary public who notarized the said purported deed of sale, and discovered that the said 87-square meter portion was purportedly sold to Buenaventura for P200,000.00; that barangay conciliation proceedings were commenced, but proved futile; that the purported deed of sale is spurious; and that the deed was secured through fraud and deceit, and thus null and void. The Diampocs thus prayed that the purported deed of sale be annulled find the annotation thereof on TCT 25044 be canceled; that the owner's duplicate copy of TCT 25044 be returned to them; and that attorney's fees and costs of suit be awarded to them.

In her Answer, Buenaventura claimed that the Diampocs have no cause of action;

that the case is a rehash of an estafa case they previously filed against her but which was dismissed; and that the case is dismissible for lack of merit and due to procedural lapses.<sup>[6]</sup>

### Ruling of the Regional Trial Court

After trial, the RTC rendered its December 20, 2007 Decision, pronouncing as follows:

Counsel for the plaintiffs presented two witnesses, namely: Norma Diampoc and Wilbur Diampoc. Stripped off of its non-essentials, their testimonies are, summarized as follows:

- 1. MRS. NORMA DIAMPOC The witness is one of the plaintiffs. She testifies that they are the owners of the property x x x covered by Transfer Certificate of Title No. 25044 x x x; that sometime in May 2000, defendant borrowed the original owner's duplicate copy of said title from the plaintiffs to be used as collateral of her loan from a bank as she needed additional capital for her store x x x; that they have agreed that after getting the proceeds of the loan of Php1,000,000.00, defendant will give Php300,000.00 to plaintiff to be used for the repair of plaintiffs' second floor x x x; it was further agreed by the parties that defendant will pay the entire amount of the loan and the Php300,000.00 shall represent payment for the use of plaintiffs' title x x x; that in the morning of July 3, 2000, while plaintiff Norma Diampoc was in the store of a certain Marissa Ibes, defendant Jessie Buenaventura arrived and force her to sign a document without giving her a chance to read the same x x x; that in the morning of November 19, 2002, Eng[r]. Perciliano Aguinaldo went to the plaintiffs' house and conducted a survey of the subject property; that plaintiffs asked said engineer why he was conducting a survey and the engineer replied that it was the instruction of defendant Buenaventura as the said property has already been sold x x x; that Engineer Aguinaldo showed plaintiff a document denominated as "Deed of Sale" x x x; that when plaintiffs signed the Deed of Sale, the word "Vendor" was not yet written x x x; that plaintiffs did not appear before the notary public who notarized the document and never received the amount of Php200,000.00 as stated in the document  $x \times x$ ; that when they confronted the lawyer who notarized the document, plaintiffs were advised to file a complaint before the Office of the Barangay x x x; that the Lupong Tagapamayapa of the said Barangay issued a certificate to file action as the parties failed to settle the case amicably x x x; that plaintiffs sent a letter of protest to Eng[r]. Aguinaldo x x x; that in connection with the filing of the instant complaint, the witness executed a sworn statement x x x.
- 2. MR. WILBUR DIAMPOC  $x \times x$  He was presented to corroborate the testimony of his wife-co-plaintiff Mrs. Norma Diampoc.

On May 19, 2005, defendant through counsel filed a Motion for Reconsideration praying that he be allowed to participate in the trial. The

Court in its Order dated August 22, 2005 gave defendant last opportunity to present evidence in her behalf and allowed her to cross-examine the plaintiffs' witnesses.

On cross-examination, the witnesses confirmed that they signed the subject deed of sale but did not read the contents of the document they signed; that they never appeared before the Notary Public to acknowledge the Deed of Sale; that they did not file a case against the Notary Public; that they did not receive any consideration for the alleged sale; that they filed a complaint against defendant only after they discovered that what they have signed was a Deed of Sale; that they did not read the document before they affixed their signatures because they busted the defendant  $x \times x$ .

Counsel for the defendant on the other hand presented the defendant herself as his lone witness. Jessie Buenaventura testified that spouses Diampoc sold to her a portion of their land consisting of 87 square meters as evidenced by a Deed of Sale marked in evidence  $x \times x$ ; that the said deed of sale was signed and acknowledged before a Notary Public, Atty. Pastor Mendoza on July 6, 2000  $x \times x$ ; that spouses Diampoc filed a case against her for Estafa, Grave Threat, Coercion and Falsification before the Prosecutor's Office of Rizal  $x \times x$ ; that said cases were dismissed  $x \times x$ ; that because of the filing of the instant case, defendant spent litigation expenses  $x \times x$ . On cross-examination, defendant further testified that [she] personally gave the amount of Php200,000.00 to plaintiff Norma Diampoc before they went to the Notary Public  $x \times x$ .

After evaluating the evidence on hand, the Court finds that plaintiffs fall short of the required evidence to substantiate their allegations that subject Deed of Sale x x x is illegal and spurious. 'Deed of Sale being a public document, it is **prima facie** evidence of the facts stated therein' (Domingo versus Domingo, 455 SCRA 555). Under the rule, the terms of a contract are rendered conclusive upon the parties and evidence *aliunde* is not admissible to vary or contradict a complete and enforceable agreement embodied in a document. (Rosario Textile Mills Corp. versus Home Bankers Savings, 462 SCRA 88).

The pertinent provision of the New Civil Code reads:

'Art. 1159. Obligations arising from contracts have the force of law between the contracting parties and should be complied with in good faith.'

WHEREFORE, foregoing premises considered, the above-captioned case is hereby DISMISSED for insufficiency of evidence. No pronouncement as to costs.

#### Ruling of the Court of Appeals

Respondents filed an appeal before the CA, which denied the same, ruling as follows:

In beseeching the annulment of the notarized deed of sale, appellants impress upon Us that they were deceived by Jessie (now 'appellee') into believing that they were signing papers for the intended bank loan. They failed to read the contents of the document for it 'was folded', and Jessie was in a hurry.

These specious arguments are devoid of judicial mooring.

As aptly declared by the court *a quo*, notarized documents, like the deed in question, enjoy the presumption of regularity which can be overturned only by clear, convincing and more than merely preponderant evidence. Miserably, appellants failed to discharge this burden.

Appellants are not illiterate, but educated persons who understood the meaning of the word 'vendor' printed [vividly] under their names. They could easily read such word before they could affix their signatures. We are simply appalled by appellant Wilbur's pathetic explanation that it was 'dark' at the time he signed the deed so that he failed to read the word 'vendor'.

Yet, even if they avouch to be illiterate, which they most certainly are not being high school graduates themselves, the enunciations in **Bernardo v. Court of Appeals** come to mind –

'[G]ranting, without conceding, that private respondent and his wife were both illiterate, this still does not save the day for them. As stressed in Tan Tua Sia v. Yu Biao Sontua, 56 Phil. 711, cited in Mata v. Court of Appeals - ....The rule that one who signs a contract is presumed to know its contents have been applied even to contracts of illiterate persons on the ground that if such persons are unable to read, they are negligent if they fail to have the contract read to them. If a person cannot read the instrument, it is as much his duty to procure some reliable persons to read and explain it to him, before he signs it, x x x and his failure to obtain a reading and explanation of it is such gross negligence as will estop him from avoiding it on the ground that he was ignorant of its contents.' x x x

Verily, the fact that appellants used only one community tax certificate cannot emasculate the evidentiary weight of the notarized deed. The notary public may have been lax in his duty of requiring two community