



Republic of the Philippines
Supreme Court
 Manila

FIRST DIVISION

MARCELINO B. MAGALONA,
 Petitioner,

G.R. No. 229332

Present:

PERALTA, C.J., Chairperson,
 CAGUIOA,
 REYES, J. JR.,
 LAZARO-JAVIER, and
 LOPEZ, JJ.

- versus -

PEOPLE OF THE PHILIPPINES,
 Respondents.

Promulgated:

AUG 27 2020

X ----- X

DECISION

REYES, J. JR., J.:

This is a Petition for Review on *Certiorari*¹ under Rule 45 of the Rules of Court, seeking to reverse the Decision dated August 26, 2016² and Resolution dated January 13, 2017,³ issued by the Court of Appeals (CA) in CA-G.R. CR No. 37514.

The Facts

Petitioner Marcelino B. Magalona (Petitioner) and his co-accused Evedin Vergara (Evedin) were charged with *Estafa*, under the following Information:

That in (sic) or about 11th day of February [2005], in the City of Las Piñas, Philippines, and within the jurisdiction of this Honorable Court, the above named-accused, conspiring and confederating together and both of them mutually helping and aiding one another, with intent to

¹ Rollo, pp. 8-35.

² Penned by Associate Justice Japar B. Dimaampao, with Associate Justices Franchito N. Diamante and Carmelita Salandanan-Manahan, concurring; id. at 61-71.

³ Id at 73-74.

Y

gain, by means of false pretenses or fraudulent acts executed prior to (sic) or simultaneously with the (sic) commission of the (sic) fraud, did then and there willfully, unlawfully and feloniously defraud the complainant one JOEL P. LONGARES amounting to THREE MILLION FIVE HUNDRED THOUSAND (Php 3,500,000.00) PESOS, Philippine Currency, committed in the following manner to wit:

That the accused EVEDIN VERGARA introduced the other accused MARCELINO B. MAGALONA to the complainant and convinced the complainant to grant a loan in favor of MARCELINO MAGALONA in the amount of Php 3,500,000.00, that the accused EVEDIN VERGARA assured the complainant that the other Accused MARCELINO MAGALONA has the capacity to pay the loan and had several real estate properties which were given as security for the loan, to wit: Cityland property described as a condominium unit covered by CCT No. 17533 at Wack-Wack Road, Mandaluyong City, Transfer of Certificate of Title Nos. T-220998 and T-334802 issued by the Registry of Deeds of the Province of Rizal, which they represented to be registered under the name of Accused MARCELINO B. MAGALONA, who allegedly has valid Title and ownership over the said Rizal Properties, but they knew fully well that the said representations were false because the Accused MARCELINO B. MAGALONA was not authorized by the real registered owner of Wack-Wack City land property as security or collateral for any credit or loan, and that the Transfer Certificates of Title Nos. T-220998 and T-334802 issued by the Registry of Deeds of the Province of Rizal were spurious documents, that by virtue of said representations, complainant granted a loan in favor of MARCELINO MAGALONA in the amount of Php 3,500,000.00, who, once in possession of the money, misappropriated, misapplied and converted the same for their personal use and benefit, despite repeated demands failed and refused to pay the said amount of Php 3,500,000.00 to the damage and prejudice of the Complainant in the aforesaid amount of Php 3,500,000.00.

CONTRARY TO LAW.⁴

On arraignment, only petitioner entered a plea of Not Guilty as Evedin was still at large. Pre-trial and trial then ensued.

During Pre-trial, the following were stipulated upon by the parties: 1) existence of the Counter-Affidavit of the petitioner; 2) existence of the Counter-Affidavit executed by the petitioner together with the Reply-Affidavit executed by private complainant Joel Longares (Joel); 3) existence of Transfer Certificates of Title (TCT) Nos. 220998 and 334802 registered in the name of Petitioner; and 4) existence of the Deed of Absolute Sale dated December 8, 1970 between Irene Escusora and Marcelino Magalona.⁵

As culled from the records, the prosecution's version of facts are as follows:

⁴ Id. at 45-46.

