



Republic of the Philippines  
**Supreme Court**  
Manila

**FIRST DIVISION**

**SAMUEL ANG AND FONTAINE  
BLEAU FINANCE AND  
REALTY CORPORATION,**  
Petitioner,

**G.R. No. 231913**

**Present:**

PERALTA, C.J., *Chairperson*,  
CAGUIOA, *Working Chairperson*,  
REYES, J. JR.,  
LAZARO-JAVIER, and  
LOPEZ, JJ.

- versus -

**CRISTETA ABALDONADO,**  
Respondent.

**Promulgated:**

**JAN 15 2020**

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**DECISION**

**REYES, J. JR., J.:**

Before the Court is a petition for review on *certiorari* under Rule 45 of the Rules of Court seeking to reverse and set aside the July 28, 2016 Decision<sup>1</sup> and April 20, 2017 Resolution<sup>2</sup> of the Court of Appeals (CA) in CA-G.R. CV No. 05150, which reversed and set aside the September 26, 2013 Decision<sup>3</sup> of the Regional Trial Court, Branch 35, Iloilo City (RTC).

On August 27, 1998, respondent Cristeta Abaldonado (Abaldonado) obtained a ₱700,000.00 loan from petitioner Samuel Ang (Ang). The loan was subject to a compounded interest rate of four percent per month, with another four percent compounded interest as penalty in case of delay in the

<sup>1</sup> Penned by Associate Justice Edward B. Contreras, with Associate Justices Edgardo L. Delos Santos (now a member of the Court) and Geraldine C. Fiel-Macaraig concurring; *rollo*, pp. 51-58.

<sup>2</sup> *Id.* at 61-62.

<sup>3</sup> Penned by Judge Fe Gallon-Gayanilo; *id.* at 64-74.



payment of the obligation.<sup>4</sup> The loan was secured by a Real Estate Mortgage<sup>5</sup> (REM) over Lot 334-C registered in Abaldonado's name under Transfer Certificate of Title (TCT) No. T-125491.

Unfortunately, Abaldonado failed to pay several installments of the loan. Thus, on July 18, 2001, she received a Demand Letter<sup>6</sup> from Ang requiring her to pay her total indebtedness amounting to ₱2,543,807.64, otherwise, he would be constrained to initiate foreclosure proceedings. Ang's demand fell on deaf ears and he was constrained to file a Petition for Extrajudicial Foreclosure of REM on August 16, 2002.

However, the intended foreclosure proceedings did not push through due to a case filed by Abaldonado's children against her and Ang. The said case sought to nullify the Extrajudicial Adjudication with Waiver of Rights allegedly executed by Abaldonado's children as well as the REM between Ang and Abaldonado. Abaldonado's children claimed that as a result of their mother's forgery of the waiver of interest, she made it appear that they were surrendering their right to the subject property they inherited from their deceased father in her favor. Nevertheless, the case filed by Abaldonado's children was eventually dismissed without prejudice for lack of interest.<sup>7</sup>

Subsequently, on December 1, 2005, Ang assigned his mortgage rights to petitioner Fontaine Bleau Finance and Realty Corporation (Fontaine Bleau), a domestic corporation of which Ang is the president. Another Petition for Extrajudicial Foreclosure was filed this time by Fontaine Bleau as the assignee of the REM. On March 28, 2006, a public bidding for the mortgaged property was conducted where Fontaine Bleau emerged as the winning bidder. On June 18, 2007 a Final Deed of Sale was executed in its favor and it was able to consolidate its title to the property - TCT No. T-161718 was issued in its name on October 2, 2007.<sup>8</sup>

On June 18, 2010, Abaldonado filed a Complaint for Declaration of Nullity of Foreclosure Proceedings, Annulment of Interest Rate, Accounting and Damages against petitioners. She lamented that the interest rate under the REM was unconscionable and iniquitous. Abaldonado asserted that the debt should be deemed as without such interest stipulation, and the REM and the subsequent foreclosure proceeding should be declared *void ab initio*.

