

LOLITA S. NICDAO, PLAINTIFF-APPELLEE, VS. STAR ASIAN LENDING, INC., ESTER S. UY, DAVID S. NICDAO, IVY C. VILLACERAN AND THE REGISTER OF DEEDS OF CEBU CITY, DEFENDANTS-APPELLANTS.

Ponente: QUIJANO-PADILLA, J.

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QUIJANO-PADILLA, J.:

This is an appeal from the Decision[1] dated September 30, 2011 of the Regional Trial Court, 7[th] Judicial Region, Branch 14, Cebu City, granting the complaint of plaintiff-appellee Lolita Nicdao in the case docketed as Civil Case No. CEB-37258 for the Annulment of Special Power of Attorney, Real Estate Mortgage and Damages with Application for Temporary Restraining Order/Preliminary Injunction.

The Facts

Plaintiff-appellee, Lolita S. Nicdao [Lolita] is the owner of a 950 square meter parcel of land located at Fulton Street, Lahug, Cebu City, registered as TCT No.T-82933. In the same lot stood her residential house. Defendant, David Nicdao [David] is her nephew but he grew up with her and she raised him like her own child.

David was under her care until he decided to live with his common-law-wife Ivy C. Villaceran [Ivy]. Sometime during the first week of October 2009, David visited Lolita and suggested paying early the real estate tax of her property so that she could avail of a huge discount. Seeing David's suggestion to be advantageous, she thanked David and eagerly acceded to his idea. He then persuaded Lolita to give him the owner's copy of TCT No. T-82933 so that he could request for the computation from the City Treasurer's Office. Thinking nothing bad out of the request, Lolita gave the title to David.[2]

Unperceived by Lolita, David's intentions were different. David recounts that Ivy was heavily indebted to one SPO2 Castro in the amount of P4,000,000.00. When the demand to pay was served on her sometime in September 2009, she panicked. She consulted her lawyer friend Atty. Monsanto who advised her to just settle her obligation. Atty. Monsanto then confided to Ivy that her friend, a certain Allan, knows of a lending firm which would let her borrow money but she only needs to have a collateral. Thereupon, she started prodding David to use as collateral Lolita's property. David was persuaded when Ivy represented to him that she would immediately pay the loan so that he could promptly return the title.[3]

After David collected the title, together with Ivy, they again met with Atty. Monsanto and presented to her the title. After which, Atty. Monsanto introduced them to Allan. David and Ivy together with Allan went to Ester S. Uy [Ester], the owner of Star Asian Lending, Inc. [SALI]. Ivy told Ester that she wants to borrow P3,000,000.00 and use as collateral TCT No. T-82933. Ester told her that she wants to inspect the property first and requested that they accompany her to the place.[4]

The following day, on July 6, 2009, David, Ivy, Allan, Ester and her son Ferdinand Uy went to Lolita's residence in order to conduct an ocular inspection. Lolita was in the living room with her sister Rose. When they arrived, Rose asked Ester and her son Ferdinand who they were and what was their purpose in going to their place but

both of them did not answer her. It was only after Rose introduced herself and Lolita to them that Ester introduced themselves and told Rose that they were David's friends. Afterwards they all left Lolita's residence.[5]

They all proceeded to Ester's office where the latter instructed her secretary to prepare a Special Power of Attorney authorizing David to obtain a loan in behalf of Lolita. The SPA was then handed to Ivy. Allan alluded to them that he knows a good forger who is found in Banilad Cebu. Seeing the need to have the SPA signed, David and Ivy, accompanied by Allan all went to Banilad. When they reached the area, near Petron gasoline station, it was only Allan who continued to the interior portion thereof. When he returned, a signature was already affixed on top of Lolita's name in the SPA. Ester then instructed her secretary to accompany them to their lawyer, Atty. Hippocrates R. Rocina for the notarization of the SPA.[6]

After the SPA was notarized and the Real Estate Mortgage were signed, the loan was released on the same day and the proceeds thereof amounted to P2,595,000.00 only after the processing fee, acceptance fee and other fees were deducted. The SPA and the Mortgage were annotated on the title. Ivy in turn issued postdated checks for the payment of the loan. However, only four of the checks were good, the rest of the checks bounced.

