RAMONA BARRERA, REPRESENTED BY HER ATTORNEY-IN-FACT MA. ZENAIDA V. REYES, PLAINTIFF-APPELLEE, VS. ESTRELLA C. BELLOS AND MARICEL C. ABARISO, DEFENDANTS-APPELLANTS.

Ponente: ANTONIO-VALENZUELA, J.

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ANTONIO-VALENZUELA, J.:

This is the appeal from the Decision[1] dated 23 November 2011 ("assailed Decision") of the Regional Trial Court, Branch 93, San Pedro, Laguna ("RTC") in Civil Case No. SPL-1195 seeking to invalidate a real estate mortgage.

The facts are as follows: Ramona Barrera (represented by her attorney-in-fact Ma. Zenaida V. Reyes; "plaintiff-appellee Barrera") filed the verified Complaint[2] before the RTC, docketed as Civil Case Number SPL-1195, against Estrella Bellos ("defendant-appellant Bellos") and Maricel C. Abariso ("defendant Abariso").

The verified Complaint alleged: plaintiff-appellee Barrera was the registered owner of the parcel of land with an area of 500 square meters, located in Barangay Landayan, San Pedro, Laguna, covered by TCT No. T-87843 ("subject property");[3] plaintiff-appellee Barrera kept the duplicate of the owner's copy of TCT No. T-87843 inside a cabinet in her house built on the subject property; in August 2006, defendant-appellant Bellos, together with several unidentified persons, went to the subject property, and informed plaintiff-appellee Barrera that the subject property was mortgaged to defendant-appellant Bellos, and that if plaintiff-appellee Barrera failed to pay the P70,000.00 loan with interest, then amounting to a total of P180,000.00, the structures built on the subject property would be demolished; plaintiff-appellee Barrera denied that the subject property had been mortgaged and explained that she kept TCT No. T-87843 inside her cabinet; however, when plaintiff-appellee Barrera searched for TCT No. T-87843 to show it to defendant-appellant Bellos, she could not find it; plaintiff-appellee Barrera presumed that her granddaughter, defendant Abariso, stole TCT No. T-87843, and gave it to defendant-appellant Bellos as collateral for the P70,000.00 loan; defendant Abariso used to live in the home of plaintiff-appellee Barrera, but later left to work overseas, several months prior to August 2006; the Deed of Real Estate Mortgage dated 19 August 2005 ("Deed of Real Estate Mortgage"),[4] shows that plaintiff-appellee Barrera mortgaged the subject property as security for the loan of P70,000.00 obtained from defendant-appellant Bellos; the Deed of Real Estate Mortgage was presented to the Registry of Deeds of Calamba, Laguna, and inscribed at the back of TCT No. T-87843 under Entry No. 762447 dated 30 May 2006 in the name of defendant-appellant Bellos;[5] the Deed of Real Estate Mortgage was void because it was a falsified document; the thumbmark appearing on the space above the name "RAMONA BARRERA" on the second page of the Deed of Real Estate Mortgage, was not the thumbmark of plaintiff-appellee Barrera, and plaintiff-appellee Barrera did not appear before the notary public of Marikina City to personally acknowledge the Deed of Real Estate Mortgage; the defendant-appellant Bellos and defendant Abariso were guilty of bad faith when they connived and prepared the Deed of Real Estate Mortgage with the forged thumbmark of plaintiff-appellee Barrera; defendant-appellant Bellos refused to return the TCT No. T-87843 to plaintiff-appellee Barrera unless the latter paid P180,000.00; the plaintiff-appellee Barrera has made earnest efforts to communicate with defendant Abariso, to settle the debt, but defendant Abariso

could not be located.

The Complaint prayed that the RTC: declare the Deed of Real Estate Mortgage dated 19 August 2005 as void; order the cancellation of Entry No. 762447 in TCT No. T-87843; order defendants (solidarily), to pay plaintiff-appellee Barrera damages.

