CARLOS CAJUCOM, SUBSTITUTED BY HIS CHILDREN, GENOVEVA CAJUCOM AND ALBERTO CAJUCOM, PLAINITFF-APPELLEE, VS. PRODUCERS RURAL BANK OF SAN JOSE CITY (N.E.), DEFENDANT-APPELLANT.

Ponente: CARANDANG, J.

Read online (full-text search, related cases, audio case brief): https://batas.org/library/ae0b4f4e90ff/

CARANDANG, J.:

Assailed in this appeal is the Decision[1] dated November 11, 2011 of the Regional Trial Court of Cabanatuan City, Branch 28, in Civil Case No. 4496.

On May 15, 2003, the late Carlos P. Cajucom instituted a Complaint[2] for Annulment of Mortgage, Foreclosure of Mortgage, Certificate of Sale with claim for Damages and Attorney's Fees against Producers Rural Bank of San Jose City (N.E.), Inc. and Spouses Virgilio Cajudom and Concordia Cajucom before the Regional Trial Court of Cabantuan City. The case involved a certain a parcel of land located at Ducut, Aliaga, Nueva Ecjia with an aggregate area of Twenty Six Thousand Four Hundred Seventy (26470) square meters.[3] The subject land was originally owned by the late Carlos Cajucom until its ownership was transferred to Producers Bank of San Jose City (N.E.), Inc., being the purchase at the auction sale conducted in a foreclosure proceeding initiated by the said bank. after Carlos failed to pay his loan obligation with the bank. Apparently, on August 14, 1997, Virgilio Cajucom, one of the three children of Carlos, through a Special Power of Attorney,[4] executed a Real Estate Mortgage[5] in favor of the bank mortgaging the subject property as security for a loan of P300,000.00.[6] When the loan was not paid on its date of maturity, the mortgage was foreclosed. At the subsequent public auction, the bank emerged as the highest bidder Thus, on August 15, 2001 the corresponding Certificate of Sale[7] was issued in its favor. The said Certificate of Sale was annotated at the back of TCT No. 80963.[8] The redemption period lapsed without the property being redeemed. It was only on July 13, 2007, during the pendency of the case, that the title of the land[9] was issued in favor of the bank.

Carlos, however, feigned knowledge of the mortgage. He disowned the Special Power of Attorney Virgilio used in mortgaging the property to Producers Bank of San Jose. He denied his signature thereon and claimed that it was forged. It turned out that sometime in 1996, Concordia Cajucom, the wife of Virgilio, borrowed the title of the property from Genoveva in order to determine the share of each of the children of Carlos in the property. Since Genoveva had no suspicion and doubt on the intention of Concordia, she readily gave and left the title of the property to the latter. It was only 1999, or three years thereafter, that Genoveva asked for the return of the title but Concordia kept on telling her that she will return the title soon. In 2000, however, their family was dismayed to discover that the property was mortgaged to Producers Rural Bank of San Jose City. By then, Virgilio and Concordia had left their locality and never came back.

Not wanting to lose the property, Carlos flied the Complaint on May 15, 2003, against Producers Rural Bank of San Jose City and spouses Virgilio and Concordia Cajucom. In the course of the proceeding of the case, Carlos died and was substituted as plaintiff by his other other children: Genoveva Cajucom Ramos and Alberto Cajucom.

To prove that the signature of Carlos in the Special Power of Attorney used by Virgilio in mortgaging the subject property is forged, Genoveva was presented to the witness stand. She claimed that her father did not execute the said Special Power of Attorney. She asserted that she is familiar with the signature of her father as she usually see him sign documents when he was still alive. She pointed out that the signature of their father appearing in the said SPA was a forgery as the same is markedly different from the real signature of Carlos. Her father never write his middle initial "P" in his signature unlike the signature in the SPA.