Due to the default of payments, on September 20, 2010, Lolita received a demand letter from SALI, demanding from her to pay the loan which accumulated to P4,366,715.43 already. After receipt of the demand letter, the overwhelmed Lolita accompanied by her sister Rose consulted their lawyer who advised them to obtain the loan documents from SALI. After they got the necessary documents, except for the SPA which they obtained from David, Lolita through her lawyer responded to the demand letter stating that the SPA is a product of deceit and fraud.[7] Since Lolita refused to acknowledge the loan, Ester intimidated the former with the foreclosure of her property. Thus, Lolita filed the instant suit.

Ester in her answer vehemently denied the allegations in the complaint and at the outset claims that all these are just the scheme of David and Ivy to swindle them of their hard earned money. When the couple, who represented to them as being legally married went to their office, they were already armed with the SPA. Further, when they conducted the ocular inspection in order to appraise the property, Lolita herself who was there, even asked them to increase the loan to P4,000,000 but Ester promptly declined taking into consideration the market value and topography of the land, the maximum amount she could grant is only P3,000,000.[8]

She further asserts that she is entitled to foreclose the mortgage because the loan remained unpaid.

The RTC denied Lolita's prayer for a 72-hour TRO[9] but however granted her prayer for the issuance of a temporary restraining order.[10]

After the parties concluded with the presentation of their respective testimonial evidence, Lolita formally offered Exhibits "A" to "P"[11] and their sub-markings which were all admitted[12] by the RTC. On the other hand, SALI offered Exhibits "1"- "12"[13] and all their sub-markings which were all admitted[14] by the RTC.

The RTC rendered a Decision[15] on September 30, 2011, against SALI, the fallo of the decision, reads:

"WHEREFORE, in view of the foregoing premises, judgment is rendered in favor of plaintiff as against all defendants, to wit:

1) The Special Power of Attorney allegedly executed by plaintiff in favor of defendant David Nicdao notarized by Notary Public Hippocrates R. Rocina and registered as doc. no. 496, Page No. 100, Book No. XXIV, Series of 2009 is declared NULL and VOID and of NO EFFECT; for this purpose, the Register of Deed(s) of Cebu City is ordered, on the finality of this Judgment, to CANCEL the Special Power of Attorney bearing Entry Nos. 2009001614-1 on plaintiff's Transfer Certificate of Title No. 82933;

2) The Real Estate Mortgage executed by David Nicdao as alleged attorney-in-fact of Lolita Nicdao, as

mortgagor, in favor of the Star Asian Lending Inc., as mortgagee notarized by Notary Public Hippocrates R. Rocina as Doc. No. 15, Page No. 09, Book No. XXV, Series of 2009 is declared NULL and VOID; for this purpose, the Register of Deeds of Cebu City is ordered, on the finality of this Judgment, to CANCEL the Real Estate Mortgage bearing 2009001615-1 on plaintiff's Transfer Certificate of Title No. 82933;

3) All the defendants EXCEPT the Register of Deeds are solidarily liable to pay plaintiff the following amounts:

- a) TWO HUNDRED THOUSAND (P200,000.00) PESOS, for and as moral damages;
- b) ONE HUNDRED THOUSAND (P100,000.00) PESOS, for and as temperate damages;
- c) ONE HUNDRED THOUSAND (P100,000.00) PESOS, for and as exemplary damages; and
- d) FIFTY THOUSAND (P50,000.00) PESOS, for and (as) nominal damages.

Finally, let a permanent mandatory injunction be issued in favor of plaintiff against defendant for the latter NOT to disturb the property rights of the former.

All the defendants to pay the costs of these proceedings.

SO ORDERED.”

