

Title: Alarilla v. Ocampo

Facts:

Spouses Isidro de Guzman and Andrea E. Enriquez owned a parcel of land in Manila, which they mortgaged to Spouses Reynaldo C. Ocampo and Josephine C. Llave. Following Andrea's death, Isidro and their daughter Rosario, along with her family, including Rodolfo Alarilla, Sr., found themselves unable to pay the loan, leading to the property's extrajudicial foreclosure and subsequent sale to the Ocampos. Upon failure to redeem the property, the title was consolidated under the Ocampos. The Alarillas filed a complaint to nullify the real estate mortgage, arguing it was void as the property constituted a family home under the Family Code of the Philippines, and sought damages. On a separate but related note, Reynaldo Ocampo sought and was granted a writ of possession for the property, a decision the Alarillas unsuccessfully tried to overturn in both the Regional Trial Court and the Court of Appeals (CA).

Issues:

1. Whether the motion for reconsideration of the CA decision by the petitioners was filed on time.
2. Whether the petition on its merits should be granted, focusing on:
 - The validity of the real estate mortgage considering the property's status as a family home;
 - The entitlement of the Ocampos to a writ of possession following the foreclosure sale;
 - The effect of the Family Code on the extrajudicial foreclosure process and the subsequent rights to possession.

Court's Decision:

1. ****On the Timeliness of the Motion for Reconsideration:**** The Supreme Court found that the motion for reconsideration filed by the petitioners was indeed filed within the reglementary period, taking into account the rule allowing for the next working day submission when the deadline falls on a non-working day.
2. ****On the Merits of the Petition:**** The Supreme Court denied the petition for several reasons:
 - The one-year redemption period expired without the petitioners acting, leading to rightful title consolidation under the Ocampos.
 - The status of the property as a "family home" does not preclude the issuance of a writ of possession to the auction winner, with the court's role in such issuance being merely ministerial.

- The petitioners' argument against the validity of the mortgage or its foreclosure does not justify withholding the writ of possession from the respondent.
- The lack of opposition to the writ of possession petition by the petitioners in court effectively weakened their position.

Doctrine:

The Supreme Court reiterated that the issuance of a writ of possession following the consolidation of title in the buyer's name after a foreclosure sale is a ministerial act that is not contingent upon the resolution of disputes over the validity of the mortgage or the foreclosure proceedings.

Class Notes:

- **Family Home under the Family Code:** The protection attributed to a family home is not absolute and does not extend to nullifying an extrajudicial foreclosure sale on the ground that the property constitutes a family home.
- **Redemption Period and Ownership Consolidation:** Upon expiration of the one-year redemption period without the debtor exercising the redemption option, ownership can be consolidated in the buyer's name, warranting the issuance of a writ of possession.
- **Writ of Possession:** A court's decision to issue a writ of possession after a foreclosure sale is a ministerial duty, meaning the court must issue it upon request without the need to ascertain the validity of the foreclosure sale.

Historical Background:

The protection of family homes is a pivotal aspect of the Family Code of the Philippines, aiming to shelter the family unit from the involuntary loss of their home due to debt. However, this case illustrates the limits of such protection, especially in the context of obligations secured by real estate mortgages and the procedural requirements following foreclosure proceedings.