

SPOUSES CLARO AND NIDA BAUTISTA, PETITIONERS, VS. BERLINDA F. SILVA, REPRESENTED BY HERMES J. DORADO, IN HIS CAPACITY AS ATTORNEY-IN-FACT, RESPONDENT.*G.R. NO. 157434. September 19, 2006*

Ponente: AUSTRIA-MARTINEZ, J.

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To establish his status as a buyer for value in good faith, a person dealing with land registered in the name of and occupied by the seller need only show that he relied on the face of the seller's certificate of title.[1] But for a person dealing with land registered in the name of and occupied by the seller whose capacity to sell is restricted, such as by Articles 166[2] and 173[3] of the Civil Code or Article 124[4] of the Family Code, he must show that he inquired into the latter's capacity to sell in order to establish himself as a buyer for value in good faith.[5] The extent of his inquiry depends on the proof of capacity of the seller. If the proof of capacity consists of a special power of attorney duly notarized, mere inspection of the face of such public document already constitutes sufficient inquiry. If no such special power of attorney is provided or there is one but there appear flaws in its notarial acknowledgment mere inspection of the document will not do; the buyer must show that his investigation went beyond the document and into the circumstances of its execution.

Appealed by Petition for Review on Certiorari under Rule 45 of the Rules of Court are the November 21, 2001 Decision[6] of the Court of Appeals (CA) in CA-G.R. CV No. 48767[7] which affirmed in toto the January 10, 1995 Decision of the Regional Trial Court (RTC) in Civil Case No. 3091-V-89, and the February 27, 2003 CA Resolution which denied the motion for reconsideration.

Civil Case No. 3091-V-89 is a Complaint for Annulment of Deed of Absolute Sale and Transfer Certificate of Title (TCT) No. V-2765, Reconveyance and Damages filed with the RTC, Branch 171, Valenzuela, Metro Manila by Berlina F. Silva (Berlina), through Hermes Dorado (Dorado) as Attorney-in-Fact, against Spouses Claro and Nida Bautista (Spouses Bautista). Spouses Bautista filed their Answer[8] and a Third-Party Complaint against Berlina's husband, Pedro M. Silva (Pedro).[9] In an Order dated August 6, 1991, the RTC declared third-party defendant Pedro in default for failure to file an answer to the Third-Party Complaint.[10]

The undisputed facts of the case, as found by the RTC, are as follows:

- That Transfer Certificate of Title No. B-37189 of the Registry of Deeds for xxx Metro Manila District III over a parcel of land (Lot 42, Block 10, of the subdivision plan (LRC) Psd-210217, Sheet 2, being a portion of Lot 903, Malinta Estate, LRC Record No. 5941) situated in xxx Barrio of Parada, Valenzuela, Metro Manila, containing an area of 216 square meters, more or less, was registered in the names of Spouses Berlina F. Silva and Pedro M. Silva on August 14, 1980;
- That on March 3, 1988, Pedro M. Silva, for himself and as attorney-in-fact of his wife Berlina F. Silva, thru a Special Power of Attorney purportedly executed on November 18, 1987 by Berlina F. Silva in his favor, signed and executed a Deed of Absolute Sale over the said parcel of land covered by Transfer Certificate of Title No.

B-37189 in favor of defendants-spouses Claro Bautista and Nida Bautista; and

- That as a consequence, Transfer Certificate of Title No. 37189 was cancelled and in lieu thereof, Transfer Certificate of Title No. V-2765 of the Registry of Deeds for the Valenzuela Branch was issued in the names of Spouses Claro Bautista and Nida Bautista on March 4, 1988.[11]

Based on the evidence presented, the RTC also found that the signature appearing on the Special Power of Attorney (SPA) as that of Berlina Silva is a forgery, and that consequently the Deed of Absolute Sale executed by Pedro in favor of Spouses Bautista is not authorized by Berlina.[12]

The RTC rendered judgment on January 10, 1995, the decretal portion of which reads:

WHEREFORE, Judgment is hereby rendered:

- Declaring the Deed of Absolute Sale dated March 3, 1988 executed by Pedro M. Silva, for himself and as attorney-in-fact of Berlina F. Silva, in favor of defendants-spouses Claro Bautista and Nida Bautista over the parcel of land, described and covered by Transfer Certificate of Title No. B-37189 Metro Manila District III, null and void and the resulting Transfer Certificate of Title No. V-2765 of Valenzuela Registry in the name of Spouses Claro Bautista and Nida Bautista cancelled and that Transfer Certificate of Title No. B-37189 reinstated.
- Ordering defendants to reconvey the property covered by the said Transfer Certificate of Title No. V-2765 together with the improvements thereon to the plaintiff.
- Condemning the defendants to pay the plaintiff the sum of P5,000.00 in the concept of reasonable attorney's fees and the costs of suit.

