GENARO RUIZ, SR., AMOR C. RUIZ AND MARIA LOURDES RUIZ, PETITIONERS, VS. COURT OF APPEALS AND HONORATO HONG, RESPONDENTS.

G.R. No. 121298. July 31, 2001

Ponente: KAPUNAN, J.

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KAPUNAN, J.:

The subject of controversy in these consolidated cases (G.R. No. 121298 and G.R. No. 122123) is a piece of land, Lot No. 8485-B covered by TCT No. 2135 registered under the name of Genaro Ruiz, Sr. Adjacent to this land which is located in Tabunok, Talisay, Cebu is the real property of Honorato Hong where he operated a lumberyard. Before his demise, Genaro Ruiz, Sr. sold his property to Honorato Hong. Petitioners who are the heirs of Genaro Ruiz, Sr. assail the conveyance, asserting that their right over the land was more superior than that of the private respondent.

The antecedent facts are as follows:

Genaro Ruiz, Sr., already in his late seventies was a very sickly man. In order to defray the cost of his continuous medication and hospitalization, he was constrained to obtain loans from his neighbor, Honorato Hong. He used the subject land which was his exclusive property as collateral. On April 23, 1986, Genaro Ruiz,Sr. finally decided to convey the land to Honorato Hong for a consideration of P350,000.00. Hong issued a check in the amount of P100,000.00 in favor of Genaro Ruiz, Sr. representing part of the balance of the purchase price, in addition to the sums of money earlier obtained from him. The deed of sale was duly notarized. It was agreed that the transfer of title to Hong's name would be undertaken by the vendor.

The relationship between Genaro Ruiz, Sr. and his wife, Amor Ruiz was estranged but Honorato Hong was a good friend to both of them. Apparently, Amor Ruiz was also borrowing money from Honorato Hong in her personal capacity. She used the subject land as security so that sometime in November, 1985, Honorato Hong and Amor Ruiz executed a Memorandum of Agreement whereby Hong took possession of the TCT of said land for safekeeping.

Sometime in July, 1986, Amor Ruiz demanded the return of the certificate of title from Honorato Hong alleging that she would undertake the registration of the sale and transfer of title to his name. The transfer of title, however, never materialized.

Upon learning about what his wife did and to appease Honorato Hong, Genaro Ruiz, Sr. executed another deed of sale in favor of Hong on July 22, 1986. This deed of sale contained the same contents as in the April 23, 1986 deed of sale and was also duly notarized.

On August 18, 1986, Amor Ruiz, joined by her three (3) children, namely Genaro C. Ruiz, Jr., Angelo C. Ruiz, and Maria Lourdes C. Ruiz filed with the Regional Trial Court, Branch 24, Cebu City a complaint for Support with prayer for a writ of attachment against her husband, docketed as Civil Case No. CEB-5268. The subject of

the writ of attachment was Lot 8485-B which was declared the exclusive property of Genaro Ruiz, Sr.[1] Honorato Hong filed a third party claim.

In this Support case, a compromise agreement was entered into by the parties on October 27, 1988 whereby Genaro Ruiz, Sr. acknowledged his obligation for support in arrears in the amount of P363,000.00 plus attorney's fees of P20,000. On November 9, 1988, the trial court approved said compromise agreement and rendered a decision based on said compromise agreement. When Genaro Ruiz, Sr. failed to comply with his obligation, the trial judge issued a writ of execution directing the sheriff to enforce the same.

Meanwhile, on January 26, 1989, Honorato Hong filed a case for Specific Performance with damages and a prayer for a writ of preliminary injunction against Genaro Ruiz, Sr. and/or Amor Ruiz, et. al. with the RTC, Branch 12, Cebu City. This was docketed as Civil Case No. CEB-7555. The action was for the delivery of the title of the subject land which was sold to him by Genaro Ruiz, Sr., as evidenced by a Deed of Absolute Sale dated April 23, 1986. Hong also prayed for a writ of preliminary injunction to enjoin the sheriff in CEB-5268 (Support Case) from conducting the auction sale. The trial court, however, did not act on the latter motion so the auction sale of the subject lot in CEB-5268 proceeded as scheduled with Amor Ruiz as the lone bidder.

