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Republic of the Philippines  
Supreme Court  
Manila

THIRD DIVISION

<sup>MisDCCBatt</sup>  
MISAEAL DOMINGO C. BATTUNG III  
Deputy Division Clerk of Court  
Third Division

NOV 28 2019

SUPREME COURT OF THE PHILIPPINES  
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MOISES G. CORO,

*Petitioner,*

G.R. No. 235361

Present:

PERALTA, J., *Chairperson,*

LEONEN,\*

REYES, A., JR.

HERNANDO, and

INTING, JJ.

- versus -

Promulgated:

MONTANO B. NASAYAO,

*Respondent.*

October 16, 2019

X- - - - - <sup>MisDCCBatt</sup> - - - - - X

DECISION

INTING, J.:

*The Court has held in a number of cases that forgery cannot be presumed and must be proved by clear, positive and convincing evidence. The burden of proof lies on the party alleging forgery to establish his/her case by a preponderance of evidence, or evidence which is of greater weight or more convincing than that which is offered in opposition to it. In this case, as properly observed by the lower courts, other than his own declaration that the signatures on the 1963 Deed of Sale were forged, herein petitioner failed to present any evidence to corroborate his claim.<sup>1</sup>*

<sup>\*</sup> On leave.

<sup>1</sup> *Spouses Agunaldo v. Torres, Jr.*, G.R. No. 225808, September 11, 2017 citing *Ambray v. Tsourous*, G.R. No. 209264, July 5, 2016, and *Gepulle-Garbo v. Spouses Garabato*, 750 Phil. 846, 855 (2015).

Under consideration are the: (a) Decision<sup>2</sup> dated March 29, 2017 of the Court of Appeals (CA) in CA-G.R. CV No. 03851-MIN which affirmed the Decision<sup>3</sup> dated September 30, 2014 of Branch 31, Regional Trial Court (RTC), Dapa, Surigao del Norte dismissing Moises Coro's (petitioner) Complaint<sup>4</sup> for Annulment of the Contract of Sale, Reconveyance of the Property with Damages and Attorney's Fees; and (b) Resolution<sup>5</sup> dated September 22, 2017 denying petitioner's Motion for Reconsideration.

The pertinent facts are as follows:

Petitioner alleged that he was the owner of a parcel of land in Cancohay, Numancia, Surigao del Norte with an area of 1,375 square meters (sq.m.) and covered by Tax Declaration No. 16940. On July 23, 2003, he found out that Montano B. Nasayao (respondent) acquired the subject property by way of a forged Deed of Absolute Sale (DOAS) dated April 1, 1963. He denied having received money in consideration of the sale nor having personally appeared before the notary public, Pedro Berro.<sup>6</sup>

In their Answer-in-Intervention,<sup>7</sup> respondent's wife and children stated that on April 1, 1963, petitioner sold the subject property to the respondent, his stepbrother. They further alleged that on April 19, 1963, respondent had the title of the property transferred in his name and thereafter, dutifully paid the corresponding taxes as evidenced by Tax Declaration No. 17518. On December 10, 1996, respondent was awarded Original Certificate of Title (OCT) No. 15011. Seven years later on, in February 2003, petitioner approached respondent's wife and son to buy back the land, but his offer was refused. Taking advantage of respondent's illness, petitioner surreptitiously occupied the property.<sup>8</sup>

<sup>2</sup> *Rollo*, pp. 45-55; penned by Associate Justice Romulo V. Borja, and concurred in by Associate Justices Oscar V. Badelles and Perpetua Atal-Paño.

<sup>3</sup> *Id.* at 89-96.

<sup>4</sup> *Id.* at 60-63.

<sup>5</sup> *Id.* at 57-58.

<sup>6</sup> *Id.* at 45-46.

<sup>7</sup> *Id.* at 69-73.

<sup>8</sup> *Id.* at 46.

After trial on the merits, the RTC rendered a Decision dismissing petitioner's complaint in Civil Case No. 540, the dispositive portion of which reads:

**WHEREFORE**, in light of all the foregoing, the complaint is hereby **DISMISSED** for lack of cause of action and judgment is hereby rendered as follows:

- 1) **DECLARING** the Deed of Absolute Sale dated April 1, 1963 as genuine, valid and binding;
- 2) **ORDERING** the plaintiff to pay the defendant the amount of Fifty Thousand (₱50,000.00) Pesos as Moral Damages, Thirty Thousand (₱30,000.00) Pesos as Exemplary Damages, Twenty Thousand (₱20,000.00) Pesos as Attorney's Fees and Ten Thousand (₱10,000.00) Pesos as Litigation Expenses; and
- 3) To pay the cost of this suit.