Defendant-appellant Bellos filed the verified Answer with Compulsory Counterclaim and Cross-Claim.[6] The Answer with Compulsory Counterclaim and Cross-Claim alleged: the plaintiff-appellee Barrera was the registered owner of the subject property covered by TCT No. T-87843; in August 2006, defendant-appellant Bellos informed plaintiff-appellee Barrera that the subject property was mortgaged to her, and that the mortgage had been foreclosed for non-payment of the loan; defendant-appellant Bellos refused to return the TCT No. T-87843 to plaintiff-appellee Barrera, because the latter had mortgaged the subject property to her, under Deed of Real Estate Mortgage dated 19 August 2005; defendant Abariso borrowed P70,000.00 from defendant-appellant Bellos, and as collateral for the loan, defendant Abariso mortgaged the subject property to defendant-appellant Bellos; defendant-appellant Bellos prepared the Deed of Real Estate Mortgage, and then asked defendant Abariso to bring plaintiff-appellee Barrera to meet with defendant-appellant Bellos, to sign the Deed of Real Estate Mortgage; defendant Abariso in turn told defendant-appellant Bellos that she would instead bring the documents to plaintiff-appellee Barrera in Laguna; defendant-appellant Bellos agreed, and thus she signed the Deed of Real Estate Mortgage, and then she gave the Deed of Real Estate Mortgage to defendant Abariso; defendant Abariso signed the Deed of Real Estate Mortgage as a witness attesting to the fact that plaintiff-appellee Barrera signed the Deed of Real Estate Mortgage in her presence; defendant Abariso gave defendant-appellant Bellos the signed and notarized Deed of Real Estate Mortgage, and the TCT No. T-87843, while defendant-appellant Bellos gave defendant Abariso the P70,000.00, and later defendant-appellant Bellos caused the annotation of the Deed of Real Estate Mortgage on TCT No. T-87843, and her actions were in good faith and at the time of the inscription she did not know that TCT No. T-87843 was lost; plaintiff-appellee Barrera never told defendant-appellant Bellos of the alleged theft of TCT No. T-87843, but instead she pleaded that defendant-appellant Bellos allow her to pay the loan; if the signature of plaintiff-appellee Barrera on the Deed of Real Estate Mortgage was falsified, this showed a connivance between plaintiff-appellee Barrera, and defendant Abariso, to defraud defendant-appellant Bellos.

Defendant-appellant Bellos, as compulsory counterclaim, prayed for the award of damages as against the plaintiff-appellee Barrera.

Defendant-appellant Bellos, on the cross-claim against defendant Abariso, claimed that since it was defendant Abariso who received the loan of P70,000.00, in case judgment be favorable to the plaintiff-appellee Barrera, such liability should be directed to defendant Abariso.

In the Order dated 1 August 2007,[7] the RTC declared defendant Abariso in default for her failure to file Answer.

Pre-trial was conducted and terminated.

Trial proceeded.

The following persons testified for the plaintiff-appellee Barrera: plaintiff-appellee Barrera; and Carmelita Castillo (daughter of plaintiff-appellee Barrera). The evidence for plaintiff-appellee Barrera is summarized thus: plaintiff-appellee Barrera is the registered owner of the subject property; plaintiff-appellee Barrera kept TCT No. T-87843[8] inside a cabinet in her home built on the subject property;[9] on 3 August 2006, defendant-appellant Bellos went to the home of plaintiff-appellee Barrera, looking for defendant Abariso,[10] but defendant Abariso was not there because she had been in another country since November 2005[11] (this was the first time that