Defendants' counterclaim is dismissed.

Judgment on default is hereby entered in favor of the third-party plaintiffs Spouses Claro Bautista and Nida Bautista against third-party defendants Pedro M. Silva, condemning the third-party defendant Pedro Silva to indemnify/pay third-party plaintiffs Spouses Claro Bautista and Nida Bautista the amount of Seventy Thousand Pesos (P70,000.00) the contract price of the sale of the property, with interest at the legal rate from the date of the execution of the said document on March 3, 1988 until the amount is fully paid and for whatever amount that the third-party plaintiffs were adjudged and paid to the plaintiff by reason of this decision and the costs of suit.

SO ORDERED.[13]

Spouses Bautista filed an appeal with the CA which, in its November 21, 2001 Decision, affirmed in toto the RTC decision;[14] and, in a Resolution

dated February 27, 2003, denied the Motion for Reconsideration.[15]

Hence, the herein petition filed by Spouses Bautista praying that the CA Decision and Resolution be annulled and set aside on the following grounds:

- Respondent as represented by Hermes Dorado in his capacity as attorney-in-fact has no legal authority to file action against spouses petitioners.
- The petitioners are considered as purchasers in good faith and for value having relied upon a Special Power of Attorney which appears legal, valid and genuine on its face.
- Gratia argumenti that the special power of attorney is a forgery and the deed of sale executed by the husband is null and void, the nullity [thereof] does not include the one half share of the husband.[16]

The petition fails for lack of merit.

As to the first ground, petitioners argue that for lack of authority of Dorado to represent respondent, the latter's Complaint failed to state a cause of action and should have been dismissed.[17]

The argument holds no water.

True, there was no written authority for Dorado to represent respondent in the filing of her Complaint. However, no written authorization of Dorado was needed because the Complaint was actually filed by respondent, and not merely through Dorado as her attorney-in-fact. As correctly observed by the CA, respondent herself signed the verification attached to the Complaint.[18] She stated therein that she is the plaintiff in Civil Case No. 3091-V-89 and that she caused the preparation of the Complaint.[19] Respondent also personally testified on the facts alleged in her Complaint.[20] In reality, respondent acted for and by herself, and not through any representative, when she filed the Complaint. Therefore, respondent being the real party in interest, by virtue of the then prevailing Articles 166[21] and 173[22] of the Civil Code, the Complaint she filed sufficiently stated a cause of action. The sufficiency of the Complaint was not affected by the inclusion of Dorado as party representative for this was an obvious error which, under Section 11 of Rule 3,[23] is not a ground for dismissal, as it may be corrected by the court, on its own initiative and at any stage of the action, by dropping such party from the complaint.[24]

Anent the second ground, there is no merit to petitioners' claim that they are purchasers in good faith.

That the SPA is a forgery is a finding of the RTC and the CA on a question of fact.[25] The same is conclusive upon the Court, [26] especially as it is based on the expert opinion of the NBI which constitutes more than clear, positive and convincing evidence that respondent did not sign the SPA, and on the uncontroverted Certification of Dorado that respondent was in Germany working as a nurse when the SPA was purportedly executed in 1987.

The SPA being a forgery, it did not vest in Pedro any authority to alienate the subject property without the consent of respondent. Absent such marital consent, the deed of sale was a nullity.[27]

But then petitioners disclaim any participation in the forgery of the SPA or in the unauthorized sale of the subject property. They are adamant that even with their knowledge that respondent was in Germany at the time of the sale, they acted in good faith when they bought the subject property from Pedro alone because the latter was equipped with a SPA which contains a notarial acknowledgment that the same is valid and authentic.[28] They invoke the status of buyers in good faith whose registered title in the property is already indefeasible and against which the remedy of reconveyance is no longer available.[29] In the alternative, petitioners offer that should respondent be declared entitled to reconveyance, let it affect her portion only but not that of Pedro.[30]

Whether or not petitioners are buyers for value in good faith is a question of fact not cognizable by us in a petition for review.[31] We resolve only questions of law; we do not try facts nor examine testimonial or documentary evidence on record. We leave these to the trial and appellate courts to whose findings and conclusions we accord great weight and respect, especially when their findings concur.[32] We may have at times reversed their findings and conclusions but we resort to this only under exceptional circumstances as when it is shown that said courts failed to take into account certain relevant facts which, if properly considered, would justify a different conclusion.[33] No such exceptional circumstance obtains in the present case for we find the conclusions of the RTC and CA supported by the established facts and applicable law. However, we do not fully subscribe to some of their views on why petitioners cannot be considered in good faith, as we will discuss below.