⁵ Id. at 62-63.

Y

Evedin was the Account Officer of Equitable-PCI Bank (EPCIB) Philam Branch, Las Piñas (EPCIB). For several years, she handled and managed the Peso/Dollar account of Joel. Sometime in February 2005, Evedin asked Joel if he could extend a loan to her friend, Petitioner, for a project in Binangonan, Rizal. The said loan would be secured by real properties located in Wack-Wack and Binangonan. Joel was given the assurance that the loan would be paid with interest within three months or a maximum of six months. Joel, however, found out that the condominium in Wack-Wack was owned by one Timothy Sycip (Timothy). Evedin assured that petitioner was authorized to use the condominium as collateral, that petitioner is a good person and a family friend, and that she will be responsible with petitioner. Evedin likewise informed Joel that there is another property in Binangonan that will secure the loan.

Thus, Joel agreed to extend the loan in the amount of ₱3,500,000.00 in favor of petitioner, payable within a period of six months from February 11, 2005, until August 11, 2005, with interest at the rate of 10% per month. After three months, Joel followed up the payment of the loan, but Evedin replied that petitioner could not pay the loan yet. Despite subsequent repeated follow-ups, the loan remained unpaid. The parties then arranged a meeting where petitioner presented to Joel two properties in Binangonan under his name and covered by TCT Nos. 220998 and 334802 as collaterals. Petitioner also convinced him anew to join in the development of these properties, assuring him that he would pay him after the development thereof and that part of the same would be given as payment of the loan.

Joel, however, found out that TCT Nos. 220998 and 334802 covering the Binangonan properties, and registered under the name of petitioner were fake and spurious. He likewise discovered that petitioner was never authorized by Timothy to mortgage the condominium unit in Wack-Wack. Thus, on September 17, 2005, Joel demanded the payment of the principal amount and interest of the loan amounting to ₱5,950,000.00. His demand however, was unheeded.⁶

The Defense, on the other hand, alleged the following facts:

Petitioner alleged that he met Evedin through his Pastor whose sibling is the husband of the latter. In January 2005, at EPCIB, petitioner told Evedin that his boss, Paul Sycip (Paul), the father of Timothy wanted to mortgage his condominium in Wack-Wack for ₱1,500,000.00. Evedin later informed him that she wanted to see the certified true copy of the title of the condominium unit, as well as the unit itself. In the first week of February 2005, petitioner, Evedin and Joel inspected the condominium unit. A week later, Evedin informed petitioner that the loan was approved and instructed petitioner to prepare a Special Power of Attorney (SPA) in favor of Joel.

⁶ Id. at 63-64.

V

When the necessary papers were ready, Evedin and petitioner met at EPCIB. Tessie Daez (Tessie), whom Paul authorized to mortgage the condominium unit, also arrived. Evedin examined the two SPAs in favor of Tessie and Joel, as well as the certified true copy of the title of the condominium unit. Since Tessie did not bring the original duplicate copy of the title, Evedin released only ₱1,200,000.00 to the former. After Tessie left, Evedin made petitioner sign on a blank one-half sheet of bond paper. The following day, Tessie brought the original duplicate copy of the title. Thus, the remaining ₱300,000.00 was given to petitioner, who, in turn, handed it to Paul.

In June 2005, Evedin requested a meeting with petitioner. Petitioner brought his wife and a neighbor, who was a real estate agent, to the meeting, while Joel was with his lawyer, Atty. Dela Vega. Evedin, on the other hand, was accompanied by her husband. At the said meeting, the development of petitioner's property in Binangonan was discussed. Petitioner proposed that before Joel could develop the Binangonan property, he should first give a cash out equivalent to 10% to 15% of the total amount, or around ₱10,000,000. Joel agreed, but said he would get the money from the loan payment of Paul. Joel then instructed Atty. Dela Vega to make petitioner sign a Promissory Note, wherein he undertook to pay the loan of Paul. Upon Joel's assurance that he would be the mortgagee of the subject condominium unit, petitioner signed the Promissory Note. The spaces for the name, address, and amount were, however, left blank. Since the project did not push through, petitioner was surprised that a case was filed against him.⁷

Ruling of the RTC

In the Judgment dated September 10, 2014,⁸ the RTC found petitioner guilty beyond reasonable doubt for the crime of Other Deceits under Article 318 of the Revised Penal Code (RPC), which, according to the RTC, is included in the offense charged.