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<sup>4</sup> Id. at 51-52.

<sup>5</sup> Id. at 108-111.

<sup>6</sup> Id. at 104.

<sup>7</sup> Id. at 31.

<sup>8</sup> Id. at 52.

*RTC Decision*

In its September 26, 2013 Decision, the RTC dismissed Abaldonado's complaint. The trial court ruled that the stipulated interest and penalty in the REM must be equitably reduced for being excessive, iniquitous and unconscionable. It, however, explained that the nullity of the interest and its reduction do not affect the terms of the REM, and that the REM between Abaldonado and Fontaine Bleau and the foreclosure proceedings are left unaffected.

Nevertheless, the RTC found that Abaldonado was guilty of laches because she slept on her right when she failed to raise at the earliest opportunity the validity of the REM and of the stipulated interest. The trial court observed that Abaldonado questioned the loan and the REM only after twelve years from its execution, almost eleven years from the notice of demand, and almost six years from the initiation of the foreclosure proceedings. It opined that Abaldonado could have assailed the interest or filed an action to annul the REM from the moment she received the demand letter or when Fontaine Bleau had commenced the foreclosure proceedings. The RTC added that Abaldonado could have also questioned the loan and the REM in the case filed against her by her children. The trial court highlighted that while petitioners tried to amicably settle the matter, Abaldonado failed to take specific steps to challenge the exorbitant stipulated interest. The RTC disposed:

WHEREFORE, in view of the foregoing considerations, the complaint is hereby DISMISSED. For the failure of the defendants to support their counterclaim, the same is likewise ordered dismissed.

SO ORDERED.<sup>9</sup>

Aggrieved, petitioners appealed to the CA.

*CA Decision*

In its July 28, 2016 Decision, the CA reversed and set aside the RTC decision. The appellate court agreed with Abaldonado that the four percent interest and penalty were iniquitous and unconscionable. It, however, clarified that in usurious loans, the entire obligation does not become void as the unpaid principal debt remains valid with only the stipulation on the interest rate void. The CA further explained that the foreclosure proceedings were null and void because the usurious interest and penalty imposed on the obligation prevented Abaldonado from settling her debt at the correct amount without the iniquitous interest. The appellate court expounded that

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<sup>9</sup> Id. at 74.

as a consequence of the nullity of the foreclosure proceedings, the ensuing registration of the foreclosure sale cannot transfer any rights or vest title over the mortgaged property to Fontaine Bleau. It, however, stressed that this was without prejudice to Fontaine Bleau's right to recover the principal loan with the appropriate interest and to initiate all appropriate actions against Abaldonado in the event of her failure to pay the same.

Further, the CA disagreed that Abaldonado's complaint should be dismissed on account of laches. The appellate court elaborated that not all elements of laches were present highlighting that according to Ang's testimony itself, Abaldonado exerted many efforts to settle or redeem her property after the institution of the foreclosure proceedings. In addition, it pointed out that the element of injury was lacking considering that petitioners failed to prove any injury they would suffer if Abaldonado's action for nullification of foreclosure proceedings is not dismissed. Thus, it ruled:

WHEREFORE, the appeal is GRANTED. The Decision of the Regional Trial Court, Branch 35, Iloilo City, in Civil Case No. 10-30556, dated September 26, 2013, is SET ASIDE. Judgment is hereby rendered, as follows:

1. The extrajudicial foreclosure and auction sale on Lot No. 334-C that was held on March 28, 2006 is VOID;
2. The Certificate of Sale dated March 28, 2006, Final Deed of Sale dated June 18, 2007, and TCT No. T-161718, all issued in the name of Fontaine Bleau Finance and Realty Corporation, are ANNULLED. TCT No. T-125491 in the name of Cristeta Abaldonado is ORDERED REINSTATED;
3. The interest rate and penalty interests stipulated in the Real Estate Mortgage between Cristeta Abaldonado and Samuel Ang dated August 27, 1998, is VOID for being iniquitous and unconscionable. The obligation secured by the Real Estate Mortgage shall, instead, be subject to the legal interest rate of 6% per annum from July 18, 2001 until its full satisfaction;
4. This case is ordered REMANDED to the Regional Trial Court, Branch 35, Iloilo City, for proper accounting and computation, taking into consideration the foregoing dispositions; [and]
5. Cristeta Abaldonado is ORDERED to pay Fontaine Bleau Finance and Realty Corporation the amount of the recomputed obligation, within 60 days from the finality of this decision; otherwise, she shall be considered in default, and Fontaine Bleau Finance and Realty Corporation may initiate against her the appropriate action/s for a defaulted debtor.

The trial court is ORDERED to proceed with the above directives with dispatch.

SO ORDERED.<sup>10</sup>

Unsatisfied, petitioners moved for reconsideration but it was denied by the CA in its April 20, 2017 resolution.

Hence, this present Petition raising:

### Issues

#### I

WHETHER OR NOT THE COURT OF APPEALS ERRED IN FINDING THAT THE ALLEGED EFFORTS OF PRIVATE RESPONDENT CRISTETA ABALDONADO TO AMICABLY SETTLE HER UNPAID OBLIGATIONS TO THE PETITIONERS NEGATED THE EXISTENCE OF LACHES, AND, CONSEQUENTLY, DECLARING THE AUCTION SALE ON LOT 344-C HELD ON MARCH 28, 2006 AS VOID, WHEN SUCH FINDINGS ARE PREMISED ON THE ABSENCE OF EVIDENCE BUT CONTRADICTED BY THE EVIDENCE ON RECORD[;]

#### II

WHETHER OR NOT THE PRIVATE RESPONDENT CRISTETA ABALDONADO HAS FORECLOSED ON HER RIGHT TO REDEEM OR RE-ACQUIRE LOT NO. 344-C BECAUSE OF HER FAILURE TO VALIDLY TENDER THE REDEMPTION PRICE PRIOR TO THE EXPIRATION OF THE PERIOD TO DO SO, AND, IF THE COURT OF APPEALS ERRED IN FAILING TO CONSIDER THE RELEVANCE OF THIS FACT WHICH, IF PROPERLY APPRECIATED, WOULD JUSTIFY A DIFFERENT CONCLUSION[; AND]

#### III

WHETHER OR NOT THE COURT OF APPEALS ERRED IN IMPOSING THE INTEREST RATE OF SIX PERCENT (6%) PER ANNUM FROM JULY 28, 2001 UNTIL ITS FULL SATISFACTION AND WITHOUT IMPUTING PENALTY CHARGES BY WAY OF LIQUIDATED DAMAGES, FAILING TO TAKE INTO ACCOUNT THAT THE LOAN WAS OBTAINED ON AUGUST 27, 1998 BY PRIVATE RESPONDENT CRISTETA ABALDONADO WHO ADMITTEDLY INCURRED DELAY IN THE PAYMENT OF HER LOAN OBLIGATIONS TO THE PETITIONERS[.]<sup>11</sup>

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<sup>10</sup> Id. at 57-58.

<sup>11</sup> Id. at 32-33.

Petitioners argue that the CA misappreciated Ang's testimony in concluding that Abaldonado had exerted efforts to settle her debt. They clarify that based on Ang's testimony, it was he who repeatedly offered to Abaldonado's children the chance to redeem the property and that Abaldonado had not participated in any attempt to amicably settle the loan obligation. Petitioners assail that Abaldonado had foreclosed her right to redeem the mortgaged property on account of her failure to tender the redemption price or to file the corresponding legal action to fix the redemption price. They insist that Abaldonado should have opposed the public auction or consigned the redemption price to establish her good faith in redeeming the property and then simultaneously file a case to fix the redemption price. On the other hand, petitioners lament that the CA erred in imposing an interest rate of six percent commencing on July 18, 2001 because the prevailing legal interest rate at the time the parties entered into the loan was twelve percent. They likewise assert that penalty charges, by way of liquidated damages, should be imposed on account of Abaldonado's neglect and delay in the payment of her loan obligations.