The plaintiffs also sought the examination of the Special Power of Attorney thru Wendell S. Miralles of the Questioned Document Division of the National Bureau of Investigation (NBI). Ultimately in Questioned Documents Report No.388-307[10] dated October 11, 2007, after comparison of the disputed signature in the SPA with the the late Carlos Cajucom's signature in other documents,[11] the National Bureau of Investigation concluded that "The questioned and standard/sample signatures CARLOS P. CAJUCOM were NOT WRITTEN by one and the same person."

On the other hand, to prove the due execution of the SPA, the defendant bank presented Atty. Carlos Y. Federizo, the notary public who notarized the said document. Atty. Federizo testified that it was his practice to require the persons appearing before him to show their identification papers and ask them about their identification. However, while the signature of the notary in the SPA appeared to be his handwriting, he cannot exactly say certainly that the person named in the SPA personally appeared before him because it happened many years ago before his testimony.

A representative from the bank, Rosita Reyes, also testified as to the existence of the loan made under the name of late Carlos Cajucom by spouses Virgilio and Concordia Cajucom. She identified the Special Power of Attorney[12] used by spouses Virgilio and Concordia Cajucom as well as the Promissory Note signed by Virgilio and Concordia,[13] as well as the Real Estate Mortgage.[14] According to her, the borrowers failed to settle their obligation with the bank even after several demands to pay necessitating the bank to foreclose the real estate mortgage. She admitted though that she never met the late Carlos Cajucom and that she only based her testimony on what she had seen on the documents which she had no personal knowledge as to their execution.

On November 22, 2011, the trial court rendered a Decision in favor of plaintiffs-appellees. The decretal part of the Decision reads:

> "WHEREFORE, in view of the foregoing, the court hereby renders the following judgment:
>
> 1. Declaring the Special Power of Attorney and Deed of Real Estate Mortgage in question Null and Void.
>
> 2. Annulling the foreclosure proceedings on TCT No. EP – 80953 and declaring the consolidated TCT No. NT -137830 in the name of Producers Rural Bank of San Jose null and void.
>
> 3. Nullifying the cancellation of TCT No. EP – 80953 and ordering its restoration and re issuance in the name of Carlos P. Cajucom.
>
> No Costs.
>
> SO ORDERED."

Upon a Motion for Reconsideration[15] filed by defendant Producers Rural Bank of San Jose City, the trial court issued an Order[16] on July 14, 2012, modifying the aforequoted decision, such that its dispositive portion as amended would now read as follows:

> "WHEREFORE, in view of the foregoing, the court hereby renders the following Judgment:

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

1. Declaring the Special Power of Attorney and Deed of Real Estate Mortgage in question Null and Void.

2. Annulling the foreclosure proceedings on TCT No. EP – 80953 and declaring the consolidated TCT No. NT -137830 in the name of Producers Rural Bank of San Jose null and void.

3. Ordering spouses Concordia Cajucom and Virgilio Cajucom to pay their outstanding obligation with the bank with legal interest of 12% per annum counted form the filing of this case until fully paid.

No Costs.

SO ORDERED."

Defendant-appellant Producers Rural Bank of San Jose City (N.E.) is now before Us via the instant appeal and raised the following errors allegedly committed by the trial court, thus:

The Honorable Regional Trial Court, Branch 28, Cabanatuan City, with all due respect, gravely and seriously erred in:

A)

In annulling the Real Estate Mortgage Contract and Foreclosure Sale despite the absence of convincing evidence that Carlos Cajucom had no participation thereof;

B)

In annulling the Real Estate Mortgage Contract and Certificate of Sale despite overwhelming evidence that said mortgagor and his children have indeed derived benefit from the proceeds of the loan;

C)

In not considering that plaintiffs' proposal to pay P3000,000.00 is by itself express and categorical admission of their liability/obligation to the defendant.

