

EIGHTH DIVISION

[CA-G.R. CV NO. 97799, February 06, 2015]

ANSELMA G. SANTOS, PLAINTIFF-APPELLANT, VS. ROLANDO S. CRUZ, SR. AND MRS. CRUZ, SR. (SPOUSES), MARY ANN SANTOS-MATIC, AND THE REGISTRY (SIC) OF DEEDS OF MARIKINA CITY, DEFENDANTS-APPELLEES.

D E C I S I O N

ANTONIO-VALENZUELA, J.:

This is the appeal filed by Anselma G. Santos ("plaintiff-appellant Anselma"), assailing the Decision dated 28 June 2011,^[1] of the Regional Trial Court, Branch 193, Marikina City ("RTC"), in Civil Case No. 2002-830 MK, entitled "*Anselma Santos v. Rolando Cruz, Mrs. Cruz, Mary Ann Santos Matic, Registry of Deeds, Marikina City.*"

Plaintiff-appellant Anselma filed the Complaint^[2] against Rolando S. Cruz, Sr. ("defendant-appellee Rolando Sr."), and his wife, Mrs. Cruz, Sr., (collectively, "defendants-appellees spouses Cruz"), Mary Ann Santos-Matic ("defendant Mary Ann"), and the Registrar of Deeds, Marikina City.

The Complaint alleged: plaintiff-appellant Anselma was the owner of the parcel of land located at Bayanbayanan, Marikina City, covered by Transfer Certificate of Title (TCT) No. 327503 ("subject property"); plaintiff-appellant Anselma discovered that the subject property was fraudulently mortgaged to defendants-appellees spouses Cruz as security for the Php 500,000.00 loan, and that plaintiff-appellant Anselma's daughter, defendant Mary Ann, and defendant-appellee Rolando Sr. forged plaintiff-appellant Anselma's signature in the Promissory Note dated 28 April 1999,^[3] and in the Real Estate Mortgage ("subject instruments"); plaintiff-appellant Anselma did not sign the subject instruments, and she did not receive the proceeds of the loan; plaintiff-appellant Anselma made several oral demands to defendant-appellee Rolando Sr. to return the owner's duplicate certificate of title, to no avail; without the knowledge of plaintiff-appellant Anselma, the period within which to pay the Php 500,000.00 loan had expired, and defendant-appellee Rolando Sr. foreclosed the mortgage, and the certificate of sale was annotated in the TCT No. 327503.

The Complaint prayed for: declaration of nullity of the subject instruments; issuance of the order directing the Registrar of Deeds, Marikina City to cancel the annotation of the mortgage in TCT No. 327503 in favor of defendants-appellees spouses Cruz, payment of Php 500,000.00 (moral damages), Php 200,000.00 (exemplary damages), Php 200,000.00 (attorney's fees), and costs.

Defendants-appellees spouses Cruz filed the Answer with Counterclaim,^[4] and alleged: the Complaint stated no cause of action because the subject instruments were validly executed, and were binding on the parties; plaintiff-appellant Anselma's

allegation of connivance (between plaintiff-appellant Anselma's daughter defendant Mary Ann, and defendants-appellees spouses Cruz), and the filing of the Complaint, were schemes of plaintiff-appellant Anselma to delay defendants-appellees spouses Cruz's consolidation of ownership over the subject property.

By way of counterclaim, defendants-appellees spouses Cruz prayed for the payment of Php 100,000.00 (attorney's fees), and Php 1,000,000.00 (moral damages).

The Registrar of Deeds, Marikina City filed the Manifestation,^[5] and alleged: the Complaint stated no cause of action against the Registrar of Deeds because there were no allegations of wrongful action or omission by the Registrar of Deeds that caused injury to plaintiff-appellant Anselma, and the Registrar of Deeds was only impleaded as a nominal party in the Complaint.

The RTC declared the Registrar of Deeds as a nominal party and held that the Registrar of Deeds need not file separate pleadings.^[6]

On motion by plaintiff-appellant Anselma, the RTC declared defendant Mary Ann in default for failure to file answer.^[7]

Upon motion by plaintiff-appellant Anselma, the RTC ordered defendants-appellees spouses Cruz to submit the original of the subject instruments to the Questioned Documents Division of the National Bureau of Investigation ("NBI") for forensic examination.^[8] The RTC also ordered plaintiff-appellant Anselma to submit her standard/sample signatures to the NBI.

On 3 September 2007, the RTC issued the Pre-Trial Order.^[9] Then, the RTC proceeded with the trial.