In her Comment<sup>12</sup> dated July 31, 2018, Abaldonado countered that petitioners' petition for review on *certiorari* should be denied as it raises questions of fact. She averred that the findings of the CA are supported by evidence and that it correctly ruled that laches was inapplicable in the present controversy. Abaldonado also claimed that she has not foreclosed the right to redeem the mortgaged property as she was not given the opportunity to settle her debt at the correct amount in view of the usurious interest imposed. Finally, she posited that the CA correctly reduced the usurious interest to six percent per annum reckoned from July 18, 2001 until the satisfaction of the loan.

In their Reply<sup>13</sup> dated January 7, 2019, petitioners stated that the present petition falls under the exceptions to the rule that only questions of law may be raised in petitions for review on *certiorari*. They highlighted that findings of the CA that Abaldonado had exerted efforts to settle her claim was against the evidence on record. Petitioners reiterated that Abaldonado had foreclosed her right to redeem the property and that the CA erred in reckoning the six percent interest rate from July 18, 2001.

### **The Court's Ruling**

The petition is meritorious.

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<sup>12</sup> Id. at 133-143.

<sup>13</sup> Id. at 148-159.

As a general rule, only questions of law may be entertained in petitions for review on *certiorari* under Rule 45 of the Rules of Court.<sup>14</sup> In *Far Eastern Surety and Insurance Co., Inc. v. People*,<sup>15</sup> the Court differentiated questions of law from questions of fact, to wit:

A question of law arises when there is doubt as to what the law is on a certain state of facts, while there is a question of fact when the doubt arises as to the truth or falsity of the alleged facts. For a question to be one of law, its resolution must not involve an examination of the probative value of the evidence presented by the litigants, but must rely solely on what the law provides on the given set of facts. **If the facts are disputed or if the issues require an examination of the evidence, the question posed is one of fact.** The test, therefore, is not the appellation given to a question by the party raising it, but whether the appellate court can resolve the issue without examining or evaluating the evidence, in which case, it is a question of law; otherwise, it is a question of fact. (Emphasis supplied)

However, the said rule admits of several exceptions where questions of fact may be raised in the said petition. The Court takes cognizance of questions of fact in the following scenarios:

- (1) When the conclusion is a finding grounded entirely on speculation, surmises, or conjectures;
- (2) When the inference made is manifestly mistaken, absurd or impossible;
- (3) Where there is a grave abuse of discretion;
- (4) When the judgment is based on a misapprehension of facts;
- (5) When the findings of fact are conflicting;
- (6) When the Court of Appeals, in making its findings, went beyond the issues of the case and the same is contrary to the admissions of both appellant and appellee;
- (7) The findings of the Court of Appeals are contrary to those of the trial court;
- (8) When the findings of fact are conclusions without 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; and
- (10) The finding of fact of the Court of Appeals is premised on the supposed absence of evidence and is contradicted by the evidence on record.<sup>16</sup>

The present petition for review on *certiorari* involves questions of fact since the determination of whether Abaldonado was guilty of laches requires the examination and evaluation of the evidence on record. Nevertheless, the said petition, though raising questions of fact, is cognizable by the Court as one of the recognized exceptions to the general rule is when the CA and trial courts have diverging findings of fact and when there is a misapprehension

<sup>14</sup> *Bugaoisan v. Owi Group Manila*, G.R. No. 226208, February 7, 2018.

<sup>15</sup> 721 Phil. 760 (2013).

<sup>16</sup> *Heirs of Juan M. Dinglasan v. Ayala Corporation*, G.R. No. 204378, August 5, 2019.

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opined the contrary and saw that she had exerted diligent effort in protecting her rights.