A holder of registered title may invoke the status of a buyer for value in good faith as a defense against any action questioning his title.[34] Such status, however, is never presumed but must be proven by the person invoking it.[35]

A buyer for value in good faith is one who buys property of another, without notice that some other person has a right to, or interest in, such property and pays full and fair price for the same, at the time of such purchase, or before he has notice of the claim or interest of some other persons in the property. He buys the property with the well-founded belief that the person from whom he receives the thing had title to the property and capacity to convey it.[36]

To prove good faith, a buyer of registered and titled land need only show that he relied on the face of the title to the property. He need not prove that he made further inquiry for he is not obliged to explore beyond the four corners of the title.[37] Such degree of proof of good faith, however, is sufficient only when the following conditions concur: first, the seller is the registered owner of the land; [38] second, the latter is in possession thereof;[39] and third, at the time of the sale, the buyer was not aware of any claim or interest of some other person in the property,[40] or of any defect or restriction in the title of the seller or in his capacity to convey title to the property.[41]

Absent one or two of the foregoing conditions, then the law itself puts the buyer on notice and obliges the latter to exercise a higher degree of diligence by scrutinizing the certificate of title and examining all factual circumstances in order to determine the seller's title and capacity to transfer any interest in the property.[42] Under such circumstance, it is no longer sufficient for said buyer to merely show that he relied on the face of the title; he must now also show that he exercised reasonable precaution by inquiring beyond the title.[43] Failure to exercise such degree of precaution makes him a buyer in bad faith.[44]

In the present case, petitioners were dealing with a seller (Pedro) who had title to and possession of the land but, as indicated on the face of his title, whose capacity to sell was restricted, in that the marital consent of respondent is required before he could convey the property. To prove good faith then, petitioners must show that they inquired not only into the title of Pedro but also into his capacity to sell.

According to petitioners, to determine Pedro's capacity to sell, they conducted the following forms of inquiry: first, they inspected the photocopy of the SPA presented to them by Pedro;[45] second, they brought said copy to Atty. Lorenzo Lucero (the notary public who prepared the deed of sale) and asked whether it was genuine;[46] and third, they inspected the original copy of the SPA after they advanced payment of Php55,000.00 to Pedro.[47] Essentially, petitioners relied on the SPA, specifically on its notarial acknowledgment which states that respondent appeared before the notary public and acknowledged having executed the SPA in favor of Pedro.

The RTC and CA, however, found such inquiry superficial. They expected of petitioners an investigation not only into the whereabouts of respondent at the time of the execution of the SPA[48] but also into the genuineness of the signature appearing on it.[49]

We find such requirements of the RTC and CA too stringent that to adopt them would be to throw commerce into madness where buyers run around to probe the circumstances surrounding each piece of sales document while sellers scramble to produce evidence of its good order. Remember that it is not just any scrap of paper that is under scrutiny but a SPA, the execution and attestation of which a notary public has intervened.

To what extent, therefore, should an inquiry into a notarized special power of attorney go in order for one to qualify as a buyer for value in good faith?

We agree with one author who said:

x x x To speak of "notice", as applied to the grantee, is to follow the language of the Statue of Elizabeth. Its proviso protects the man who purchases "upon good consideration and bona fide * * * not having at the time * * * any manner of notice or knowledge." The term "notice", however, is really but an approach to the test of

good faith, and all modern legislation tends toward that point.

Thus, some present day statutes (outside of the Uniform Law) may speak of notice, actual and constructive, and define both terms, but they should be "liberally construed, so as to protect bona fide purchaser for value." They may require the grantee to have "knowledge" of the debtor's intent, but save for technical purposes of pleading, the term is read in the light of the rules we are studying. It comes always to a question of the grantee's good faith as distinct from mere negligence. [50]

There must, indeed, be more than negligence. There must be a conscious turning away from the subject x x x. As put by the Supreme Court, the grantee must take the consequences if he "chooses to remain ignorant of what the necessities of the case require him to know." The search, therefore, is described by the question, did the grantee make a choice between not knowing and finding out the truth; or were the circumstances such that he was not faced with that choice? (Emphasis ours)

This means that no automatic correlation exists between the state of forgery of a document and the bad faith of the buyer who relies on it. A test has to be done whether the buyer had a choice between knowing the forgery and finding it out, or he had no such choice at all.