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plaintiff-appellee met defendant-appellant Bellos);[12] defendant-appellant Bellos made a demand for the payment of a loan in the total sum of P180,000.00, representing the principal of P70,000.00 plus interest; plaintiff-appellee Barrera searched for TCT No. T-87843, but she did not find it; defendant-appellant Bellos threatened plaintiff-appellee Barrera that if she did not pay the P180,000.00, defendant-appellant Bellos would have the structures built on the subject property demolished;[13] plaintiff-appellee Barrera proposed to pay the P180,000.00 to defendant-appellant Bellos in installments[14] but defendant-appellant Bellos did not accept the proposal;[15] plaintiff-appellee Barrera had not given defendant Abariso TCT No. T-87843, to sell or mortgage the subject property;[16] plaintiff-appellee Barrera made a demand on defendant-appellant Bellos to return the TCT No. T-87843 to her, but defendant-appellant Bellos refused, because according to defendant-appellant Bellos, defendant Abariso had mortgaged the subject property to her;[17] the plaintiff-appellee Barrera, through her daughter Carmelita Castillo, filed a complaint with the barangay court against defendant Abariso, for taking the TCT No. T-87843, and mortgaging the subject property without her consent;[18] the Deed of Real Estate Mortgage was a falsified document, (i.e. plaintiff-appellee Barrera did not affix her thumbmark on the space above “RAMONA BARRERA,”[19] the thumbmark appearing on the Deed of Real Estate Mortgage dated 19 August 2005[20] was not her thumbmark, per the National Bureau of Investigation Technical Investigation/ Identification Report FP Case No. 2009-27 dated 22 June 2009;[21] a visual comparison of the plaintiff-appellee Barrera's thumbmark on her Community Tax Certificate for 2006 dated 8 August 2006,[22] and the thumbmark appearing on the Deed of Real Estate Mortgage, showed that the two thumbmarks were different; plaintiff-appellee Barrera did not go to Marikina City on 19 August 2005, to personally acknowledge the Deed of Real Estate Mortgage),[23] and plaintiff-appellee Barrera did not mortgage the subject property as collateral for any loan; plaintiff-appellee Barrera learned only in August 2006, that on 30 May 2006, the Deed of Real Estate Mortgage was annotated at the back of TCT No. T-87843 on 30 May 2006;[24] plaintiff-appellee Barrera could not eat or sleep because defendant-appellant Bellos refused to return the TCT No. T-87843;[25] defendant-appellant Bellos should be made to pay P50,000.00 as moral damages to plaintiff-appellee Barrera for her hurt feelings, and P50,000.00 as exemplary damages.[26]

Only defendant-appellant Bellos testified for herself. The evidence for defendant-appellant Bellos is summarized thus: defendant-appellant Bellos and defendant Abariso had a loan agreement for P70,000.00, secured by a mortgage on subject property;[27] defendant-appellant Bellos did not inspect the subject property before agreeing to lend P70,000.00 to defendant Abariso;[28] defendant Abariso prepared the Deed of Real Estate Mortgage[29] to evidence the loan, and the subject property was the security for the loan;[30] when defendant Abariso gave defendant-appellant Bellos the Deed of Real Estate Mortgage, the thumbmark above the name “RAMONA BARRERA” was already on the document;[31] defendant Abariso told defendant-appellant Bellos that plaintiff-appellee Barrera could not come in person during the notarization of the Deed of Real Estate Mortgage, because she was very sick, and this was the reason why defendant Abariso was borrowing money;[32] despite the lack of a written authorization from plaintiff-appellee Barrera to mortgage the subject property, defendant-appellant Bellos gave defendant Abariso the P70,000.00;[33] the Deed of Real Estate Mortgage was annotated at the back of TCT No. T-87843;[34] defendant Abariso and defendant-appellant Bellos agreed that defendant Abariso would pay the loan within one year, but defendant Abariso did not pay the loan;[35] when the loan became due without any payment, defendant-appellant Bellos told plaintiff-appellee Barrera to pay the principal amount of P70,000.00 even without the interest, but plaintiff-appellee Barrera refused to pay;[36] in August 2006, defendant-appellant Bellos went to the house of Zenaida Reyes, one of the daughters of plaintiff-appellee Barrera,[37] and Zenaida offered to pay the loan, by giving plaintiff-appellee Barrera a microwave oven and other appliances, but defendant-appellant Bellos refused;[38] defendant-appellant Bellos did not threaten plaintiff-appellee Barrera.[39]