*Unreasonable delay in asserting one's rights amounts to laches*

Laches is the failure or neglect, for an unreasonable and unexplained length of time, to do that which, by exercising due diligence, could or should have been done earlier.<sup>17</sup> Essentially, it is present in cases of unreasonable neglect to protect one's rights giving rise to the presumption that the party entitled to assert it either has abandoned or declined to assert it.<sup>18</sup> In *Heirs of Anacleto B. Nieto v. Municipality of Meycauayan, Bulacan*,<sup>19</sup> the Court had established the elements of laches, viz.:

- (1) conduct on the part of the defendant, or of one under whom he claims, giving rise to the situation of which complaint is made for which the complaint seeks a remedy;
- (2) delay in asserting the complainant's rights, the complainant having had knowledge or notice, of the defendant's conduct and having been afforded an opportunity to institute a suit;
- (3) lack of knowledge or notice on the part of the defendant that the complainant would assert the right on which he bases his suit; and
- (4) injury or prejudice to the defendant in the event relief is accorded to the complainant, or the suit is not held to be barred.

In ruling for Abaldonado, the CA highlighted that she exerted several efforts to settle or redeem the property but despite negotiations, the parties never arrived at a decision favorable to both. However, contrary to the CA's assessment, the evidence on record does not negate the presence of laches. Rather, it actually supports the finding thereof.

The testimony of petitioners' witnesses shows that Abaldonado never participated in the negotiations concerning her loan obligation with petitioners, to wit:

Direct testimony of Samuel Ang

- Q: You testified that you did not strictly follow the rate of interest stipulated in the terms and conditions in the Real Estate Mortgage?
- A: Yes, during our hearing in Branch 26, I offered 1.8 million to Cristeta Abaldonado as redemption and it was relayed by Atty. Regalado but nothing came out of that, ma'am.

<sup>17</sup> *Oropeza v. Allied Banking Corporation*, G.R. No. 222078, April 1, 2019.

<sup>18</sup> *Id.*

<sup>19</sup> 564 Phil. 674 (2007).

x x x x

Q: After the loan was due and demandable what happened to the foreclosure?

A: It was not pursued because I strive for the amicable settlement, ma'am.

x x x x

Q: After the filing of the judicial foreclosure, was there an effort on the part of the plaintiff to settle or redeem her property?

A: There were many efforts exerted and there was an instance that we [had] a meeting at the Centennial Hotel, but nothing came out. Again they wanted that the title be transferred to their names, but it's not good anymore, ma'am. According to them, they will get money from the bank and pay me.<sup>20</sup>

Direct testimony of Lolly Guy Ang

Q: In this regard Madam Witness, in relation to the testimony that you have mentioned, can you recall what efforts were exerted on your part to settle this case amicably?

A: We have exerted many efforts to settle this case [amicably]. Last April 2007, we met at Centennial Hotel. I was with Atty. George Demaisip together with my husband and the other party was with their counsel also, Atty. Regalado together with Cecilia Jaspela, her brother Edgar Abaldonado and my friend from DENR, Mercy Velasco, ma'am.

Q: Madam Witness, who is this Cecilia Jaspela?

A: This Cecilia Jaspela is the daughter of Cristeta Abaldonado, because Cecilia Jaspela's maiden name is Cecilia Abaldonado, ma'am.

Q: Madam Witness, what was the reason why you met in April 2007 with Cecilia Jaspela and their counsel at the Centennial Hotel?

A: So that we could come up with [an] amicable settlement with her case at Branch 26, ma'am.

x x x x

Q: After that meeting in April 2007, were there occasions that you [talked] or met with this Cristeta Abaldonado?

A: We were not able to meet again but I was able to call her that night.

Q: When you tried to contact this Cristeta Abaldonado, can you please tell us what happened next?

A: I was surprised after I made a call because it was Cecilia Jaspela who answered my call.

Q: When this Cecilia Jaspela answered the phone, when you tried to contact Cristeta Abaldonado, what did you talk about?

A: I asked her if (sic) where her mother was.

