

JESUS Z. VALENZUELA, PETITIONER, VS. IRENE Z. AGUILAR, RESPONDENT.

G.R. Nos. L-18083-18084. May 31, 1963

Ponente: CONCEPCION, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/8f577d873a78/>

CONCEPCION, J.:

Appeal by certiorari taken by Jesus Z. Valenzuela from a decision of the Court of Appeals.

The pertinent facts are set forth in said decision, from which we quote:

"In Civil Case No. 52 of the Court of First Instance of La Union, entitled 'Florentina Zafra Vda. de Valenzuela, plaintiff, versus Irene Zafra de Aguilar, defendant', decision was rendered on February 13, 1950, requiring the defendant, among other things, to pay the plaintiff P810.00 with interest at 6% per annum computed from May 4, 1946, the date of the filing of the complaint. The defendant did not pay this judgment, and on February 18, 1952 a second alias writ of execution was issued (Exh. A), by virtue of which the Provincial Sheriff caused to be published in the Baguio Midland Courier, a newspaper edited in Baguio, and of general circulation in the province of La Union, a notice of public auction sale (Exhs. 18 and 18-a), to the highest bidder, of all rights, interests and participation which the above-named defendant had or might have in and over the property therein described, being a parcel of land, solar, residential, ½ only, eastern portion, covered by Tax Declaration No. 6886 in the name of Agustina del Castillo, deceased mother of both plaintiff and defendant, and situated in San Fernando, La Union, said to have been levied upon by said Sheriff. The public auction sale took place on March 18, 1953, Jesus Z. Valenzuela, attorney of plaintiff, being the highest bidder to whom a certificate of sale was, on said date, executed by the Provincial Sheriff of La Union (Exh. D). The property sold not having been redeemed, on April 20, 1954, the said Sheriff executed in favor of the aforesaid Attorney Jesus Z. Valenzuela the corresponding Certificate of Absolute Definitive Deed of Sale (Exh. B; Exh. 3), which was, on April 28, 1954, presented for registration in the office of the Register of Deeds of La-Union. On the same date, April 28, 1954, the said Sheriff placed Attorney Jesus Z. Valenzuela in possession of the property, who collected the rents thereof.

"On December 28, 1957, said Jesus Z. Valenzuela filed, in LRC Rec. No. N-14366, an application (Land Registration Case No. N-371 for the registration and confirmation, in his name, under the operation of the Land Registration Act No. 496), of his title to the above mentioned property, being already Lot No. 1, PSU-159050, with an area of 130 square meters, more or less, and Lot No. 2, PSU-159050, with an area of 18 square meters, more or less, as per survey of September 30 and October 15, 1956, approved June 8, 1957. To said application, Irene Z. de Aguilar filed an opposition.

"On March 10, 1958 the same Irene Z. de Aguilar, the judgment debtor in the aforementioned Civil Case No. 52, filed an action against Jesus Z. Valenzuela and the Provincial Sheriff of La Union, for annulment of the aforesaid public auction sale, and damages with injunction, being Civil Case No. 1268 of the Court of First Instance of La Union.

"Both cases were tried jointly, after which the Court of First Instance of La Union rendered decision on October 28, 1958, the dispositive portion whereof reading:

"WHEREFORE, the Court hereby adjudicates and decrees the registration of the parcel of land described in the plan and technical description, Exhibits A and 2, respectively, in favor of the applicant Jesus Z. Valenzuela, 57 years old, Filipino, divorced, and resident of 224 Dasmariñas, Manila, as his exclusive property.

"The Register of Deeds is directed to make proper annotation on the title to be issued to the applicant with respect to the contract of lease executed by and between Jesus Z. Valenzuela and Soledad F. Bengzon." (Decision, Annex A, pp. 17-19, Record.)