Honorato Hong subsequently filed an amended complaint in CEB-7555 (Specific Performance Case) reiterating his assertion that Genaro Ruiz, Sr. and his wife, Amor Ruiz and daughter, Maria Lourdes withheld the deed of sale from him over the subject property. He further alleged that they connived in filing the Support case in order to take the property back from him. Hong also prayed that the Sheriff be restrained from issuing the Certificate of Sale in favor of the Ruizes and that the latter surrender to him the owner's duplicate copy of the title covering the questioned land.

Defendant Genaro Ruiz, Sr. failed to file an answer. Consequently, he was declared in default. Ex-parte presentation of evidence by plaintiff therefore ensued.

On June 19, 1989, Hong amended his complaint to implead other defendants, herein petitioners, Amor C. Ruiz, wife of Genaro Ruiz, Sr. and the children, Maria Lourdes C. Ruiz, et. al.

On July 27, 1989, Genaro Ruiz, Sr. died.

On September 6, 1989, the other defendants filed their answer. In the Answer, they claimed that there was never a sale of the questioned land to Honorato Hong by Genaro Ruiz, Sr.; thus, the levy and the execution in CEB-5268 (Support Case) were valid.

On September 14, 1989, a pre-trial conference was held.

On October 16, 1989, Honorato Hong moved to amend his complaint to include other reliefs and in order for the complaint to conform to the evidence already presented.

On August 27, 1990, the trial court in CEB-7555 (Specific Performance Case) granted the Motion to Amend Complaint and a writ of preliminary injunction was issued enjoining the sheriff from issuing the Certificate of Sale in CEB-5268 (Support Case). This order of the trial court allowing the issuance of the Preliminary Injunction was assailed by the petitioners on a petition for certiorari filed with the Court of Appeals, docketed as CA-G.R. SP No. 23032.

While CA-G.R. SP No. 23032 was pending, the trial court in CEB-7555 (Specific Performance Case) rendered a decision on the merits on September 28, 1990, with the following decretal portion:

> WHEREFORE, all the foregoing considered, judgment is hereby [rendered] in favor of the plaintiff as follows:

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> - Declaring plaintiff to be the owner of Lot No. 8485-B and consequently; a) ordering defendant Amor Ruiz to deliver TCT No. 2135 covering the same to him; and b) ordering Amor Ruiz, et al. to vacate the property with plaintiff having the option to refund her of her expenses in constructing her improvements thereon or paying the value which the lot may have acquired by reason of said improvements;
>
> - Declaring the writ of attachment, levy and execution sale of Lot No. 8485-B in CEB-5268 to be null and void;
>
> - Making permanent the writ of preliminary injunction issued herein; and
>
> - Ordering defendant Amor Ruiz to pay plaintiff actual damages hereby assessed at P20,000.00, the sum of P30,000.00 in moral damages, P10,000.00 for attorney's fees and P5,000.00 for litigation expenses.
>
> Defendants' counterclaim is, as it is hereby, dismissed for lack of merit.
>
> SO ORDERED.[2]

Dissatisfied with the decision, petitioners appealed to the Court of Appeals, (CA-G.R. CV No. 35673). On July 31, 1995, the respondent court affirmed the decision of the trial court in toto.[3]

Hence, petitioners filed the instant petition for review, docketed as G.R. No. 121298, asserting that:

> THE HONORABLE COURT OF APPEALS GRAVELY ABUSED ITS DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN UPHOLDING THE TRIAL COURT'S RULING IN THE SPECIFIC PERFORMANCE CASE NULLIFYING THE WRIT OF ATTACHMENT AND AUCTION SALE PROCEEDING IN THE SUPPORT CASE AND ORDERING PETITIONER TO DELIVER TO RESPONDENT THE TITLE OF LOT NO. 8485-B, BECAUSE OF AN ALLEGED DEED OF ABSOLUTE SALE WHICH WAS NOT REGISTERED AS MANDATED UNDER SECTION 1, PD 1521.[4]