SO ORDERED.<sup>9</sup>

The RTC found that the signatures appearing on the DOAS were genuine and that petitioner failed to prove forgery by clear and convincing evidence. Moreover, since the action was filed decades after the questioned DOAS was executed on April 1, 1963, it had already prescribed.

On appeal, the CA disagreed with the RTC's finding that the action had prescribed, but it nevertheless affirmed the ruling of the RTC that the testimonies of petitioner, his daughter Analiza Cambaya, and stepdaughter Nenita Oga do not supplant the presumption of regularity of the deed of sale as a public document.<sup>10</sup>

Petitioner filed a Motion for Reconsideration of the Decision dated March 29, 2017 of the CA. However, the CA denied his motion in the Resolution<sup>11</sup> dated September 22, 2017, thus:

<sup>9</sup> *Id.* at 96.

<sup>10</sup> *Id.* at 54.

<sup>11</sup> *Id.* at 57-58.

x x x Forgery is never presumed; being the party who alleged forgery, appellant has the burden of proving the same by clear, positive and convincing evidence, which appellant failed to do so here. Moreover, the authenticity of the Deed of Absolute Sale is a question of fact, and the trial court's finding as to its authenticity will not be disturbed in the absence of substantial evidence to the contrary. As the Court discussed, **the signature of appellant appearing in the Deed of Absolute Sale as well as in the documents he presented have no stark difference and appear to have been written by one and the same person. Further, the Deed of Absolute Sale is a public document, thus, has in its favor the presumption of regularity.**<sup>12</sup> (Emphasis supplied)

Hence, petitioner filed the instant Petition<sup>13</sup> for Review on *Certiorari* under Rule 45 of the Rules of Court.

In the main, petitioner is raising the issue of whether the CA erred in affirming the RTC's Decision upholding the validity of the subject DOAS.

This Court denies the petition.

REVIEW OF FACTUAL FINDINGS; THE ISSUE OF THE GENUINENESS OF THE DEED OF SALE IS A QUESTION OF FACT NOT PROPER IN A PETITION FOR *CERTIORARI* UNDER RULE 45

In the RTC Decision, as affirmed by the CA, the RTC made the following findings of fact:

1. Records show that apart from petitioner's testimony that his signature and that of his wife appearing on the subject DOAS were forged, petitioner presented a Deed of Donation, a Senior Citizen Identification Card, and a Notice containing signatures of

<sup>12</sup> *Id.* at 58.

<sup>13</sup> *Id.* at 17-40.

his wife sometime in 1995. He did not furnish the court with the specimen of his own signature though;

2. The RTC was convinced that the signature of his wife in the DOAS as compared with her signatures appearing on the Affidavit, Deed of Donation, her Senior Citizen ID, and in the Notice are similar; and
3. The RTC compared petitioner's signature in the DOAS with his signature in the Verification; it found that they are the same.

Petitioner disputes the foregoing findings and refutes the authenticity of the DOAS.

The question of whether the signatures of petitioner and his wife appearing in the April 1, 1963, DOAS are forgeries is a question of fact which is beyond this Court's jurisdiction under the present petition. It bears stressing that the resolution of who between petitioner and respondent is the real owner of the subject property and able to prove their title and claim over it will require reception and evaluation of evidence. In insisting that there is forgery in the execution of the Deed of Sale, petitioner is, in effect, asking this Court to make its own factual determination. He is not asking this Court to resolve which law properly applies given the set of facts in this case. On the contrary, the allegations of petitioner require a review of evidence as well as the determination of the truth or falsity of the parties' allegations.<sup>14</sup>

Questions of fact, which would require a re-evaluation of the evidence, are inappropriate under Rule 45 of the Rules of Court as the jurisdiction of this Court under this petition is limited only to errors of law. This Court is not a trier of facts and it cannot rule on questions which determine the truth or falsehood of alleged facts, the determination of which is best left to the courts below. While this rule

<sup>14</sup> RULES OF COURT, Rule 45, Section 1 provides:

Sec. 1. *Filing of Petition with Supreme Court.* – A party desiring to appeal by *certiorari* from a judgment or final order or resolution of the Court of Appeals, the Sandiganbayan, the Regional Trial Court or other courts whenever authorized by law, may file with the Supreme Court a verified petition for review on *certiorari*. **The petition x x x shall raise only questions of law, which must be distinctly set forth.** (Emphasis supplied)

is not absolute, none of the recognized exceptions, which allow the Court to review the factual issues, exists in the instant case.<sup>15</sup>

Besides, as a matter of sound practice and procedure, this Court defers and accords finality to the factual findings of trial courts, more so, when as here, such findings are undisturbed by the appellate court.<sup>16</sup>

FORGERY IS NEVER PRESUMED; IT MUST  
BE PROVEN BY CLEAR, POSITIVE AND  
CONVINCING EVIDENCE.

In any event, Section 1, Rule 131 of the Rules of Court provides that the burden of proof is the duty of a party to prove the truth of his claim or defense, or any fact in issue by the amount of evidence required by law.<sup>17</sup>

As a rule, forgery cannot be presumed. An allegation of forgery must be proved by clear, positive and convincing evidence, and the burden of proof lies on the party alleging forgery.<sup>18</sup> One who alleges forgery has the burden to establish his case by a preponderance of evidence, or evidence which is of greater weight or more convincing than that which is offered in opposition to it. The fact of forgery can only be established by a comparison between the alleged forged signature and the authentic and genuine signature of the person whose signature is theorized to have been forged.<sup>19</sup>

Since petitioner is assailing the 1963 Deed of Sale, he evidently has the burden of making out a clear-cut case that the disputed document is bogus. Both the RTC and the CA concluded that petitioner failed to discharge the burden. The CA explained:

<sup>15</sup> *Gatan, et al. v. Vinarao, et al.*, G.R. No. 205912, October 18, 2017. See also *Rodriguez v. Your Own Home Development Corporation (YOHDC)*, G.R. No. 199451, August 15, 2018 citing *Loria v. Muñoz, Jr.*, 745 Phil. 506, 515 (2014).

<sup>16</sup> *Gepulle-Garbo v. Spouses Garabato*, 750 Phil. 846, 855 (2015).

<sup>17</sup> *Id.* citing *Vitarich Corporation v. Losin*, G.R. No. 181560, November 15, 2010, 634 SCRA 671, 684.

<sup>18</sup> *Almeda, et al. v. Santos, et al.*, G.R. No. 194189, September 14, 2017 citing *Sps. Bernales v. Heirs of Julian Sambaan*, 624 Phil. 88, 97 (2010).

<sup>19</sup> *Gepulle-Garbo v. Spouses Garabato*, *supra* note 16 at 855-856.

An assiduous examination of the specimen signatures of Moises Coro found on his Social Security System (SSS) Identification Card, the Verification and Certification of Non-Forum Shopping attached to his complaint, and the Community Tax Certificates issued in 2000 and 2003 show no variance when compared with the signature on the deed of absolute sale, purported to be his. It needs no expert to notice the similar strokes of the letters. This notwithstanding, the fact that the deed of absolute sale was executed on April 1, 1963 while the signatures in the Verification as well as the Community Tax Certificate were affixed in 2003, or forty (40) years later. Even Moises Coro's alleged signature in the affidavit the defendant-appellee submitted is significantly the same as the one found in the deed of sale. In short, **a perusal of the signatures would lead to the conclusion that the standard signature and the one appearing in the deed of sale were written by one and the same person; no difference stark nor distinguishing is noticeable.** Stated differently, plaintiff's documentary evidence failed to raise any doubt as to the authenticity of the questioned signatures.<sup>20</sup> (Emphasis supplied.)

To establish forgery, the extent, kind, and significance of the variation in the standard and disputed signatures must be demonstrated. More importantly, it must be proved that the variation is due to the operation of a different personality and not merely an expected and inevitable variation found in the genuine writing of the same writer. It must be shown that the resemblance is a result of a more or less skillful imitation and not merely a habitual and characteristic resemblance which naturally appears in a genuine writing. Here, petitioner's uncorroborated testimony failed to demonstrate that, based on the foregoing criteria, the questioned signatures were forgeries.<sup>21</sup>

NOTARIZED DOCUMENTS ENJOY THE  
PRESUMPTION OF REGULARITY.

Furthermore, the questioned DOAS is notarized. Settled is the rule that a duly notarized contract enjoys the *prima facie* presumption

<sup>20</sup> *Rollo*, p. 54.