Thus, SALI on appeal, raised the following assignment of errors, to wit:

“I. THE LOWER COURT ERRED IN HOLDING THAT DEFENDANTS-APPELLANTS TOGETHER WITH DEFENDANTS DAVID NICDAO AND IVY VILLACERAN, TRICKED PLAINTIFF-APPELLEE;

II. THE LOWER COURT ERRED IN HOLDING THAT DEFENDANT-APPELLANT ESTER UY NOT ONLY FACILITATED BUT FORGED THE SIGNATURE OF PLAINTIFF-APPELLEE IN THE SPECIAL POWER OF ATTORNEY;

III. THE LOWER COURT ERRED IN HOLDING THAT THE SIGNATURE OF PLAINTIFF-APPELLEE ON THE SPECIAL POWER OF ATTORNEY IS FORGED;

IV. THE LOWER COURT ERRED IN NOT HOLDING THAT THIS IS A GRAND SCHEME OF PLAINTIFF-APPELLEE, DEFENDANTS DAVID NICDAO AND IVY VILLACERAN, TO SWINDLE THE DEFENDANTS-APPELLANTS OF THEIR HARD-EARNED MONEY;

V. THE LOWER COURT ERRED IN DECLARING THE SPECIAL POWER OF ATTORNEY AND REAL ESTATE MORTGAGE AS NULL AND VOID AND IN ORDERING THE REGISTER OF DEEDS TO CANCEL THE ANNOTATION BEARING ENTRY NOS. 2009001614-1 AND 2009001615-1 FROM TCT NO. 82933;

VI. THE LOWER COURT ERRED IN HOLDING THAT DEFENDANT-APPELLANT STAR ASIAN LENDING, INC. MUST SUFFER THE LOSS OF THREE MILLION PESOS (P3,000,000.00);

VII. THE LOWER COURT ERRED IN NOT HOLDING THAT PLAINTIFF-APPELLEE SHOULD SUFFER THE CONSEQUENCE OF ENTRUSTING HER TITLE TO DEFENDANT DAVID NICDAO;

VIII. THE LOWER COURT ERRED IN NOT HOLDING THAT DEFENDANT-APPELLANT STAR ASIAN LENDING IS A MORTGAGEE IN GOOD FAITH AND FOR VALUE;

IX. THE LOWER COURT ERRED IN AWARDING MORAL, TEMPERATE, EXEMPLARY AND NOMINAL DAMAGES TO THE PLAINTIFF-APPELLEE; AND

X. THE LOWER COURT ERRED IN NOT HOLDING THAT DEFENDANTS-APPELLANTS ARE

ENTITLED TO THE PAYMENT OF ATTORNEY'S FEES AND EXPENSES OF LITIGATION IN DEFENDING THIS UNFOUNDED CIVIL ACTION.”[16]

Our Ruling

Summarizing the assignment of errors raised by SALI, it contends that the RTC erred in declaring the Special Power of Attorney and the Real Estate Mortgage null and void. SALI asserts that Lolita, David and Ivy are united in their purpose to swindle money from the lending company because the assertion of Lolita that she is blind is rife with paucity considering that she owns an optical shop and when Ester went to her residence to conduct an ocular examination, she was healthy contrary to her bare assertions that she is weak and blind.

SALI belied the claim of Lolita that the company through Ester helped facilitate the forgery by bringing them to a forger, the truth being that the SPA brought by David to their office already had Lolita's signature affixed thereon. Assuming arguendo that David breached the trust and confidence reposed on him by Lolita, then Lolita must suffer the consequence of her negligence. In all, SALI asserts that the RTC should have declared it to be a mortgagee in good faith and for value. Lastly, SALI stated that the damages awarded have no basis in law and fact.

The parties in the instant case had different versions regarding the SPA. On one hand, Lolita claims she never signed the controverted SPA authorizing her nephew David to obtain a loan in her behalf therefore the said SPA is a product of forgery, on the other hand, SALI claims that when David and Ivy went to their office, David was already armed with said SPA.