On 23 November 2011, the RTC issued the assailed Decision.[40] The dispositive portion of the Decision read:

> Consequently, judgment is favor of plaintiff Ramona Barrera hereby declaring the Deed of Absolute Sale dated August 11, 2005 as void ab initio and of no legal effect. The Register of Deeds of Calamba, Laguna is hereby directed to cause the cancellation of Entry No. 762447 at the back of TCT No. T-87843. Defendant Estrella Bellos is likewise directed to pay plaintiff moral damages and exemplary damages both in the amount of P50,000.00.
>
> SO ORDERED.

Thus, this appeal, defendant-appellant Bellos making the following assignment of errors:

> I. WHETHER THE COURT A QUO ERRER (sic) IN NOT FINDING THAT DEFENDANT ESTRELLA BELLOS IS IN GOOD FAITH IN ENTERING INTO A CONTRACT OF MORTGAGE AND THEREFORE SHOULD NOT BE ORDERED TO PAY ANY MORAL OR EXEMPLARY DAMAGES.
>
> II. WHETHER OR NOT THE COURT A QUO ERRED IN NOT FINDING THAT MARICEL ABARISO SHOULD BE ORDERED TO PAY FOR WHATEVER DAMAGES SUFFERED BY HEREIN DEFENDANT BELLOS DUE TO THE FILING OF THE INSTANT COMPLAINT IN THE EVENT THAT A FAVORABLE JUDGEMENT BE GRANTED IN FAVOR OF THE PLAINTIFF. IN SHORT, DEFENDANT MARICEL ABARISO SHOULD SHOULDER DAMAGES INCURRED BY PLAINTIFF AND DEFENDANT ESTRELLA BELLOS.
>
> III. WHETHER OR NOT THE COURT A QUO ERRED IN NOT FINDING THAT CONSIDERING THAT THE CONTRACT OF MORTGAGE IS VOID THE PLAINTIFF AND DEFENDANT MARICEL ABARISO SHOULD JOINTLY AND SEVERALLY REIMBURSE THE SEVENTY THOUSAND PESOS (P70,000.00) BORROWED FROM ESTRELLA BELLOS.

The issues are: 1) whether plaintiff-appellee Barrera and defendant Abariso are solidarily liable to defendant-appellant Bellos, in the amount of P70,000.00, representing the principal amount of the loan to defendant Abariso; 2) defendant-appellant Bellos is a mortgagee in good faith; and 3) whether defendant-appellant Bellos is liable to pay moral and exemplary damages.

APPELLANT'S BRIEF[41]

As to the first issue, the defendant-appellant Bellos answers in the affirmative. The plaintiff-appellee Barrera and defendant Abariso are solidarily liable to defendant-appellant Bellos in the amount of P70,000.00, representing the principal amount of the loan to defendant Abariso.

The Appellant's Brief[42] thrusts: defendant Abariso defrauded defendant-appellant Bellos by obtaining the P70,000.00 loan with the use of the stolen TCT No. T-87843; the RTC declared the contract between the defendant Abariso and defendant-appellant Bellos void, hence, plaintiff-appellee Barrera should return the P70,000.00 to defendant-appellant Bellos; defendant Abariso, the granddaughter of the plaintiff-appellee Barrera, would be unjustly enriched if the P70,000.00 would not be returned to defendant-appellant Bellos.

Regarding the second issue, the defendant-appellant Bellos answers in the affirmative. The defendant-appellant Bellos is a mortgagee in good faith.