The dispositive portion thereof reads:

IN THE LIGHT OF ALL THE FOREGOING, judgment is hereby rendered finding the accused Marcelino B. Magalona GUILTY for the crime of Other Deceits under Article 318 of the Revised Penal Code. Accordingly, accused Marcelino B. Magalona is hereby sentenced to suffer the straight penalty of imprisonment of six (6) months of arresto mayor and to indemnify and pay complainant Joel P. Longares the amount of Php 300, 000.00 representing the money that the complainant had parted.

Let this case be archived as against accused Evedin Vergara pending her arrest.

⁷ Id. at 64-65.

⁸ Id. at 45-59.

Y

SO ORDERED.⁹

Joel filed a Motion for Partial Reconsideration of this Judgment, praying that the above Judgment be reconsidered and that petitioner be found civilly liable for the payment of the amount of ₱3,500,000.00 plus interest, liquidated damages and attorney's fees.

Petitioner, on the other hand, filed a Motion for Reconsideration seeking the reversal of the Judgment dated September 10, 2014.

The RTC, in its Order dated March 12, 2015, denied Petitioner's Motion for lack of merit. It, however, granted the Partial Motion for Reconsideration filed by Joel. The dispositive portion of this Order states:

WHEREFORE, premises considered, the instant Motion for Reconsideration and its Supplement filed by the accused Marcelino B. Magalona, through counsel, is hereby **DENIED** for *lack of merit*.

On the other hand, the Partial Motion for Reconsideration filed by private complainant Joel Longares, through counsel, is hereby **GRANTED** for being impressed with merit.

Accordingly, the Decision, dated September 10, 2014, is hereby **PARTIALLY MODIFIED** in so far as the civil aspect of the judgment is concerned. Accused Marcelino B. Magalona is hereby ordered to indemnify and pay complainant Joel P. Longares the amount of ₱3,500,000.00 representing the money that the complainant had parted to the accused as evidenced by receipts and other documentary pieces of evidence. The Promissory Note was also signed by the accused Marcelino B. Magalona acknowledging to have received the said amount of ₱3,500,000.00 as loan from complainant Joel Longares.

SO ORDERED.¹⁰

Aggrieved, petitioner elevated the matter to the CA, ascribing error upon the RTC for finding him guilty of the crime of Other Deceits and for increasing his liability to Joel from ₱300,000.00 to ₱3,500,000.00.

Ruling of the CA

The CA affirmed the conviction of petitioner of the crime of Other Deceits under paragraph 1 of Article 318 of the RPC. According to the CA, petitioner could not be convicted of Estafa as the pieces of evidence show that it was Evedin, not petitioner, who instigated the deception. Joel had already agreed to release the loan to petitioner even before the latter had shown him the titles to his Binangonan property. Nevertheless, the CA ruled that petitioner participated in the dupery as he led Joel to believe that he had

⁹ Id. at 59.

¹⁰ Id. at 66-67.

Y

real estate in Binangonan and had the capacity to pay the subject loan. The CA likewise affirmed the civil liability of petitioner in the amount of ₱3,500,000.00 since it was duly proven by the Promissory Note signed by him, and by his admission of the existence of the Acknowledgment Receipt. Thus, the CA disposed the case in this wise:

WHEREFORE, the *Appeal* is hereby **DENIED**. The *Judgment* dated 10 September 2014 of the Regional Trial Court of Las Piñas, Branch 202, in Criminal Case No. 09-0884, is **AFFIRMED AS MODIFIED** by the *Order* dated 12 March 2015.