We find that the confluence of the circumstances prove by preponderance of evidence that the controverted SPA was forged.[17]

It has long been settled in jurisprudence that forgery is not presumed from mere allegation but rather it must be established by clear and convincing evidence by the party making the allegation. In *Ladignon v. CA, et al.*, [18] the Supreme Court explained that in order to determine whether a signature is forged the following shall be the guideline, thus:

“The process of identification, therefore, must include the determination of the extent, kind, and significance of this resemblance as well as of the variation. It then becomes necessary to determine whether the variation is due to the operation of a different personality, or is only the expected and inevitable variation found in the genuine writing of the same writer. It is also necessary to decide whether the resemblance is the result of a more or less skillful imitation, or is the habitual and characteristic resemblance which naturally appears in a genuine writing. When these two questions are correctly answered the whole problem of identification is solved.”

While it is true that the testimonies of handwriting experts are not necessary, however, pursuant to the criteria enunciated in *Ladignon*, Lolita must not only show material differences between or among the signatures. In addition, (1) she must demonstrate the extent, kind, and significance of the variation; (2) she must prove 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; and (3) she must show 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.[19] Otherwise put, following the said guideline, the best way to prove whether a signature is forged is through the testimony of a handwriting expert.

In the instant case, the handwriting expert Romeo R. Varona of the PNP Crime Laboratory pronounced that there is a simulated or copied forgery and that there was a variation in the stroke of letters “a”, “d” and “i”, the pertinent portion of his testimony, reads:

“Atty. Hermosisima: Your Honor, for easy reference by this Honorable Court later on, may I request the witness to in explaining to indicates because I see[20] there are markings S-1, S-2, S-3, so it would be easier for the Court to make a reference.

A: S-1 refers to standard No. 1, S-2 refers to standard No. 2, S-3 refers to standard no. 3, and so forth and so forth.

Q: (sic) The 3[rd] S-3, the third enlarged photograph under the caption standard was taken from the ID from the Office of the Senior Citizens Affair issued on July 3, 2007. The 4[th], the 5[th], and the 10[th] enlarged photograph under the caption standard were taken from the whole sheet long bond paper. It was not dated but they were submitted on November 15, 2010. Now, there are red arrows appearing (on) the questioned and the standard signatures. These red arrows indicate the significant differences appearing therein. Now to begin with, this is a product of what we call a simulated or copied forgery. A simulated or copied forgery is done by a writer or a forger who has the model of the genuine signature to be forged then he keep on practicing so that it will appear similar to the standard signature of the genuine to be forged. First, from the initial stroke in the questioned signature marked Exhibit “F”, it is (sic) start from the left side it goes a curvature goes upward then downward, and it goes upward at the middle. Whereas in the standard signatures from the initial stroke it goes sideward for the curvature goes upward, downward, down up to below the baseline before going to the upper portion, which is also true in exhibit “S-2”, “S-3”, “S-4” to “S-10” inclusive. Now, small letter “i” in the questioned signature marked exhibit “F”, the i that is omitted, the writer in the questioned signature forgot to put the “i” dot.[21] Whereas in the standard signatures all “i” dots are present which “i” no. 8, no. 3. Now, a small letter “c” is the shoulder is slanting to the right that Exhibit “F”, which is the questioned signature. Whereas, in the standard signatures they form a curvature going to the right and some are pointing at downward, in all standard signatures of Lolita Nicdao. A small letter “a” the baseline has a hesitation in the Exhibit “F”, and it protruding at the top of small letter “d”. Whereas, in the standard signatures you cannot find any hesitation they have a (continuous) stroke up to forming a loop. The terminal stroke of small letter “d” The terminal stroke is the last stroke at every letter is disconnected to small letter “a”. Whereas, in the questioned signature, which is marked as Exhibit “F”, whereas in the standard signatures they are all connected. Now, from small letter “a” the baseline again forms a hesitation whereas in the questioned signature, which is marked as Exhibit “F”. Whereas, in the standard signatures they have a (continuous) stroke(s). Now, from small letter “a” it goes to like a small letter “o” which continued to the vanishing point of terminal stroke then form a small letter “o” in the Exhibit “F”, which is the questioned signature. Whereas, in the standard signatures it stops then it goes downward to form terminal stroke in all standard signatures marked Exhibit “S-1”, “S-2” to “S-10” inclusive.”[22]