<sup>21</sup> *Almeda, et al. v. Santos, et al.*, *supra* note 18 at 646.

of authenticity and due execution. It is presumed valid, regular, and genuine with the end view of maintaining public confidence in the integrity of notarized documents. In *Libres, et al. v. Sps. Delos Santos and Olba*,<sup>22</sup> this Court said:

Notarial documents executed with all the legal requisites under the safeguard of a notarial certificate is evidence of a high character. To overcome its recitals, it is incumbent upon the party challenging it to prove his claim with clear, convincing and more than merely preponderant evidence. **A notarial document, guaranteed by public attestation in accordance with the law, must be sustained in full force and effect so long as he who impugns it does not present strong, complete, and conclusive proof of its falsity or nullity on account of some flaws or defects provided by law.** Without that sort of evidence, the presumption of regularity, the evidentiary weight conferred upon such public document with respect to its execution, as well as the statements and the authenticity of the signatures thereon, stand.<sup>23</sup> (Emphasis supplied)

On its face, the subject DOAS is entitled to full faith and credit, and is deemed to be in full force and effect. To overturn this legal presumption, evidence must be clear, convincing, and more than merely preponderant to establish that there was forgery that gave rise to a spurious contract.<sup>24</sup> Petitioner obviously failed in this respect.

#### THE ISSUE OF DAMAGES.

Finally, aside from the issue of forgery, petitioner contends that the award of moral and exemplary damages to respondent was inappropriate under the circumstances. There was no proof of respondent's alleged moral suffering, mental anguish, and the like. In

<sup>22</sup> 577 Phil. 509 (2008).

<sup>23</sup> *Id.* at 520-521 citing *Pan Pacific Industrial Sales Co., Inc. v. Court of Appeals*, G.R. No. 125283, February 10, 2006, 482 SCRA 164, 174; *Carandang-Collantes v. Capuno*, G.R. No. L-55373, July 25, 1983, 123 SCRA 652, 664; *Barcenas v. Tomas*, G.R. No. 150321, March 31, 2005, 454 SCRA 593.

<sup>24</sup> *Rodriguez v. Your Own Home Development Corporation (YOHDC)*, G.R. No. 199451, August 15, 2018 and *Gatan, et al. v. Vinarao, et al.*, *supra* note 15 at 611 citing *Ambray v. Tsourous*, G.R. No. 209264, July 5, 2016, 795 SCRA 627, 641-642.



addition, the filing of the subject complaint was not malicious to warrant the award of attorney's fees and litigation costs. According to petitioner, no premium should be placed on the right to litigate and not every winning party is entitled to an automatic grant of attorney's fees.<sup>25</sup>

This Court agrees with petitioner.

First, moral damages are compensatory damages for mental pain and suffering or mental anguish resulting from a wrong. The award of moral damages is not punitive in nature but are instead a type of award designed to compensate the claimant for actual injury suffered.<sup>26</sup> And although incapable of pecuniary estimation, moral damages must somehow be proportional to and in approximation of the suffering inflicted. This is so because moral damages are in the category of an award designed to compensate the claimant for actual injury suffered and not, as stated, just to impose as a penalty on the wrongdoer.<sup>27</sup>

Here, respondent's complaint alleged that due to fraud, bad faith, and illegal manipulation of petitioner, he sustained mental anguish, fright, serious anxiety, besmirched reputation, wounded feelings, and mental shock. Yet, other than his bare allegations, respondent failed to present evidence supporting his assertions. Well-settled is the rule that moral damages cannot be awarded, whether in a civil or criminal case, in the absence of proof of physical suffering, mental anguish, fright, serious anxiety, besmirched reputation, wounded feelings, moral shock, social humiliation, or similar injury. As in any award, the award of moral damages must be solidly anchored on a definite showing that respondent actually experienced emotional and mental sufferings. Mere allegations do not suffice as they must be substantiated by clear and convincing proof.<sup>28</sup>

Second, respondent argued in his complaint that in order to avoid a repetition of similar acts, and as a correction for the public good, petitioner should be held liable for exemplary damages.

<sup>25</sup> *Rollo*, pp. 37-38.

<sup>26</sup> *Guy v. Tulfo, et al.*, G.R. No. 213023, April 10, 2019.

<sup>27</sup> *Id.* citing *Equitable Leasing Corporation v. Suyom*, 437 Phil. 244, 257 (2002).