On appeal taken by Mrs. Aguilar, the Court of Appeals rendered another decision the dispositive part of which reads:

"WHEREFORE, the decision appealed from is set aside, and another entered declaring the certificate of sale, Exhibit D, and the certificate of absolute definitive deed of sale, Exhibit B also Exhibit 3, null and void; of no force and effect, and conferring no title on the purchaser, Jesus Z. Valenzuela; directing defendant and applicant-appellee Jesus Z. Valenzuela to pay to plaintiff" and oppositor-appellant Irene Z. de Aguilar all the rents of the property in question he had collected up to the present time after deducting therefrom the total amount he paid to the Provincial Sheriff for the purchase at the auction sale of the said property with legal interest thereon from the date of such payment, and to refrain hereafter from collecting the rent of said property, and dismissing the above-mentioned application in Land Registration Case No. N-371, LRC Rec. No. N-14366, without pronouncement as to costs." (Id., pp. 22-23, Record.)

The main question for determination in this case is whether or not the execution sale of the land of Mrs. Aguilar to Jesus Z. Valenzuela is null and void owing to the failure to file with the office of the register of deeds of the notice of levy of said land before the aforementioned sale. The trial court resolved this question in the negative, upon the ground that, after the execution sale, (a) Valenzuela was given possession of said land, (b) the lessees thereof ceased to pay rentals to Mrs. Aguilar, (c) and the latter stopped paying the corresponding real estate tax, (d) as well as impliedly acquiesced in the aforementioned sale "by her failure to object" thereto upon the ground of "lack of registration of the notice of levy for a period of almost five years." Upon the other hand, the Court of Appeals reached the opposite conclusion, predicated upon section 14, Rule 39, and section 7(e), Rule 59, of the Rules of Court and the decisions in *Llenares vs. Valdeavella* (46 Phil., 358) and *Iturralde vs. Velasquez* (41 Phil., 886).

This Court ruled in the *Iturralde* case that, in order to enforce a writ of execution, the sheriff is required by law-referring to section 453 of Act No. 190-to levy upon a sufficient amount of property of the judgment debtor and sell the same and pay to the plaintiff, or his lawyer, so much of the proceeds as will satisfy the judgment; that in order to effect such levy, the sheriff must take either actual or constructive possession of the property under execution process; and that, no such possession having been taken in said case, the execution sale in question therein was null and void.

In the *Llenares* case it was held that a proper levy is essential to a valid sale; that the latter is void if the levy is not valid; and that the levy is invalid, and, consequently, the sale is null and void, if the notice of levy of real property is not filed with the office of the register of deeds.

In *Republic of the Philippines vs. Ceniza*, (December 17, 1951) and *Siari Valley Estates, Inc vs. Lucasan*, 109 Phil, 294 (August 31, 1960), this Court reiterated the view that the statutory or reglementary requisites for a levy must be strictly observed; that non-compliance therewith rendered the levy ineffective, in that it did not bind the property sought to be levied upon; and that, as a consequence, the subsequent sale of said property was invalid.

This notwithstanding, herein appellant Valenzuela maintains-relying upon *Philippine Bank of Commerce vs. Higinio B. Macadaeg*, 109 Phil., 981 (October 31, 1960), *Asturias Sugar Central, Inc. vs. Segovia*, 109 Phil., 383

(August 31, 1960), and some cases from the State of California (Kelly vs. Desmong, 63 Cal. 517; Mitchell vs. Alpha Hardware & Supply Co., 45 P. 2nd 442; Martinez vs. Young, 127 P. 2nd 950; and Turner vs. Donovan, 148 P. 2nd 912)-that the sale in his favor is valid. It is true that, in the case of the Philippine Bank of Commerce, we declared that the publication of the notice of sale involved therein was sufficient to constitute a valid levy, and, hence, to render valid a subsequent execution sale. However, the property thus sold was a certificate of public convenience, or an intangible personal property, not a real property, for which the aforementioned sections of the Rules of Court require the filing of the notice of levy with the office of the register of deeds. Again, this requirement of the Rules of Court was complied with in the case of the Asturias Sugar Central. The issue therein arose from the failure to register a sale, which was held to be valid and superior to a subsequent sale in favor of another buyer, precisely because the first unregistered sale was deemed protected by its corresponding notice of levy, which had been filed with the office of the register of deeds and annotated on the proper certificate of title prior to the notice of levy for the second sale. Neither are the aforementioned California cases in point, referring, as they do, to irregularities in the very auction sale itself, not in the levy preceding the same.

Despite some differences in detail between the case at bar, on the one hand, and those obtaining in the cases of Iturralde, Llenares, Siari Valley and Ceniza, on the other, the principle applied in such cases, to the effect that a valid levy is essential to the validity of an execution sale, is the settled rule.