Undeniably, handwriting experts are usually helpful in the examination of forged documents because of the technical procedure involved in analyzing them. But resort to these experts is not mandatory or indispensable to the examination or the comparison of handwriting.[23] The RTC made it clear that it conducted an independent examination of the facts, when it pronounced that:”The Court will not entirely rely on the testimony of the witness.”[24]

Rightly so, the RTC is correct in giving credence to plaintiff-appellee's witnesses. Indeed, jurisprudence is settled that whatever is repugnant to the standards of human knowledge, observation and experience becomes incredible and lies outside judicial cognizance. Consistently, the Supreme Court ruled that evidence, to be believed, must proceed not only from the mouth of a credible witness but must be credible in itself as to hurdle the test of conformity with the knowledge and common experience of mankind.[25] It is worth pointing out that it is already a well-settled doctrine that findings of trial courts on the credibility of witnesses deserve a high degree of respect. Having observed the deportment of witnesses during the trial, the trial judge is in a better position to determine the issue of credibility.[26]

In the instant case, plaintiff-appellee's hostile witness, David recounts clearly, positively and convincingly how he

helped in facilitating the forgery. We likewise observed that the same witness was not proven to be biased by SALI. A witness is said to be biased when his relation to the cause or to the parties is such that he has an incentive to exaggerate or give false color to his statements, or to suppress or to pervert the truth, or to state what is false. To warrant rejection of the testimony of a relative or friend, it must be clearly shown that, independently of the relationship, the testimony was inherently improbable or defective, or that improper or evil motives had moved the witness to incriminate the accused falsely.[27]

We bear in mind that David is like a son to Lolita and would likely testify for the benefit of Lolita however, the same are mere speculations unless proven otherwise. Ergo, the relationship of David with Lolita does not per se impair his credibility. We, like the RTC, are convinced that he is telling the truth. Moreover, SALI failed to show any evidence that David had improper or evil motives to testify falsely against it. This being the case, his testimony is entitled to full faith and credit.[28] Not only that, SALI likewise failed to show any evidence that Lolita and Rose had improper or evil motives to falsely testify against it, thus, their testimonies are likewise entitled to full faith and credit.

SALI is convinced that Lolita together with David and Ivy schemed in order to deprive her of her hard earned money. The rule is that one who alleges a fact has the burden of proving the same. SALI has not shown in evidence how Lolita together with David and Ivy conspired in order to scheme her of her hard earned money.

Next, SALI pointed out that David was already bringing with him the notarized SPA when he signed the Real Estate Mortgage. The notarized SPA being a public document, has the presumption of regularity.

Settled is the rule that generally, a notarized document carries the evidentiary weight conferred upon it with respect to its due execution, and documents acknowledged before a notary public have in their favor the presumption of regularity. However, this presumption is not absolute and may be rebutted by clear and convincing evidence to the contrary.[29]

Moreover, not all notarized documents are exempted from the rule on authentication. Thus, a document or a Special Power of Attorney as in this case, does not automatically become a public document just because it contains a notarial jurat. The presumptions that attach to notarized documents can be affirmed only so long as it is beyond dispute that the notarization was regular.[30]