SO ORDERED.¹¹

Petitioner sought the reconsideration of this Decision, but the CA, in the Resolution dated January 13, 2017, denied his motion for failing to advance substantial arguments or establish clear and compelling grounds that would justify the CA to reverse its Decision.

Hence, this petition raising the following errors:

I.

THE COURT OF APPEALS GRAVELY ERRED IN RULING THAT THE ELEMENTS OF THE CRIME OF OTHER DECEITS AS DEFINED AND PENALIZED UNDER ARTICLE 318 OF THE REVISED PENAL CODE ARE ATTENDANT IN THE PRESENT CASE.

II.

THE COURT OF APPEALS GRAVELY ERRED IN SUSTAINING WITHOUT JUDICIOUSLY DISCUSSING THE TRIAL COURT'S ORDER INCREASING PETITIONER'S LIABILITY FROM P300,000.00 TO P3,500,000.00 INSTEAD OF EXONERATING HIM FROM CIVIL LIABILITY.

Petitioner argues that the prosecution failed to adduce proof beyond reasonable doubt demonstrating the concurrence of the elements of the crime of Other Deceits. He maintains that he employed neither deceit nor pretense prior to, or simultaneously with the commission of the fraud which constitutes the very cause for Joel to part with his money. He points out that Joel admitted that were it not for Evedin's representation that petitioner can pay the loan, he would not have agreed to loan his money to the latter, and that Joel was already convinced to release the loan before his first meeting with him. Petitioner further maintains that assuming *arguendo* that he committed deceit or pretense by making Joel believe that he had real property in Binangonan and by signing the Promissory Note, such actuations do not appear to have been committed prior to, or simultaneously with the

¹¹ Id. at 70.

✓

commission of the fraud. Moreover, he claims that the Binangonan property was offered as collateral only after Joel released the loan to Eviden.

Petitioner also contends that he ought to be exonerated from any civil liability as he should be acquitted on the ground that he is not the author of the act or omission complained of.

The Court's Ruling

We deny the Petition.

As a rule, only questions of law are entertained in Petition for Review under Rule 45, and only in exceptional circumstances has the Court entertained questions of facts.¹² A question of fact exists when “the doubt or difference arises as to the truth or falsehood of facts or when the query invites calibration of the whole evidence considering mainly the credibility of the witnesses, the existence and relevance of specific surrounding circumstances, as well as their relation to each other and to the whole, and the probability of the situation.”¹³

Section 1, Rule 45 of the Rules of Court provides:

SEC. 1. Filing of petition with Supreme Court. — A party desiring to appeal by *certiorari* from a judgment, final order or resolution of the Court of Appeals, the Sandiganbayan, the Court of Tax Appeals, 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 may include an application for a writ of preliminary injunction or other provisional remedies and shall raise only questions of law, which must be distinctly set forth. The petitioner may seek the same provisional remedies by verified motion filed in the same action or proceeding at any time during its pendency.

The Court may review factual issues if any of the following is present:

- (1) [W]hen the findings are grounded entirely on speculation, surmises or conjectures;
- (2) when the inference made is manifestly mistaken, absurd or impossible;
- (3) when there is grave abuse of discretion;
- (4) when the judgment is based on a misapprehension of facts;
- (5) when the findings of facts are conflicting;
- (6) when in making its findings the Court of Appeals went beyond the issues of the case, or its findings are contrary to the admissions of both the appellant and the appellee;
- (7) when the findings are contrary to the trial court;
- (8) when the

¹² *Century Iron Works, Inc. v. Banas*, 711 Phil. 576, 585 (2013).