<sup>28</sup> *Quezon City Government v. Dacara*, 499 Phil. 228, 244 (2005).

Exemplary or corrective damages are imposed by way of example or correction for the public good, in addition to moral, temperate, liquidated, or compensatory damages. The award of exemplary damages is allowed by law as a warning to the public and as a deterrent against the repetition of socially deleterious actions.<sup>29</sup> The following are the requisites for an award of exemplary damages, to wit:

*First*, they may be imposed by way of example or correction **only in addition**, among others, to compensatory damages, and cannot be recovered as a matter of right, their determination depending upon the amount of compensatory damages that may be awarded to the claimant.

*Second*, the claimant must **first establish his right to moral, temperate, liquidated, or compensatory damages**.

And *third*, the wrongful act must be accompanied by bad faith; and the award would be allowed only if the guilty party acted in a wanted, fraudulent, reckless, oppressive, or malevolent manner.<sup>30</sup> (Emphasis supplied)

In light of the Court's disquisition that respondent is not entitled to moral damages, the award of exemplary damages must likewise be deleted for lack of legal basis.

The awards of ₱20,000.00 and ₱10,000.00 as attorney's fees and litigation expenses, respectively, are also deleted for lack of basis. It is well established that the trial court must state the factual, legal, or equitable justification for the award of attorney's fees in the body of the decision. Here, other than the statement that respondent was compelled to secure the services of counsel to defend his rights, the RTC failed to state the factual or legal justification for its award of attorney's fees in the former's favor. As such, it must be deleted.<sup>31</sup>


<sup>29</sup> *Sps. Timado v. Rural Bank of San Jose, Inc., et al.*, 789 Phil. 453, 459 (2016) citing CIVIL CODE, Article 2229 and *Tan v. OMC Carriers, Inc.*, G.R. No. 190521, January 12, 2011, 639 SCRA 471, 485.

<sup>30</sup> *Id.* citing *Octot v. Ybañez*, G.R. No. L-48643, January 18, 1982, 111 SCRA 79-80.

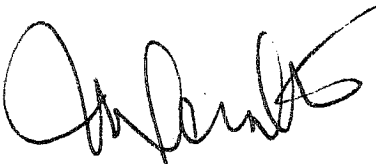
<sup>31</sup> *Spouses Yulo v. Bank of the Philippine Islands*, G.R. No. 217044, January 16, 2019 citing *Ledda v. Bank of Philippine Islands*, 699 Phil. 273, 283 (2012).

**WHEREFORE**, the petition for review on *certiorari* is **PARTIALLY GRANTED**. The Decision dated March 29, 2017 and the Resolution dated September 22, 2017 of the Court of Appeals in CA-G.R. CV No. 03851-MIN are **AFFIRMED**, with the **MODIFICATION** in that the awards of moral damages, exemplary damages, and attorney's fees are **DELETED**. No costs.

**SO ORDERED.**

  
**HENRI JEAN PAUL B. INTING**  
*Associate Justice*

WE CONCUR:

  
**DIOSDADO M. PERALTA**  
*Associate Justice*  
*Chairperson*

(On leave)  
**MARVIC M.V.F. LEONEN**  
*Associate Justice*

  
**ANDRES B. REYES, JR.**  
*Associate Justice*

  
**RAMON PAUL L. HERNANDO**  
*Associate Justice*

**ATTESTATION**

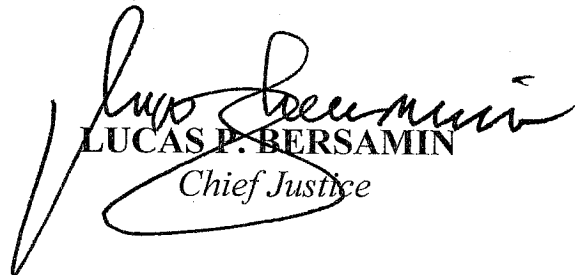
I attest that the conclusions in the above Resolution had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



**DIOSDADO M. PERALTA**  
*Associate Justice*  
*Chairperson*

**CERTIFICATION**

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Resolution had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



**LUCAS P. BERSAMIN**  
*Chief Justice*

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*Mis. DCBalt*  
**MISAELO DOMINGO C. BATTUNG III**  
**Deputy Division Clerk of Court**  
**Third Division**

**NOV 28 2019**