The pieces of evidence on record belie the existence of the regularity of the notarization. While it is true that the SPA was notarized, it is no less true that there were defects in the notarization which mitigate against a finding that the SPA was either genuine or duly executed. Curiously, the proof of identification of Lolita which is the Community Tax Certificate was issued only on October 5, 2009, a day before the notarization when in fact it should have been obtained the first quarter of each year.[31] Lolita neither appeared personally before the notary public nor acknowledged to him that the instrument was her own free and voluntary act and deed, contrary to what appears in the SPAs' acknowledgment. Patently then, the notarization was irregular and could not be given probative value.[32] This in addition to the expert testimony that the signature appearing on the SPA was not Lolita's true signature.[33] As Lolita has repudiated the signatures in the SPAs and it was shown that she did not acknowledge these before the notary public, the burden of proof to show the SPAs' authenticity, genuineness and due execution lay with SALI. In our view, SALI failed in this task.[34]

It should stand as a reminder that a notary public should not notarize a document unless the persons who signed the same are the very same persons who executed and personally appeared before the said notary public to attest to the contents and truth of what are stated therein. The presence of the parties to the deed making the acknowledgment will enable the notary public to verify the genuineness of the signature of the affiant. A notary public is enjoined from notarizing a fictitious or spurious document. The function of a notary public, is among

others, to guard against any illegal deed.[35]

In sum, plaintiff-appellee Lolita proved by preponderance of evidence that the SPA was a product of forgery. First, it was already established that she is legally blind, that she could not go about much less affix her signature without the assistance of her sister, Rose. Second, she denied ever having signed the SPA, likewise her caretaker Rose denied that she ever assisted Lolita in signing any SPA. Third, David who is a party to the fraudulent act voluntarily testified that they hired a forger to copy the signature of Lolita. It was likewise established that plaintiff-appellee's witness, including herself, did not harbor any malice, ill-will or bad motive against SALI making their testimonies unbiased.

Thereupon, having established the fact that the Special Power of Attorney is a product of forgery, what shall then be rights of SALI?

SALI asserts that it is a mortgagee in good faith. However, the doctrine of mortgagee in good faith pre-supposes, however, that the mortgagor, who is not the rightful owner of the property, has already succeeded in obtaining Torrens title over the property in his name and that, after obtaining the said title, he succeeds in mortgaging the property to another who relies on what appears on the title. This is not the situation in the case at bar since David was not the registered owner for he merely represented himself to be the attorney-in-fact of Lolita.[36]

In cases where the mortgagee does not directly deal with the registered owner of real property, the law requires that a higher degree of prudence be exercised by the mortgagee.[37] Thus as enunciated in *Spouses Emmanuel, et al. v. Soriano*[38], the Supreme Court ruled,

“However, when a person who deals with registered land through someone who is not the registered owner, he is expected to look behind the certificate of title and examine all the factual circumstances, in order to determine if the vendor has the capacity to transfer any interest in the land. He has the duty to ascertain the identity of the person with whom he is dealing and the latter’s legal authority to convey.”

In the abovesited case, although it pertains to a contract of sale, in *Abad v. Guimba*[39] the Supreme Court ruled the same rule applies inasmuch as the law itself includes a mortgagee in the term “purchaser.”[40] Thus, in application to the case at bench, SALI in dealing with David should have been more circumspect. It could not just simply claim that since they are dealing with a registered land, they are not required to go behind the same. Precisely because they are not dealing with a person who is the registered owner that they should have been more discerning whether David was actually authorized by Lolita. More so, when they claimed that they have conducted an ocular inspection and Lolita happened to be there, which, should have been their opportunity to ask the latter as to the veracity of her authority in favor of David.

Further, SALI posits that Lolita is negligent in entrusting the title to David, she should therefore suffer the burden of loss.

We do not agree.

The Supreme Court said that in order that the holder of a certificate for value issued by virtue of the registration of a voluntary instrument may be considered a holder in good faith and for value, the instrument registered should not be forged. When the instrument presented is forged, even if accompanied by the owner's duplicate certificate of title, the registered owner does not lose his title, and neither does the assignee in the forged deed acquire any right or title to the property. An innocent purchaser for value is one who purchases a titled land by virtue of a deed executed by the registered owner himself not by a forged deed. Patently, SALI is not an innocent purchaser according to its claim.[41]

On the award of damages.