¹³ *Lacson v. MJ Lacson Development Co., Inc.*, 652 Phil. 34, 47 (2010).

f

findings are conclusions without citation of specific evidence on which they are based; (9) when the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondent; (10) when the findings of fact are premised on the supposed absence of evidence and contradicted by the evidence on record; and (11) when the Court of Appeals manifestly overlooked certain relevant facts not disputed by the parties, which, if properly considered, would justify a different conclusion.¹⁴


The Court has consistently ruled that the factual findings of the CA affirming those of the trial court are final and conclusive, and they cannot be reviewed by the Court which has jurisdiction to rule only on questions of law in petitions to review decisions of the CA filed before the Court except when the above circumstances apply.¹⁵

The determination of whether the elements of the crimes charged exist pertains to question of facts as this requires the recalibration of the whole evidence presented, which the Court may only entertain under the above enumerated circumstances. Petitioner, however, failed to establish that this case falls under any of the exceptions. On this score alone, this Petition should be denied.

Finally, conformably with *Nacar vs. Gallery Frames*,¹⁶ an interest at the rate of 6% per annum is imposed upon the monetary award from the finality of this decision until full satisfaction.

WHEREFORE, the instant Petition is **DENIED**. The Decision dated August 26, 2016 and Resolution dated January 13, 2017, issued by the Court of Appeals in CA-G.R. CR No. 37514 are **AFFIRMED with MODIFICATION** in that the monetary award shall earn interest at the rate of 6% per annum from the date of finality of this Decision until full payment

SO ORDERED.

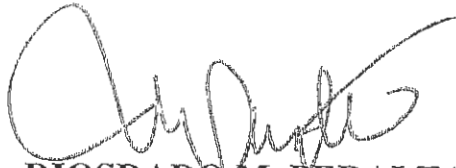

JOSE C. REYES, JR.
Associate Justice

¹⁴ *Kim Liong v. People*, G.R. No. 200630, June 4, 2018.

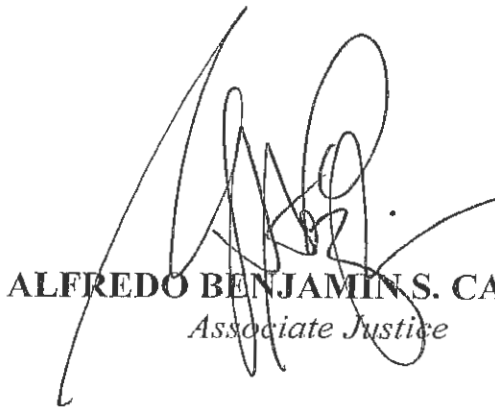
¹⁵ *Republic v. Saromo*, G.R. No. 189803, March 14, 2018.

¹⁶ *Supra* note 4.

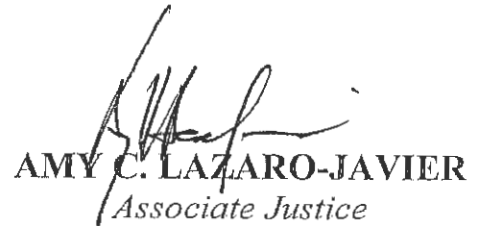
WE CONCUR:



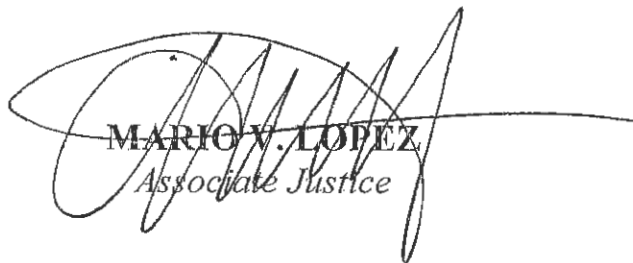
DIOSDADO M. PERALTA
Chief Justice
Chairperson



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice



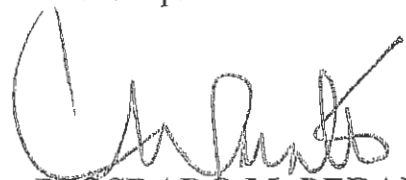
AMY C. LAZARO-JAVIER
Associate Justice



MARIO V. LOPEZ
Associate Justice

CERTIFICATION

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



DIOSDADO M. PERALTA
Chief Justice