The Appellant's Brief[43] thrusts: defendant-appellant Bellos did not know the TCT No. T-87843 was stolen or taken without the consent of plaintiff-appellee Barrera; plaintiff-appellee Barrera admitted in the complaint that she learned of the mortgage when defendant-appellant Bellos went to the subject property in August 2006; defendant-appellant Bellos acted in good faith because she did not immediately foreclose the subject property;

defendant-appellant Bellos did not prepare the Deed of Real Estate Mortgage; defendant Abariso gave the Deed of Real Estate Mortgage to defendant-appellant Bellos with the thumbmark of plaintiff-appellee Barrera, and signatures of the witnesses, already affixed on it; defendant-appellant Bellos is not interested in the subject property; defendant-appellant Bellos acted in good faith because she asked plaintiff-appellee Barrera to pay only P70,000.00, representing the principal amount of the loan obtained by her granddaughter defendant Abariso.

Anent the third issue, the defendant-appellant Bellos answers in the negative. The defendant-appellant Bellos is not liable to pay moral and exemplary damages.

The Appellant's Brief[44] thrusts: since defendant-appellant Bellos is a mortgagee in good faith, there is no basis to rule that she is liable to plaintiff-appellee Barrera in the amount of P50,000.00, representing moral damages, and P50,000.00, representing exemplary damages; there is no basis to order defendant-appellant Bellos to pay moral damages because it was the acts of defendant Abariso in stealing the TCT No. T-87843, and preparing the Deed of Real Estate Mortgage, that caused the suffering of plaintiff-appellee Barrera, and not the acts of defendant-appellant Bellos; defendant-appellant Bellos is a victim of defendant Abariso because defendant-appellant Bellos lent defendant Abariso the P70,000.00, but defendant Abariso did not pay it back to defendant-appellant Bellos.

BRIEF FOR THE PLAINTIFF-APPELLEE[45]

As to the first issue, the plaintiff-appellee Barrera answers in the negative. The plaintiff-appellee Barrera and defendant Abariso are not solidarily liable to defendant-appellant Bellos in the amount of P70,000.00, representing the principal amount of the loan of defendant Abariso. There is no basis to hold plaintiff-appellee Barrera liable under the alleged loan.

The Brief for the Plaintiff-Appellee[46] parries: TCT No. T-87843 is registered in the name of plaintiff-appellee Barrera; the Deed of Real Estate Mortgage is void and not binding on plaintiff-appellee Barrera because it is a falsified document (i.e., plaintiff-appellee Barrera never consented to the use of the subject property as collateral for the loan of defendant Abariso; plaintiff-appellee Barrera never participated in the execution of the Deed of Real Estate Mortgage; the thumbmark appearing on the Deed of Real Estate Mortgage above the name “RAMONA BARRERA” is not the thumbmark of plaintiff-appellee Barrera; plaintiff-appellee Barrera also did not appear before the notary public of Marikina City where the Deed of Real Estate Mortgage was allegedly acknowledged; plaintiff-appellee Barrera did not authorize defendant Abariso to mortgage the subject property), hence, there is no basis for plaintiff-appellee Barrera to pay P70,000.00 to defendant-appellant Bellos, and retain possession of TCT No. T-87843.

Regarding the second issue, the plaintiff-appellee Barrera answers in the negative. The defendant-appellant Bellos is not a mortgagee in good faith.

The Brief for the Plaintiff-Appellee[47] parries: defendant-appellant Bellos and defendant Abariso are guilty of evident bad faith by conniving with one another in falsifying the Deed of Real Estate Mortgage, by making it appear that plaintiff-appellee Barrera participated in its execution; defendant-appellant Bellos testified that she agreed to give a loan of P70,000.00 to defendant Abariso, and the security for the loan was the subject property covered by TCT No. T-87843, registered in the name of plaintiff-appellee Barrera; defendant-appellant Bellos is not a mortgagee in good faith because she did not exercise prudence in investigating whether defendant Abariso was authorized by the registered owner, plaintiff-appellee Barrera, to mortgage the subject property covered by TCT No. T-87843.

Anent the third issue, the plaintiff-appellee Barrera answers in the affirmative. The defendant-appellant Bellos is

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liable to pay moral damages and exemplary damages, to plaintiff-appellee Barrera.