Having laid that SALI is not in good faith necessitates us to award moral damages, exemplary damages, nominal damages, attorney's fees and costs of litigation in favor of Lolita. Moral damages are not awarded to penalize the defendant but to compensate the plaintiff for the injuries he may have suffered. Willful injury to property may be a legal ground for awarding moral damages if the court should find that, under the circumstances, such damages are justly due. In the instant case, we find that the award of moral damages is proper. SALI, in allowing David to secure a loan out of the property belonging to Lolita, without taking the necessary precaution demanded by the circumstances, caused injury to the latter which calls for the imposition of moral damages. As for the award of exemplary damages, We deem that the same is proper for SALI was remiss in its obligation to inquire into the veracity of David's authority to mortgage the subject property, causing damage to Lolita.[42]

Nominal damages are recoverable where a legal right is technically violated and must be vindicated against an invasion that has produced no actual present loss of any kind. Its award is thus not for the purpose of indemnification for a loss but for the recognition and vindication of a right. Indeed, nominal damages are damages in name only and not in fact. When granted by the courts, they are not treated as an equivalent of a wrong inflicted but simply a recognition of the existence of a technical injury. A violation of the plaintiff's right, even if only technical, is sufficient to support an award of nominal damages. Conversely, so long as there is a showing of a violation of the right of the plaintiff, an award of nominal damages is proper.[43] Since it was established that the property rights of Lolita is disturbed, We are in accord with the RTC in awarding nominal damages.

Finally, We rule that the award of attorney's fees and litigation expenses is valid since Lolita was compelled to litigate and thus incur expenses in order to protect her rights over the subject property.[44]

Prescinding from the above, We thus rule that the forged SPA and Deed of Real Estate Mortgage is void ab initio.[45]

WHEREFORE, in view of the foregoing, the Decision dated September 30, 2011 of the Regional Trial Court, 7th Judicial Region, Branch 14, Cebu City, is hereby AFFIRMED in toto.

SO ORDERED.

Ingles,[*] and Azcarraga-Jacob, JJ., concur.

[*]Acting Chairperson in lieu of J. Ramon Paul L. Hernando, per Office Order No. 19-14-GTI dated July 7, 2014.

[1] Records, pp. 220-231, penned by the Honorable Judge Raphael B. Yrastorza, Sr..

[2] Records, p. 5.

[3] Records, p. 25.

[4] Records, p. 26.

[5] Records, p. 26.

[6] Records, p. 26.

[7] Records, p. 8.

[8] Records, p. 42.

[9] Records, p. 36.

[10] Records, pp. 64-65.

[11] Rollo, pp. 98-102; 206-208; TSN, June 15, 2011, pp. 9-10.

“A” - Questioned Document Report No. 108-2010;

“B” - Letter Request for Hand Writing Examination addressed to Mr. Romeo Varona of the PNP Crime Laboratory;

“C” - Photocopies of Bureau of Internal Revenue ID, SSS ID and Senior Citizen ID of Lolita Nicdao;

“D” - Short sized bond paper containing the twelve (12) specimen signatures of Lolita Nicdao;

“E” - Original Copy of the SPA dated October 6, 2009;

“F” - Comparison Chart prepared by Examiner Romeo Varona;

“G” - Ten (10) standard signatures of Lolita Nicdao;

“H” - Disclosure statement of Star Asian Lending Corporation dated October 6, 2009;

“I” - Affidavit of Dr. George Christopher Chan dated April 28, 2011;

“J” - “K” - Vision Charts;

“L” - Ophthalmology, Principles and Concepts by Frank W. Newell;

“M” - A report prepared for the International Ophthalmology at the International Council of Ophthalmology at the 29th International Congress of Ophthalmology Sydney, Australia, April 2002;

“N” - “O” - The phrases “Legal Blindness” and its corresponding definition; and

“P” - Ordinance No. 2010-039 of Naga City.