<sup>20</sup> TSN dated September 12, 2012, pp. 18-21.

Atty. Sanzon:

Please continue.

A: She told me that her mother was not feeling well and was already asleep.

Q: What was your reaction when you heard that the same phone number of Cristeta Abaldonado was with Cecilia Jaspela that night?

A: I wondered because Cecilia Jaspela has filed a case against her mother and yet they still live in the same roof.

Q: So after that, what did you do?

A: After that, I have not heard anything from them because it seemed that Cristeta Abaldonado was avoiding us.

x x x x

Q: In all those previous efforts to amicably resolve the issue between you and the Abaldonado's, can you recall what was the participation of the plaintiff, Cristeta Abaldonado, was she present in the meeting and exert efforts to contact or call you during those times?

A: In all our efforts to settle this case, Cristeta Abaldonado, did not show actual interest to settle this case because her daughter, Cecilia Jaspela and her brother Edgar, were the ones who would always represent their mom.<sup>21</sup>

Contrary to the CA's observation, Abaldonado was never present in the negotiations with petitioners in trying to reach an amicable settlement for her loan obligation. In fact, she even admits her passivity in the efforts to satisfy her debt with petitioners, to wit:

Direct testimony of Cristeta Abaldonado

Q: And madam witness, you said you signed this document, can you remember who else signed this document?

A: I could not recall.

Q: Madam witness, you said you contracted loan with Mr. Ang with certain provisions and terms, now who paid for the said loan?

A: My daughter Corazon and sometimes I am also helping her, sir.

Q: And until when did you pay for the said loan?

A: More or less for one (1) year, sir.

Q: And after that one (1) year what happened madam witness?

A: My daughter Corazon did not ask anymore help in paying the said loan.

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<sup>21</sup> TSN dated November 22, 2012, pp. 9-20.

Q: And what happened after when your daughter Corazon was no longer asking help from you to pay the loan?

A: I do not know what happened because she was not asking money from me anymore, sir.

Q: And when you already stopped paying this, what happened to the property?

A: She was the one taking care of the property and I do not know the other things anymore.

x x x x

Q: And what actions did you take after knowing that the property was already foreclosed by Mr. Ang?

A: Since my daughter Corazon was taking over the case and so my other children were also taking over the case.

Thus, Abaldonado's inaction from the time the loan obligation was contracted until the negotiations for an amicable settlement is readily apparent. It must be remembered that the law protects the vigilant and not those who slumber on their rights.<sup>22</sup>

Abaldonado's neglect or inactivity amounted to laches which precluded her from questioning the mortgage contract and the subsequent foreclosure proceedings. Abaldonado never questioned the rates imposed from the time the loan was contracted until after the foreclosure sale was finalized. It is worth emphasizing that petitioners had already filed a first extrajudicial foreclosure complaint but did not push through due to a case filed by Abaldonado's children against her and Ang. At this juncture, she could have readily challenged the mortgage contract and petitioners' attempt to foreclose the property. Yet, Abaldonado remained silent and did not impugn the validity of the mortgage contract on account of the interest rates imposed.

Again, petitioners filed another complaint for extrajudicial foreclosure against Abaldonado. Even then, she did not assail the validity of the mortgage contract obligation nor contest the foreclosure proceedings. Rather, Abaldonado waited until a Final Deed of Sale was issued before she sprung into action. In sum, she only questioned the mortgage contract after 12 years from the loan was contracted and three years after Fontaine Bleau obtained a Final Deed of Sale.

Further, Abaldonado's inaction led petitioners to believe that she would not challenge the interest rates they had fully agreed upon. It is too late in the day for her to seek refuge from the courts after the long time she slumbered on her rights. In *Spouses Carpo v. Chua*,<sup>23</sup> the Court had

<sup>22</sup> *Pangasinan v. Disonglo-Almazora*, G.R. No. 200558, July 1, 2015.

<sup>23</sup> 508 Phil. 462 (2005).