The following witnesses testified for plaintiff-appellant Anselma: plaintiff-appellant Anselma;^[10] Necitas Patinio;^[11] Wenceslao Reyes.^[12]

The evidence for plaintiff-appellant Anselma is summarized thus: plaintiff-appellant Anselma was the registered owner of the subject property, and plaintiff-appellant Anselma did not mortgage nor sell the subject property; plaintiff-appellant Anselma's sister-in-law, who was also her neighbor, informed plaintiff-appellant Anselma that defendant-appellee Rolando Sr. was selling the subject property; plaintiff-appellant Anselma, who was then residing in San Juan, immediately went to Marikina to verify the information; plaintiff-appellant Anselma searched for her copy of TCT No. 327503, which she kept in her desk, but plaintiff-appellant Anselma did not find TCT No. 327503, so she went to the Registry of Deeds, Marikina City to verify; upon verification, plaintiff-appellant Anselma discovered that the subject property had been mortgaged to defendant-appellee Rolando Sr.; plaintiff-appellant Anselma saw the subject instruments, and recognized that the signatures above her name were forgeries; while plaintiff-appellant Anselma's daughter, defendant Mary Ann, admitted mortgaging the subject property to defendant-appellee Rolando Sr. as security for the Php 500,000.00 loan, plaintiff-appellant Anselma did not authorize defendant Mary Ann to sign plaintiff-appellant Anselma's name in the subject instruments, and plaintiff-appellant Anselma did not receive any share of the loan proceeds; prior to the filing of the Complaint, plaintiff-appellant Anselma sought assistance from the NBI to determine the genuineness of the signatures appearing

in the subject instruments; the NBI compared the signatures allegedly belonging to plaintiff-appellant Anselma appearing in the subject instruments, with the sample standard signatures of plaintiff-appellant Anselma, and the NBI found that the questioned signatures in the subject instruments differed from plaintiff-appellant Anselma's standard signatures (*i.e.*: differences in the structural patterns of the letters, the manner of execution of the strokes, and other identifying details), and that plaintiff-appellant Anselma's standard sample signatures, and the questioned signatures in the subject instruments, were not written by one and the same person; defendant-appellee Rolando Sr. registered the forged Real Estate Mortgage with the Registry of Deeds, Marikina City, and caused the annotation of the mortgage and certificate of sale in favor of defendants-appellees spouses Cruz in TCT No. 327503; due to the bad faith of defendants-appellees Cruz, plaintiff-appellant Anselma was entitled to moral damages, exemplary damages, and attorney's fees.

The following witnesses testified for defendants-appellees spouses Cruz: Rowena Guevarra ("Rowena");^[13] defendant-appellee Rolando Sr..^[14]

The evidence for defendants-appellees Cruz is summarized thus: defendant Mary Ann approached her friend, Rowena, and inquired if Rowena knew someone who could lend money to defendant Mary Ann; Rowena referred defendant Mary Ann to defendant-appellee Rolando Sr.; defendant-appellee Rolando Sr. agreed to loan defendant Mary Ann the amount of Php 500,000.00, secured by the mortgage over the subject property; defendant Mary Ann signed the name of plaintiff-appellant Anselma in the subject instruments, upon the instruction of plaintiff-appellant Anselma; after the signing of the subject instruments, defendant-appellee Rolando Sr. went to the notary public to have the subject instruments notarized; defendant-appellee Rolando Sr. paid Php 500,000.00 to plaintiff-appellant Anselma's son, Ferdinand Santos; plaintiff-appellant Anselma failed to pay the loan, thus defendant-appellee Rolando Sr. foreclosed the mortgage; due to plaintiff-appellant Anselma's malicious filing of the Complaint, defendants-appellees spouses Cruz were entitled to damages and attorney's fees.

Both parties filed their respective memoranda.^[15]

On 28 June 2011, the RTC issued the assailed Decision,^[16] and dismissed the Complaint for lack of merit.

The assailed Decision ruled: while the evidence showed that plaintiff-appellant Anselma did not write the signatures in the subject instruments, the evidence also showed that plaintiff-appellant Anselma had knowledge of the execution of the subject instruments, and of the mortgage over the subject property; according to witness Rowena (defendant-appellee Rolando Sr.'s broker), plaintiff-appellant Anselma made her daughter, defendant Mary Ann, sign plaintiff-appellant Anselma's name on the subject instruments; plaintiff-appellant Anselma did not contradict the testimony of Rowena (*i.e.*, that plaintiff-appellant Anselma instructed defendant Mary Ann to sign the subject instruments); there was no forgery, and plaintiff-appellant Anselma was estopped to question the validity of the subject instruments.

Thus, this appeal by plaintiff-appellant Anselma, with the following assignment of errors: