

JOSE GARRIDO, PLAINTIFF-APPELLANT, VS. PILAR G. TUASON, DEFENDANT-APPELLEE.

G.R. No. L-23768. August 23, 1968

Ponente: CONCEPCION, C.J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/9daf4d4ede16/>

CONCEPCION, C.J.:

Appeal from a decision of the Court of First Instance of Manila, certified to us by the Court of Appeals, only questions of law being raised by plaintiff-appellant.

On October 17, 1959, Jose Garrido commenced Civil Case No. 71763 of the Municipal Court of Manila, for the foreclosure of a chattel mortgage, executed in his favor by defendant, Pilar G. Tuason, to guarantee the payment of a debt in the sum of P1,000, as well as for the recovery of attorney's fees and the costs. After appropriate proceedings, decision was rendered, on November 14, 1959, ordering the defendant to pay to plain-tiff "the sum of P1,000 with interest thereon at the rate of 1% per month from June 30, 1959 until the whole amount is fully paid, plus the sum of P100 for attorney's fees, and the costs. "

In compliance with a writ of execution, issued on December 9, 1959, after this decision had become final, a car of the defendant was, on January 2, 1960, sold, by the Provincial Sheriff of Rizal, at public auction, to the plaintiff, as the highest bidder, for the sum of P550. On January 28, 1960, plaintiff filed two (2) motions, namely: one, praying that the sum of P165, allegedly spent by him to carry out said writ of execution, be added to the unsatisfied portion of the aforementioned decision, presumably as part of the costs; and another, for an alias writ of execution for the sum of P1,290.58, as the aggregate outstanding balance allegedly due under said decision. Both motions were denied in an order dated February 27, 1960. Plaintiff's motion for recon-sideration of this order was denied on March 19, 1960.

Soon later, or on April 1, 1960, plaintiff commenced Civil Case No. 76462, of said court, against the same defendant-whose husband was included, as her co-defendant, on May 27, 1960 - for the recovery of said alleged balance of P1,290.58. On motion of said defendants, plaintiff's complaint in said case No. 76462 was dismissed by the Municipal Court, on August 31, 1960. Plaintiff appealed to the Court of Firs Instance of Manila, which, in due course rendered its decision, on April 17, 1961, dismissing the case, without pro-nouncement as to costs, upon the ground that, pursuant to Article 2115 of the Civil Code of the Philippines, plaintiff has no cause of action against the defendants. Hence, this appeal by the plaintiff.

Article 2115 of said Code reads:

" x x x The sale of the thing pledged shall extinguish the principal obligation, whether or not the proceeds of the sale are equal to the amount of the principal obligation, interest and expenses in a proper case. If the price of the sale is more than said amount, the debtor shall not be entitled to the excess, unless it is other-wise agreed. If the price of the sale is less, neither shall the creditor be entitled to recover the deficiency, notwithstanding any stipulation to the contrary."

The Court of First Instance must have applied this precept in view of Article 2141 of the same Code, pursuant to

which the provisions thereof on pledge shall be applicable to chattel mortgages "insofar as they are not in conflict with the Chattel Mortgage Law." We have already held, however,[1] that said Article 2115 is inconsistent with the provisions of the Chattel Mortgage Law,[2] and that, accordingly, the chattel mortgage creditor may maintain an action[3] for the deficiency.

Then, again, said Court would seem to have acted under the impression, that, since Case No. 71763 was one for the foreclosure of a chattel mortgage, the decision therein rendered was for such foreclosure; but such was not the nature of said decision, for it merely ordered the defendant to pay the sum of P1,000, with interest thereon, in addition to attorney's fees and the costs. It did not order the sale of the property mortgaged to the plaintiff or of any other particular property, for the satisfaction of his credit against the defendant. It did not purport to enforce plaintiff's lien over the mortgaged property. In other words, it was an ordinary money judgment to which said Articles 2115 and 2141 were absolutely irrelevant.

The municipal court erred, therefore, in denying plaintiff's motion of January 28, 1960, for the issuance of an alias writ of 1960 execution in Case No. 71763, less than five (5) years having elapsed since the decision therein was rendered on November 14, 1959. As a consequence, plaintiff could have and should have appealed from the order of denial of said motion; but, he did not do so, and, instead, he brought the case at bar, thereby allowing said order to become final. Thus, the principle of res adjudicata bars the present action, which, accordingly, was dismissed properly.

WHEREFORE, the decision appealed from is hereby affirmed, with costs against plaintiff-appellant.

IT IS SO ORDERED.

Reyes, Dizon, Makalintal, Zaldivar, Sanchez, Castro, Angeles, and Fernando, JJ., concur.

[1] Bank of the Philippine Islands v. Olutanga Lumber Co., 47 Phil. 20, 22; Manila Trading & Supply Co. v. Tamaraw Plantation Co., 47 Phil. 513, 520-521; Manila Trading & Supply Co. v. Santos, 66 Phil. 237, 244; Ablaza v. Ignacio, L-11466, May 23, 1958.

[2] The last part of the second paragraph of section 14 of Act No. 1508, provides:

"x x x The proceeds of such sale shall be applied to the payment, first, of the costs and expenses of keeping and sale, and then to the payment of the demand or obligation secured by such mortgage, and the residue shall be paid to persons holding subsequent mortgages in their order, and the balance, after paying the mortgages, shall be paid to the mortgagor or person holding under him on demand."

[3] After the lapse of five (5) years from the date when the original decision became final.

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.