THIRD DIVISION

[G.R. NO. 153743, March 18, 2005]

NORMA B. DOMINGO, PETITIONER, VS. YOLANDA ROBLES; AND MICHAEL MALABANAN ROBLES, MARICON MALABANAN ROBLES, MICHELLE MALABANAN ROBLES, ALL MINORS REPRESENTED BY THEIR MOTHER, YOLANDA ROBLES, RESPONDENTS.

DECISION

PANGANIBAN, J.:

Forgery must be proven by the party alleging it; it cannot be presumed. To prevent a forged transfer from being registered, the Torrens Act requires, as a prerequisite to registration, the production of the owner's certificate of title and the instrument of conveyance. A registered owner who places in the hands of another an executed document of transfer of registered land effectively represents to a third party that the holder of such document is authorized to deal with the property. [1]

The Case

Before us is a Petition for Review^[2] under Rule 45 of the Rules of Court, challenging the May 27, 2002 Decision^[3] of the Court of Appeals (CA) in CA-GR CV No. 53842. The decretal portion of the assailed Decision reads:

"IN VIEW OF ALL THE FOREGOING, [there being] no reversible error in the challenged decision, the same is hereby **AFFIRMED**, *in toto*, and the instant appeal ordered **DISMISSED**. Costs against the [petitioner]."^[4]

On the other hand, the affirmed Decision^[5] of the Regional Trial Court (RTC), Branch 272 of Marikina, disposed as follows:

"WHEREFORE, premises considered, the complaint subject of this decision is hereby DISMISSED."^[6]

The Facts

The facts are narrated by the CA as follows:

"The historical backdrop shows that [petitioner] and her husband, Valentino Domingo, were the registered owners of Lot 19, Block 1, subdivision plan (LRC) Psd-15706 located at Cristina Subdivision, Concepcion, Marikina and covered by Transfer Certificate of Title No. 53412. On this lot, [Petitioner] Norma B. Domingo discontinued the construction of her house allegedly for failure of her husband to send the necessary financial support. So, she decided to dispose of the property.

"A friend, Flor Bacani, volunteered to act as [petitioner's] agent in selling

the lot. Trusting Bacani, [petitioner] delivered their owner's copy of Transfer Certificate of Title No. 53412 to him (Bacani). Later, the title was said to have been lost. In the petition for its reconstitution, [petitioner] gave Bacani all her receipts of payment for real estate taxes. At the same time, Bacani asked [petitioner] to sign what she recalled was a record of exhibits. Thereafter, [petitioner] waited patiently but Bacani did not show up any more.

"On November 1, 1994, [Petitioner] Norma Domingo visited the lot and was surprised to see the [respondents] (**Robles**, for short) starting to build a house on the subject lot. A verification with the Register of Deeds revealed that the reconstituted Transfer Certificate of Title No. 53412 had already been cancelled with the registration of a Deed of Absolute Sale dated May 9, 1991 signed by Norma B. Domingo and her husband Valentino Domingo, as sellers, and [Respondent] Yolanda Robles, for herself and representing the other minor [respondents], as buyers. As a consequence, Transfer Certificate of Title No. 201730 was issued on June 10, 1991 in the name of [Respondent] Robles.

"Claiming not to have met any of the [respondents] nor having signed any sale over the property in favor of anybody (her husband being abroad at the time), [petitioner] assumed that the Deed of Absolute Sale dated May 9, 1991 is a forgery and, therefore, could not validly transfer ownership of the lot to the [respondents]. Hence, the case for the nullity thereof and its reconveyance.

"[Respondents] Robles responded alleging to be buyers in good faith and for value. They narrate that the subject lot was offered to them by Flor Bacani, as the agent of the owners; that after some time when they were already prepared to buy the lot, Bacani introduced to them the supposed owners and agreed on the sale; then, on May 9, 1991, Bacani and the introduced seller presented a Deed of Absolute Sale already signed by Valentino and Norma Domingo needing only her (Robles') signature. Presented likewise at that meeting, where she paid full purchase price, was the original of the owner's duplicate of Transfer Certificate of Title No. 53412.

"Then sometime later, [Respondents] Robles contracted to sell the lot in issue in favor of spouses Danilo and Herminigilda Deza for P250,000.00. [Respondent] Yolanda Robles even had to secure a guardianship authority over the persons and properties of her minor children from the Regional Trial Court of Pasig in JDRC No. 2614. When only P20,000.00 remained unpaid of the total purchase price under the contract to sell, payment was stopped because of the letter received by Yolanda Robles that [petitioner] intends to sue her.

"After due proceedings, the [Regional Trial Court] rendered its Decision dated May 13, 1996, dismissing the complaint." [7]

Ruling of the Court of Appeals

The CA held that respondents were purchasers in good faith and for value.