The Brief for the Plaintiff-Appellee[48] parries: the defendant-appellant Bellos is liable to pay P50,000.00 as moral damages to plaintiff-appellee Barrera because the acts of defendant-appellant Bellos caused plaintiff-appellee Barrera to have sleepless nights and mental anguish; defendant-appellant Bellos is also liable to pay P50,000.00 as exemplary damages because she had the Deed of Real Estate Mortgage with the falsified thumbmark, notarized and annotated on TCT No. T-87843, which acts are socially deleterious, and should be deterred.

The defendant-appellant Bellos filed Reply Brief,[49] and reiterated the arguments in the Appellant's Brief.[50]

THE COURT'S RULING

As to the first issue, the Court rules in the negative. There is no basis to hold plaintiff-appellee Barrera and defendant Abariso solidarily liable to defendant-appellant Bellos, for the loan of P70,000.00.

The plaintiff-appellee Barrera, and the defendant-appellant Bellos, both admit that the loan in the amount of P70,000.00 was between the defendant Abariso (as debtor), and defendant-appellant Bellos (as creditor), and that it was defendant Abariso who received the proceeds of the loan.

Under Article 1953 of the New Civil Code,[51] it is the person who received the loan, who is bound to pay it. Since plaintiff-appellee Barrera was not party to the loan (but it was only defendant-appellant Bellos [as creditor] and defendant Abariso [as debtor] who were parties to it), only defendant Abariso is liable to pay the principal loan in the amount of P70,000.00.

Regarding the second issue, the Court rules in the negative. The defendant-appellant Bellos is not a mortgageee in good faith.

A “mortgagee in good faith” is a mortgagee who relies in good faith on what is written on the Torrens Certificate of Title, and hence, is not required to go beyond what appears on the face of the title.[52]

As a general rule, a mortgagee has a right to rely in good faith on the certificate of title of the mortgagor of the property given as security and in the absence of any sign that might arouse suspicion, has no obligation to undertake further investigation. Hence, even if the mortgagor is not the rightful owner of, or does not have a valid title to, the mortgaged property, the mortgagee in good faith is nonetheless entitled to protection.[53]

However, when a person who is not the registered owner, presents the certificate of title in the name of another, and gives it as security, the mortgagee is required to examine not only the certificate of title but all factual circumstances necessary for one to determine if there are any flaws in the title, or in the capacity to mortgage the land.[54] Every person dealing with an agent is put upon inquiry, and must discover upon his peril, the authority of the agent. If a person makes no inquiry, he is chargeable with knowledge of the agent's authority, and his ignorance of that authority will not be any excuse.[55]

In this case, defendant Abariso, who was not the registered owner of the subject property, gave the subject property as security for the P70,000.00 loan transaction with defendant-appellant Bellos. Thus, defendant-appellant Bellos should have scrutinized the TCT No. 87843 in the name of plaintiff-appellee Barrera, and all the other circumstances surrounding it, to check for flaws in the title, or in the defendant Abariso's authority to mortgage the subject property.

However, defendant-appellant Bellos did not comply with what a “mortgagee in good faith” should have done. Defendant-appellant Bellos did not verify the authority of defendant Abariso to use the subject property registered

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in the name of plaintiff-appellee Barrera, as security for the P70,000.00 loan. Defendant-appellant Bellos did not ask for a special power of attorney from defendant Abariso, or any document showing that the registered owner, plaintiff-appellee Barrera, authorized defendant Abariso to obtain the loan, and use the subject property as security. Defendant-appellant Bellos did not make any effort to meet with, and speak to plaintiff-appellee Barrera in person, to find out if plaintiff-appellee Barrera indeed authorized defendant Abariso to obtain the loan, and if plaintiff-appellee Barrera approved of the use of the subject property as security for the loan.

The failure of defendant-appellant Bellos to make further inquiry as to the authority of defendant Abariso to mortgage the subject property leads the Court to conclude that defendant-appellant Bellos was not a mortgagee in good faith.

