

Title: **Jose E. Honrado vs. Court of Appeals and Premium Agro-Vet Products, Inc.**

Facts:

- Initiation of Complaint (December 11, 1997):** Premium Agro-Vet Products, Inc. (Premium) filed a complaint for the sum of money against Jose E. Honrado with the Regional Trial Court (RTC) of Quezon City, docketed as Civil Case No. Q-97-32965, to collect P240,765.00 for veterinary products sold on credit from November 18, 1996, until June 30, 1997.
- Pre-Trial Conference & Default Declaration:** Honrado and his counsel failed to appear at the pre-trial conference, resulting in his default. Premium presented evidence ex parte.
- Judicial Constitution of Family Home (March 1998):** Spouses Honrado filed a petition for judicial constitution of their property in Calamba, Laguna, as a family home, listed under TCT No. T-143175 in SP Case No. 489-1998-C, declaring its estimated value as P240,000.00.
- RTC Judgment (February 23, 1999):** RTC ruled in favor of Premium, ordering Honrado to pay P240,765.00 plus interest, attorney's fees, and costs.
- Procedural Posture Similar:** Honrado filed a Notice of Appeal, which was dismissed on March 20, 2000, for failing to file his appellant's brief. Entry of judgment was made on April 26, 2000.
- Motion for Writ of Execution (October 10, 2000):** RTC granted Premium's motion, and a writ of execution was issued on March 29, 2001.
- Levy and Auction (April-May 2001):** The Sheriff levied on the property, and the auction sale occurred on May 17, 2001. Premium emerged as the highest bidder, and Honrado was served notice but opposed the sale.
- Calamba RTC Decision on Family Home (April 29, 2002):** The RTC of Calamba declared the property a family home.
- Motion to Declare Properties Exempt (May 3, 2002):** Honrado filed a motion to exempt the property from execution under Article 155 of the Family Code, opposed by Premium.
- RTC Order Denying Motion (September 18, 2002):** RTC denied Honrado's motion, citing waiver due to failure to object timely to the sale.

11. **Motion for Deed of Conveyance (October 14, 2002):** Premium filed a motion for final deed of conveyance and writ of possession, opposed by Honrado, claiming the property as a family home per the decision of the RTC of Calamba.
12. **RTC Final Order (April 14, 2003):** Directed Honrado to execute the final deed of conveyance and ordered the issuance of a writ of possession to Premium.
13. **CA Petition & Decision (June 30, 2004):** Honrado's petition for certiorari was dismissed by the Court of Appeals, finding no grave abuse of discretion by the RTC.
14. **CA Denial of Motion for Reconsideration (December 2, 2004):** CA denied Honrado's motion for reconsideration.
15. **Petition for Review:** Honrado filed a petition for review alleging errors in not recognizing his claim for exemption and being estopped by his procedural failings.

Issues:

1. Whether Article 153 of the Family Code applies to exempt Honrado's property from execution.
2. Whether Honrado's failure to assert the claim for exemption timely is fatal to his claim.
3. Whether the right to claim exemption of a family home can be waived or is contrary to public policy.

Court's Decision:

1. **Article 153 of the Family Code (Ruling):** The Court found that while the family home is deemed constituted and exempt from execution under Article 153, Honrado failed to assert this right within a reasonable period as mandated by law.
2. **Waiver of Exemption (Ruling):** The Court held that Honrado's failure to claim the exemption before the auction sale constituted a waiver, and such claims must be made at the time of levy or within a reasonable time. Honrado's inaction until after the redemption period had lapsed solidified the waiver.
3. **Public Policy Argument (Ruling):** The Court rejected Honrado's claim that the right to exemption is non-waivable as contrary to public policy, reiterating that procedural rules and timely claims are essential for fair administration.

Doctrine:

- **Judgment Execution:** A judgment becomes final and executory, enabling the winning

party to demand execution as a matter of right.

- **Claim for Exemption:** Must be asserted at the time of levy or within a reasonable period to avoid estoppel. Delay in asserting this claim precludes the party from later raising it.

Class Notes:

- **Article 153, Family Code:** Constitution of a family home and exemptions therein.

- **Section 12, Rule 39, Rules of Court:** Procedures for claiming exemptions from execution.

- **Estoppel and Waiver Doctrine:** Failure to timely assert legal rights may bar later claims.

Historical Background:

- **Application of Family Code Exemptions:** The case exemplifies the strict procedural requirements under the Family Code to protect family homes from execution while balancing creditors' rights. The decision underscores the importance of procedural compliance in protecting legal exemptions and the finality of judicial decisions to avoid endless litigation cycles.