Indeed, the sale in favor of appellant Valenzuela was made upon the authority of a writ of execution issued in an action in personam, namely, Civil Case No. 52 of the Court of First Instance of La Union, in which judgment had been rendered for a sum of money. In that case, the Court issuing the writ had jurisdiction over the subject matter of the case, over the parties and over the cause of action, and no more. It had no jurisdiction over the property of the judgment debtor. It could acquire such jurisdiction by levying upon said property. Hence, had the same been seized in pursuance of a writ of preliminary attachment, the Court would have thereby been vested with jurisdiction-which it did not have before - over the res and the action, originally in personam, would have become an action quasi in rem. (Banco Espanol Filipino vs. Palanca, 37 Phil., 921; Idonah Slade Perkins vs. Dizon, 69 Phil., 186; Sandejas vs. Robles, 81 Phil., 421). Not having been so seized during the pendency of the case, the land involved in this case could have been placed under the authority of said Court, through the sheriff, by a levy made in accordance with the provisions of Section 14, Rule 39, in relation to section 7(e), Rule 59, of the Rules of Court. The latter requires therefore, inter alia, the filing of a notice of levy with the office of the register of deeds. Having failed to do so, the sheriff had no jurisdiction over said land and, therefore, could not transmit title thereto at the time of the sale.

It should be noted, however, that in the aforementioned cases of Iturralde, Llenares, Siari Valley Estates and Ceniza, neither the sheriff, who sold the land at public auction, nor the buyer thereat had ever taken possession of said land, whereas the sheriff and the buyer in the case at bar took possession of the land in question on April 28, 1954, when the certificate of absolute sale issued on April 20, 1954- after the expiration of the one-year period of redemption from the date of the sale-was filed with the office of the register of deeds. May the registration of said certificate of absolute sale be considered as amounting to the filing with said office of the notice of levy, insofar as the same has the effect of notifying the whole world that the sheriff was taking" constructive possession of the land in question for the purpose of holding the same responsible for the payment of the money judgment in favor of the plaintiff in civil case No. 52 of the Court of First Instance of La Union, with the particularity that said constructive possession was occupied, in this case, with the actual possession of the sheriff, although this, as well as the constructive possession, took place after the sale at public auction:

In any event, Mrs. Aguilar did not file in said Civil Case No. 52-either after the sale made on March 18, 1953, or after the execution of the certificate of absolute sale on April 20, 1954 - a motion to set aside and annul the

aforementioned sale upon the ground of defective levy. What is more, in addition to the aforementioned possible equivalent of the registration of the notice of levy resulting from the registration of the certificate of sale, the buyer took actual possession of said land without any objection on the part of Mrs. Aguilar. In fact, Mrs. Aguilar, thereafter, stopped paying the corresponding real estate tax, thus indicating that she no longer regarded said land as her property. She did not even try to collect rentals from the lessee of said land, who paid said rentals directly to the buyer, herein petitioner Valenzuela. The latter's possession of the land and title thereto remained absolutely uncontested until almost four (4) years later, when he applied for the registration of the property on December 28, 1957, which she opposed, and when she thereafter, instituted civil case No. 1268 of said court, on March 10, 1958, or about five (5) years after the auction sale, to annul the same.

Considering that one of the main purposes of the requirement that the notice of levy of real property be filed with the office of the register of deeds is to notify third parties who may be affected in their dealings with respect to such property; that there are no such third parties involved in the case at bar; that the non-registration of the notice of levy prior to the auction sale has not impaired the substantial rights of Mrs. Aguilar; and that her inaction for the aforementioned period of time amounts to laches, we are of the opinion and so hold that the Court of Appeals erred in rejecting the claim of petitioner-appellant and in rendering judgment for herein respondent-appellee.

WHEREFORE, the decision of the Court of Appeals is reversed, and that of the Court of First Instance hereby affirmed, with costs against respondent- appellee Irene Z. de Aguilar.

IT IS SO ORDERED.

Bengzon, C. J., Bautista Angelo, Reyes, J.B.L., Barrera, Paredes, Dizon, Regala, and Makalintal, JJ., concur.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.