Anent the third issue, the Court answers in the affirmative. The defendant-appellant Bellos is liable to pay moral damages and exemplary damages to plaintiff-appellee Barrera.

There is basis to award P50,000.00 as moral damages. Moral damages include physical suffering, mental anguish, fright, serious anxiety, besmirched reputation, wounded feelings, moral shock, social humiliation, and similar injury. Though incapable of pecuniary computation, moral damages may be recovered if they are the proximate result of the defendant's wrongful act or omission.[56] Considering the mental anguish, anxiety, and inability to eat or sleep of the plaintiff-appellee Barrera and, its causal relation to the defendant-appellant Bellos's acts, there was no error when the RTC awarded moral damages in the amount of P50,000.00.

Exemplary or corrective damages are imposed, by way of example or correction for the public good, in addition to the moral, temperate, liquidated or compensatory damages.[57] The award of exemplary damages is upheld to set an example and for the public good, and in addition to the moral damages awarded.

We DISMISS the appeal, and AFFIRM the Decision dated 23 November 2011 of the Regional Trial Court, Branch 93, San Pedro, Laguna.

IT IS SO ORDERED.

Veloso (Chairperson) and Lantion, JJ., concur.

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[1] C.A. Rollo, p. 10.

[2] Records, p. 2.

[3] Exhibit B, Records, p. 8.

[4] Exhibit C, Records, p. 9.

[5] Note at 3, supra.

[6] Records, p. 29.

[7] Records, p. 40.

[8] Exhibit B, Records, p. 8.

[9] T.S.N., 23 May 2008, p. 8.

[10] T.S.N., 27 June 2008, p. 4.

[11] Id. at p. 5.

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[12] Supra note 9, at p. 3.

[13] T.S.N., 27 March 2009, p. 3.

[14] Ibid.

[15] Supra note 10, at p. 10.

[16] Supra note 9, at p. 4.

[17] Id. at p. 6.

[18] Exhibit E, Records, p. 127.

[19] Supra note 9, at p. 4.

[20] Exhibit C, Records, p. 9.

[21] Exhibit D, Records, p. 113.

[22] Exhibit F, Records, p. 12.

[23] Supra note 9, at p. 5.

[24] Supra note 8.

[25] Supra note 9, p. 6.

[26] Ibid.

[27] T.S.N., 29 October 2010, p. 3.

[28] Id. at p. 8.

[29] Id. at p. 7.

[30] Id. at p. 4.

[31] Ibid.

[32] Id. at p. 5.

[33] Id. at p. 8.

[34] Supra note 32.

[35] Ibid.

[36] Id. at p. 6.

[37] Ibid.

[38] Ibid.

[39] Id. at p. 8.

[40] C.A. Rollo, p. 10.

[41] C.A. Rollo, p. 14.

[42] Ibid.

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[43] Ibid.

[44] Ibid.

[45] C.A. Rollo, p. 44.

[46] Ibid.

[47] Ibid.

[48] Ibid.

[49] C.A. Rollo, p. 62.

[50] C.A. Rollo, p. 14.

[51] ARTICLE 1953. A person who received a loan of money or any other fungible thing acquires the ownership thereof, and is bound to pay to the creditor an equal amount of the same kind and quality.

[52] Land Bank of the Philippines v. Poblete, G.R. No. 196577, 25 February 2013, citing Cavite Development Bank v. Lim, 381 Phil. 355 (2000).

[53] Ereña v. Kauffman, G.R. No. 165853, 22 June 2006, citing Cabuhat v. Court of Appeals, 418 Phil. 451, 460 (2001).

[54] San Pedro v. Ong, G.R. No. 177598, October 16, 2008, citing Abad v. Guimba, G.R. No. 157002, 29 July 2005.

[55] Ibid.

[56] New Civil Code (1950), Article 2217.

[57] Id. at Article 2229.

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