When the document under scrutiny is a special power of attorney that is duly notarized, we know it to be a public document where the notarial acknowledgment is prima facie evidence of the fact of its due execution.[51] A buyer presented with such a document would have no choice between knowing and finding out whether a forger lurks beneath the signature on it. The notarial acknowledgment has removed that choice from him and replaced it with a presumption sanctioned by law that the affiant appeared before the notary public and acknowledged that he executed the document, understood its import and signed it. In reality, he is deprived of such choice not because he is incapable of knowing and finding out but because, under our notarial system, he has been given the luxury of merely relying on the presumption of regularity of a duly notarized SPA. And he cannot be faulted for that because it is precisely that fiction of regularity which holds together commercial transactions across borders and time.

In sum, all things being equal, a person dealing with a seller who has possession and title to the property but whose capacity to sell is restricted, qualifies as a buyer in good faith if he proves that he inquired into the title of the seller as well as into the latter's capacity to sell; and that in his inquiry, he relied on the notarial acknowledgment found in the seller's duly notarized special power of attorney. He need not prove anything more for it is already the function of the notarial acknowledgment to establish the appearance of the parties to the document, its due execution and authenticity.[52]

Note that we expressly made the foregoing rule applicable only under the operative words "duly notarized" and "all things being equal." Thus, said rule should not apply when there is an apparent flaw afflicting the notarial acknowledgment of the special power of attorney as would cast doubt on the due execution and authenticity of the document; or when the buyer has actual notice of circumstances outside the document that would render suspect its genuineness.

In *Domingo v. Reed*,[53] we found that the special power of attorney relied upon by the buyers contained a defective notarial acknowledgment in that it stated there that only the agent-wife signed the document before the notary public while the principal-husband did not. Such flaw rendered the notarial acknowledgment of no effect and reduced the special power of attorney into a private document. We declared the buyer who relied on the private special power of attorney a buyer in bad faith.

In *Lao v. Villones-Lao*,[54] and *Estacio v. Jaranilla*,[55] we found that the buyers knew of circumstances extrinsic to the special power of attorney which put in question the actual execution of said document. In *Domingo Lao*, the

buyer knew that the agent-wife was estranged from the principal-husband but was living within the same city. In the Estacio case, we found admissions by the buyers that they knew that at the time of the purported execution of the special power of attorney, the alleged principal was not in the Philippines. In both cases we held that the buyers were not in good faith, not because we found any outward defect in the notarial acknowledgment of the special powers of attorney, but because the latter had actual notice of facts that should have put them on deeper inquiry into the capacity to sell of the seller.

In the present case, petitioners knew that Berlina was in Germany at the time they were buying the property and the SPA relied upon by petitioners has a defective notarial acknowledgment. The SPA was a mere photocopy^[56] and we are not convinced that there ever was an original copy of said SPA as it was only this photocopy that was testified to by petitioner Nida Bautista and offered into evidence by her counsel.^[57] We emphasize this fact because it was actually this photocopy that was relied upon by petitioners before they entered into the deed of sale with Pedro. As admitted to by petitioner Nida Bautista, upon inspection of the photocopy of the SPA, they gave Pedro an advanced payment of Php55,000.00; this signifies that, without further investigation on the SPA, petitioners had agreed to buy the subject property from Pedro.

But then said photocopy of the SPA contains no notarial seal. A notarial seal is a mark, image or impression on a document which would indicate that the notary public has officially signed it.^[58] There being no notarial seal, the signature of the notary public on the notarial certificate was therefore incomplete. The notarial certificate being deficient, it was as if the notarial acknowledgment was unsigned. The photocopy of the SPA has no notarial acknowledgment to speak of. It was a mere private document which petitioners cannot foist as a banner of good faith.

All told, it was not sufficient evidence of good faith that petitioners merely relied on the photocopy of the SPA as this turned out to be a mere private document. They should have adduced more evidence that they looked beyond it. They did not. Instead, they took no precautions at all. They verified with Atty. Lucero whether the SPA was authentic but then the latter was not the notary public who prepared the document. Worse, they purposely failed to inquire who was the notary public who prepared the SPA. Finally, petitioners conducted the transaction in haste. It took them all but three days or from March 2 to 4, 1988 to enter into the deed of sale, notwithstanding the restriction on the capacity to sell of Pedro.^[59] In no way then may petitioners qualify as buyers for value in good faith.