D)

In holding that the Special Power of Attorney used as basis of the loan and Real Contracts as falsified absent conclusive proof to that effect; and

E)

In accepting hook. Line, and sinker the self-serving testimony of Genoveva Cajucom [as basis in its conclusion that their father, Carlos Cajucom,.had no knowledge about the loan and Real Estate Mortgage Contract; and

F)

In not taking into account the refusal of Carlos Cajucom to appear and testify in court although the Complaint was filed long before he died.

Like the trial court, We find that the the resolution of this case hinges essentially on the pivotal question of the genuineness of the signature of the late Carlos Cajucom in the Special Power of Attorney he purportedly executed in favor Virgilio Cajucom. The answer to this threshold question shall be determinative of whether the Complaint of the plaintiffs will stand or fall. Consequently, there is a need to resolve first this issue before endeavoring to consider other collateral matters presented by defendant-appellant bank.

As a rule, forgery cannot be presumed. It must be proved by clear, positive and convincing evidence. Mere allegation thereof is not evidence.[17] One who alleges forgery has the burden of proving the same.[18]

In the instant case, to discharge the burden of proof and prove that the signature of the late Carlos Cajucom on the Special Power of Attorney is a forgery, the plaintiffs presented Genoveva Ramos whoasserted that she is familiar with the signature of her father as she usually see him sign documents when he was still alive. Having known the signature of her father she categorically testified that the signature appearing in the said SPA is not the signature of her father since it is markedly different from the real signature of Carlos. Her father never write his middle initial “P” in his signature unlike the signature in the SPA. Likewise, plaintiff presented a handwriting expert from the NBI who testified that based on the scientific examination he performed, the questioned signature was not identical with the genuine specimen signature of Carlos. He testified that the structural pattern and formation of the letters “C” and “J” are different. The letter “C” in questioned signature is somewhat oval while the standard signature appeared to have circular formation. The downward stroke of letter “J” on the standard signature forms an oval while the “J” in the questioned signature stopped at the baseline. In the manner of execution, the standard signature of Carlos Cajucom shows variation in pen pressure while in the questioned signature did not show any variation in pen pressure. The handwriting expert thus concluded that “The questioned and standard/sample signatures CARLOS P. CAJUCOM were NOT WRITTEN by one and the same person.”

Upon the other hand, to disprove the assertion of assertion of the plaintiffs, defendant bank presented the notary public who notarized the SPA. Sadly, however, instead of disproving the claim of the plaintiffs, the testimony of the notary public cast more doubt as to the due execution of the SPA since the notary public testified that he cannot exactly say with certainly that the person named in the SPA personally appeared before him because it happened many years ago before his testimony.

Hence, like the trial court, as between the two (2) assertions of plaintiff and defendant bank, We are more inclined to give more probative value to the evidence of the plaintiffs that the signature of the late Cartos Cajucom in the SPA was forged.

It might be well to remember that under Section 22, Rule 132 of the Revised Rules on Evidence “evidence respecting the handwriting may also be given by a comparison, made by the witness or the court, 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.” Interpreting the said provision, the High Court held that when a writing in issue is claimed on the one hand and denied upon the other to the writing of a particular person, any other writing of that person maybe admitted in evidence for the purpose of comparison with the writing in dispute. It is also recognized that a comparison of writing is a rational method of investigation; similarities and dissimilarities thus disclosed have probative value in the search of the truth. Thus, it has been held that, where a comparison is permissible, it may be made by the court, with or without the aid of expert witnesses.[19]

In the light of the foregoing, We also have compared the questioned signature of the late Carlos Cajucom in the SPA with her other signatures in his Voter's Affidavit which were written on August 27, 1997, just several days after the the execution of the SPA on August 4, 1997, and We find them to be strikingly dissimilar. We observed that Carlos also write the first letters “C” in his name and surname with curl in its upper part. Like the observation of the NBI expert, most of the time, downward stroke of letter “J” forms an oval and continuous upward. The last letter in his surname, letter “M”, always forms a tail to the right. These features of Carlos genuine signature are absent in his signature in the SPA (as well as in the Real Estate Mortgage). The letter “Cs” clearly has no curl in the upper part. Letter “J” stops at the baseline. And letter M has no tail. We also notice and agree with the observation of the trial court that the questioned signature appears a little slanting and italics in style and was written with ease and steady hand while the standard signature is straight and upright and written by a shaky hand, characteristic of the signature of an older person.