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likewise denied relief to the party for belatedly questioning the validity of the mortgage contract, to wit:

The RTC had likewise concluded that petitioners were barred by laches from assailing the validity of the real estate mortgage. We wholeheartedly agree. If indeed petitioners unwillingly gave their consent to the agreement, they should have raised this issue as early as in the foreclosure proceedings. It was only when the writ of possession was issued did petitioners challenge the stipulations in the loan contract in their action for annulment of mortgage. Evidently, petitioners slept on their rights. The Court of Appeals succinctly made the following observations:

In all these proceedings starting from the foreclosure, followed by the issuance of a provisional certificate of sale; then the definite certificate of sale; then the issuance of TCT No. 29338 in favor of the defendants and finally the petition for the issuance of the writ of possession in favor of the defendants, there is no showing that plaintiffs questioned the validity of these proceedings. It was only after the issuance of the writ of possession in favor of the defendants, that plaintiffs allegedly tendered to the defendants the amount of P260,000.00 which the defendants refused. In all these proceedings, why did plaintiffs sleep on their rights?

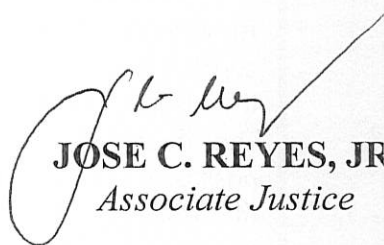
Just like the debtor-mortgagor in the above-mentioned case, Abaldonado sat idly by while petitioners instituted foreclosure proceedings over the mortgaged property. Also, just like in the said case, she assailed the mortgage contract only after the title over the property was transferred to the winning bidder during the public auction for the mortgaged property.

Further, the negotiations between petitioners and Abaldonado's children for an amicable settlement do not detract from the fact that Abaldonado had slept on her rights. The evidence presented by both parties established that Abaldonado never actually participated in the negotiation for a possible settlement. She did not communicate personally or through other means with petitioners as the latter were only able to talk to her children. In addition, there was no proof that Abaldonado had authorized her children to act in her behalf. Neither was there any showing that her children represented her interest in the attempt to arrive at a settlement. In fact, Abaldonado's children had even filed a case against her claiming that their signature in the Extrajudicial Adjudication with Waiver of Rights, where they purportedly waived their right to the subject property their inherited from their father in her favor, was a forgery.

**WHEREFORE**, the petition is **GRANTED**. The July 28, 2016 Decision and the April 20, 2017 Resolution of the Court of Appeals in

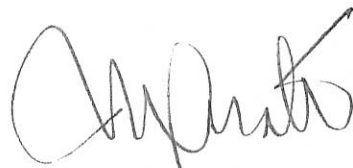
CA-G.R. CV No. 05150 is **REVERSED** and **SET ASIDE**. The September 26, 2013 Decision of the Regional Trial Court, Branch 35, Iloilo City is **REINSTATED**.

**SO ORDERED.**

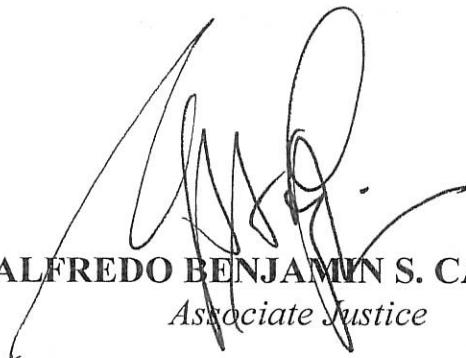


**JOSE C. REYES, JR.**  
*Associate Justice*


**WE CONCUR:**



**DIOSDADO M. PERALTA**  
*Chief Justice*  
*Chairperson*



**ALFREDO BENJAMIN S. CAGUIOA**  
*Associate Justice*



**AMY C. LAZARO-JAVIER**  
*Associate Justice*



**MARIO V. LOPEZ**  
*Associate Justice*

**CERTIFICATION**

Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



**DIOSDADO M. PERALTA**  
*Chief Justice*

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