That said, we come to the third issue on whether petitioners may retain the portion of Pedro Silva in the subject property. Certainly not. It is well-settled that the nullity of the sale of conjugal property contracted by the husband without the marital consent of the wife affects the entire property, not just the share of the wife.^[60] We see no reason to deviate from this rule.

WHEREFORE, the petition is hereby DENIED. The Decision dated November 21, 2001 and Resolution dated February 27, 2003 of the Court of Appeal are AFFIRMED.

Costs against petitioners.

SO ORDERED.

Panganiban, C. J., (Chairperson), Ynares-Santiago, Callejo, Sr., and Chico-Nazario, JJ., concur.

[1] *Abad v. Guimba*, G.R. No. 157002, July 29, 2005, 465 SCRA 356, 367.

[2] Article 166. Unless the wife has been declared a non compos mentis or a spendthrift, or is under civil

interdiction or is confined in a leprosarium, the husband cannot alienate or encumber any real property of the conjugal partnership without the wife's consent x x x.

[3] Article 173. The wife may, during the marriage, and within ten years from the transaction questioned, ask the courts for the annulment of any contract of the husband entered into without her consent, when such consent is required, or any act or contract of the husband which tends to defraud her or impair her interest in the conjugal partnership property. Should the wife fail to exercise this right, she or her heirs, after the dissolution of the marriage, may demand the value of the property fraudulently alienated by the husband.

[4] Article 124. The administration and enjoyment of the conjugal partnership property shall belong to both spouses jointly. In case of disagreement, the husband's decision shall prevail, subject to recourse to the court by the wife for a proper remedy which must be availed of within five years from the date of the contract implementing such decision.

In the event that one spouse is incapacitated or otherwise unable to participate in the administration of the conjugal properties, the other spouse may assume sole powers of administration. These powers do not include the powers of disposition or encumbrance which must have the authority of the court or the written consent of the other spouse. In the absence of such authority or consent, the disposition or encumbrance shall be void. However, the transaction shall be construed as a continuing offer on the part of the consenting spouse and the third person, and may be perfected as a binding contract upon the acceptance by the other spouse or authorization by the court before the offer is withdrawn by either or both offerors.

[5] *Domingo v. Reed*, G.R. No. 157701, December 9, 2005, 477 SCRA 227, 242.

[6] Penned by Associate Justice Bernardo P. Abesamis and concurred in by Associate Justices Ramon A. Barcelona and Perlita J. Tria Tirona.

[7] Entitled, "Berlina F. Silva, represented by Hermes J. Dorado, in his capacity as Attorney-in-Fact, Plaintiff-Appellee, versus Sps. Claro & Nida Bautista, Defendants-Appellants & Third-Party Plaintiffs versus Pedro M. Silva, Third-Party Defendant."

[8] Records, p. 18.

[9] *Id.* at 28.

[10] *Id.* at 47.

[11] *Id.* at 212-213.

[12] *Id.* at 214.

[13] *Id.* at 201-203; 215-216.

[14] CA rollo, p. 144.

[15] *Id.* at 170.

[16] Rollo, p. 4.

[17] Rollo, pp. 8-9.

[18] Records, p. 4.

[19] *Id.*

[20] TSN, August 8, 1991, pp. 4-25.

[21] See note 2

[22] See note 3.

[23] Sec. 11. Misjoinder and non-joinder of parties. - Neither misjoinder nor non-joinder of parties is ground for dismissal of an action. Parties may be dropped or added by order of the court on motion of any party or on its own initiative at any stage of the action and on such terms as are just. Any claim against a misjoined party may be severed and proceeded with separately.

[24] *Cabutihan v. Landcenter Construction & Development Corporation*, 432 Phil. 927, 941 (2002).

[25] *Philippine National Oil Company v. National College of Business and Arts*, G.R. No. 155698, January 31, 2006, 481 SCRA 298, 309.

[26] *Domingo v. Reed*, *supra*; *Estacio v. Jaranilla*, G.R. No. 149250, December 8, 2003, 417 SCRA 250, 259.