[12] Records, p. 117; p. 169; and p. 218.

[13] Records, pp. 131-133; TSN, June 15, 2011, p. 9.

“1” - Affidavit of Ester Sarausad;

“2” - Loan Application;

“3” - Special Power of Attorney;

“4” - Transfer Certificate of Title No. 82933;

“5” - Tax Declaration No. GRC6-03-020-06097-TL;

“6” - Tax Declaration No. GRC6-03-020-06098-TB;

“7” - Identification card of plaintiff issued by the office of Senior Citizen Affairs, Cebu City;

“8” - TIN issued by the Bureau of Internal Revenue;

“9” - Real Estate Mortgage;

“10” - Promissory Note;

“11” - Several Checks issued by David Nicdao to Star Asian Lending, Inc.; and

“12” - Affidavit of Atty. Francis M. Zosa.

- [14] Records, p. 150; p. 169.
- [15] Records, pp. 220-231.
- [16] Rollo, pp. 35-36.
- [17] Spouses Bernales, et al. v. Heirs of Sambaan, et al., G.R. No. 163271, January 15, 2010.
- [18] G.R. No. 122973, July 18, 2000.
- [19] Rivera, et al. v. Turiano, et al., G.R. No. 156249, March 7, 2007.
- [20] TSN, January 5, 2011, p. 12.
- [21] TSN, January 2, 2011, p. 13.
- [22] TSN, January 5, 2011, p. 14.
- [23] Lee v. People, G.R. No. 192274, February 8, 2012.
- [24] TSN, January 5, 2011, p. 9.
- [25] Zapatos v. People, G.R. Nos. 147814-15, September 16, 2003.
- [26] Meneses, v. Venturozo, G.R. No. 172196, October 19, 2011.
- [27] People v. Lusabio, Jr., G.R. No. 186119, October 27, 2009.
- [28] People v. Lusabio, Jr., G.R. No. 186119, October 27, 2009.
- [29] Lazaro, et al. v. Agustin, et al., G.R. No. 152364, April 15, 2010.
- [30] Lazaro, et al. v. Agustin, et al., G.R. No. 152364, April 15, 2010.
- [31] Titan Construction Corporation v. David, G.R. No. 169548, March 15, 2010.
- [32] China Banking Corporation v. Lagon, G.R. No. 160843, July 11, 2006.
- [33] Titan Construction Corporation v. David, G.R. No. 169548, March 15, 2010.
- [34] China Banking Corporation v. Lagon, G.R. No. 160843, July 11, 2006.
- [35] Gonzales v. Ramos, A.C. No. 6649, June 21, 2005.
- [36] Bank of Commerce v. Spouses San Pablo, Jr., et al., G.R. No. 167848, April 27, 2007.
- [37] Bank of Commerce v. Spouses San Pablo, Jr., et al., G.R. No. 167848, April 27, 2007.
- [38] G.R. No. 150066, April 13, 2007.
- [39] G.R. No. 157002, July 29, 2005.
- [40] “Section 32. Review of decree of registration; Innocent purchaser for value. –

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‘Whenever the phrase ‘innocent purchaser for value’ or an equivalent phrase occurs in this Decree, it shall be deemed to include an innocent lessee, mortgagee, or other encumbrancer for value.’

- [41] Insurance Services and Commercial Traders, Inc., v. CA, et al., G.R. No. 109305, October 2, 2000.

[42] Bank of Commerce v. Spouses San Pablo, Jr., et al., G.R. No. 167848, April 27, 2007.

[43] Gonzales v. Philippine Commercial and International Bank, et al. G.R. No. 180257, February 23, 2011.

[44] Bank of Commerce v. Spouses San Pablo, et al., G.R. No. 167848, April 27, 2007.

[45] Bank of Commerce v. Spouses San Pablo, et al., G.R. No. 167848, April 27, 2007.

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