Given the foregoing observations, there was no doubt in Our mind that the signature of the late Carlos Cajucom in

the SPA is a forgery. That being the case, the SPA confers no right whatsoever. Virgilio has no authority speak of to mortgage the subject property owned by his father. That is because there is a jurisprudence to the effect that in the absence of a special power of attorney to a person, no valid mortgage could be executed by him.[20] Consequently, the mortgage of the property made by Virgilio to Producers Rural Bank of San Jose City (N.E.) to secure a loan was void.

In this connection, We notice that the Real Estate Mortgage bears the signature of Carlos Cajucom. It maybe thus argued that there is no more need for Virgilio to secure SPA to mortgage the property since Carlos had signed the Real Estate Mortgage anyway. But a close scrutiny of the signature of Carlos in the said deed would readily show that it was also forged. The signature therein is strikingly similar to the signature appearing in the SPA.

Despite the invalidity of the Real Estate Mortgage, it could not be said that defendant-appellant bank has no recourse against spouses Virgilio and Concordia Cajucom. The loan obtain by the said spouses is still covered by a Promissory Note[21] evidencing that they borrowed the amount of P300,000.00 from defendant-appellant bank and promised to pay the same on or before October 19, 2000 together with nine percent (9%) interest per annum. As testified to by Rosita Reyes, the manager of the Producers Rural Bank of San Jose City (N.E.), the loan remained unpaid. Hence, there being no evidence to the contrary, it is just proper that spouses Virgilio and Concordia Cajucom pay back their loan obligation. And the share by way of inheritance of Virgilio on the property being an heir of Carlos cannot be resolved here because it is not an issue litigated in this case.

All told, We the find no cogent reason to divert from the findings and conclusion of the trial court in rendering its Decision.

WHEREFORE, in views of the foregoing considerations, We AFFIRM the assailed November 11, 2011 Decision of the Regional Trial Court of Cabanatuan City, Branch 28, in Civil Case No. 4496.

SO ORDERED.

Gonzales-Sison and Sorongon, JJ., concur.

---

[1] Record, Vol. II, pp. 346-355.

[2] Record, Vol. II, pp. 2-5.

[3] Transfer Certificate of Title No. EP-80953, Record, Vol. I, p. 6.

[4] Record, Vol. I, p. 143.

[5] Record, Vol. I, p. 167.

[6] Promissory Note, Record, p. 244.

[7] Record,, Vol. I, pp. 247-248.

[8] Record, Vol. I, p. 246.

[9] TCT No. NT-317830, Record, Vol. I, p. 249.

[10] Record, Vol. I, pp. 196-197.

[11] Exhibit “N” ans series, Record, Vol. I, 204.

[12] Record, Vol. I, p. 243.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

[13] Record, Vol. I, pp. 244.

[14] Record, Vol. I, supra.

[15] Record, Vol. II, pp. 356-367.

[16] Record, Vol. II, pp. 388-389.

[17] Tenio-Obsequio vs. Court of Appeals, G.R. No. 107967, March 1, 1994.

[18] People vs. Reyes, G.R. No. 153119, April 13, 2004; Fernandez vs. Fernandez, 416 Phil. 322.

[19] People vs. Pagpaguitan, et. al., G.R. No. 116599, Sept. 27, 1999

[20] Yazuma vs. Heirs of De Villa, G.R. No. 150350, August 22, 2006.

[21] Promissory Note, Record, Vol. I, pp. 244.

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.