[27] *Heirs of Ignacia Aguilar-Reyes v. Mijares*, G.R. No. 143826, August 28, 2003, 410 SCRA 97, 106; *Bravo-Guerrero v. Bravo*, G.R. No. 152658, July 29, 2005, 465 SCRA 244, 257. See also notes 18 and 19.

[28] *Rollo*, pp. 7-8.

[29] *Rollo*, pp. 6-8.

[30] *Rollo*, p. 9.

[31] *Orquiola v. Court of Appeals*, 435 Phil. 323, 331 (2002).

[32] See note 21.

[33] *Francisco v. Court of Appeals*, G.R. No. 118749, April 25, 2003, 401 SCRA 594, 605. Findings of fact may also be passed upon and reviewed by the Supreme Court in the following instances: (1) when the conclusion is a finding grounded entirely on speculation, surmises or conjecture; (2) when the inference made is manifestly mistaken, absurd, or impossible; (3) where there is a grave abuse of discretion in the appreciation of facts; (4) when judgment is based on a misapprehension of facts; (5) when the lower court, in making its findings, went beyond the issues of the case and such findings are contrary to the admissions of both appellant and appellee; (6) when the factual findings of the Court of Appeals are contrary to those of the trial court; (7) when the findings of fact are themselves conflicting; (8) when the findings of fact are conclusions made without a 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 respondents; (10) when the findings of fact of the lower court are premised on the supposed absence of evidence and are contradicted by the evidence on record (*Misa v. Court of Appeals*, G.R. No. 97291, August 5, 1992, 212 SCRA 217; *Philippine American General Insurance Company v. PKS Shipping Company*, 449 Phil. 223, 232 (2003); *Tansipek v. Philippine Bank of Communications*, 423 Phil. 727 [2001]).

[34] Sec. 32 of P.D. No. 1529 (Property Registration Decree).

[35] *Aguirre v. Court of Appeals*, G.R. No. 122249, January 29, 2004, 421 SCRA 310, 321.

[36] *Heirs of Ignacia Aguilar-Reyes v. Mijares*, *supra* note 27.

[37] *Abad v. Guimba*, G.R. No. 157002, July 29, 2005, 465 SCRA 356; *San Lorenzo Development Corporation v. Court of Appeals*, G.R. No. 124242, January 21, 2005, 449 SCRA 99, 117.

[38] *Aguirre v. Court of Appeals*, *supra* note 35.

[39] *Philippine National Bank v. Militar*, G.R. No. 164801, August 18, 2005, 467 SCRA 377, 387.

[40] Erena v. Querrer-Kauffman, G.R. No. 165853, June 22, 2006; Heirs of Trinidad De Leon Vda. De Roxas v. Court of Appeals, G.R. No. 138660, February 5, 2004, 422 SCRA 101, 116-117; Millena v. Court of Appeals, 381 Phil. 132, 143 (2000).

[41] Occena v. Esponilla, G.R. No. 156973, June 4, 2004, 431 SCRA 116, 125; Litonjua v. Eternit Corporation, G.R. No. 144805, June 8, 2006.

[42] See note 31.

[43] Intrade, Inc. v. Court of Appeals, 395 Phil. 791, 802 (2000).

[44] Castro v. Miat, G.R. No. 143297, February 11, 2003, 397 SCRA 271, 284.

[45] TSN, August 5, 1993, pp. 5-10.

[46] TSN, July 19, 1994, pp. 8-9

[47] TSN, August 5, 1993, pp. 5-6;

[48] CA rollo, p. 138.

[49] Records, pp. 215-216.

[50] Garrard Flenn, Fraudulent Conveyances and Preferences (Vol. 1), 1940, pp. 531-532.

[51] Cirelos v. Court of Appeals, G.R. No. 146523, June 15, 2006; Pan Pacific Industrial Sales Company, Inc. v. Court of Appeals, G.R. No. 125283, February 10, 2006, 482 SCRA 164, 174; Alfarero v. Sevilla, G.R. No. 142974, September 22, 2003, 411 SCRA 387, 393.

[52] See 2004 Rules on Notarial Practice.

[53] See note 26.

[54] 366 Phil. 49 (1999).

[55] Supra note 26.

[56] Records, p. 138.

[57] TSN, August 5, 1993, p. 7.

[58] 2004 Rules on Notarial Practice, Rule II, Section 13 and Rule VII, Section 2.

[59] Records, pp. 118-120.

[60] Heirs of Ignacia Aguilar-Reyes v. Mijares, supra note 27, citing Bucoy v. Paulino, 131 Phil. 790, 791 (1968).

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