Meanwhile, on March 23, 1992, the CA in CA-G.R. SP No. 23032 promulgated a decision annulling and setting aside the Orders of the RTC dated August 27, 1990 which granted the issuance of the writ of preliminary injunction enjoining the Sheriff of Cebu from issuing the Certificate of Sale in favor of Amor Ruiz, et. al.[5] The dispositive portion reads as follows:

> WHEREFORE, the Orders: (1) of the Regional Trial Court, Branch 12, at Cebu City, in the SPECIFIC PERFORMANCE case allowing the issuance of the writ of preliminary injunction and the writ itself enjoining the Sheriff of Cebu from issuing the Certificate of Sale in favor of Amor Ruiz, et al.; and (2) of the Regional Trial Court, Branch 24, also at Cebu City with the same tenor- restraining sheriff Camaso in issuing the Certificate of Sale in favor of Amor Ruiz, et al., are hereby ANNULLED and SET ASIDE.
>
> SO ORDERED.

On the strength of this CA decision, a Certificate of Sale was accordingly issued in favor of Amor Ruiz. Since no redemption was made by Genaro Ruiz, Sr. or his successors-in-interest, a definite Deed of Sale was issued in favor of Amor Ruiz.

Amor Ruiz and children were then placed in possession and control of certain portions of Lot 8485-B.

Hong filed a motion for reconsideration alleging that a writ of possession can not be issued in favor of Amor Ruiz since he was in actual physical possession of the subject lot pursuant to Rule 39, Section 35.

Petitioners again moved for the full implementation of the writ of possession in their favor which was denied by the trial court in CEB-5268 (Support Case) on June 1, 1994. Thus, petitioners went up to the Court of Appeals raising the pivotal issue as to whether the respondent court can be compelled to order the respondent sheriff to

deliver possession of Lot 8485-B to herein petitioners.[6]

On February 10, 1995, the CA speaking through J. Barcelona answered in the negative in this wise:

> A writ of possession is complementary to a writ of execution (Cometa v. Intermediate Appellate Court, 151 SCRA 568 [1987], and the levy by the sheriff on property by virtue of a writ of execution may be considered as made under authority of the court only when the property levied upon unquestionable belongs to the judgment debtor Sy v. Discaya,181 SCRA 384 (1990]) x x x.
>
> Stated otherwise, the court issuing a writ of execution is supposed to enforce its authority only over properties of the debtor. x x x
>
> This is precisely the very nature of Civil Case No. CEB-7555, an action filed by respondent Hong for Specific Performance and Damages, with prayer for Preliminary Injunction. Directly raised therein is the issue of ownership of Lot No. 8485-B which has been previously attached, levied upon and sold in public auction by respondent sheriff for the satisfaction of the judgment in Civil Case No. CEB-5266, an action for support in Arrears filed by herein petitioners. In fact, a decision has already been rendered in the SPECIFIC PERFORMANCE case declaring Hong as the lawful and absolute owner of said property in question. However, the aforementioned decision is now on appeal before this Court. Nevertheless, we find this issue as requiring pre-emptive resolution. For, if herein respondent Hong is adjudged as, indeed, the owner of Lot 8485-B, then respondent court has no power whatsoever to enforce its authority over such property since it belongs to a person other than the judgment debtor, and consequently, herein petitioners are not entitled to its possession.[7]

From this adverse decision, petitioners filed another petition with this Court, docketed as G.R. No. 122123 alleging that:

> RESPONDENT COURT GRAVELY ABUSED ITS DISCRETION, AMOUNTING TO LACK OR EXCESS OF JURISDICTION, IN UPHOLDING THE TRIAL COURT'S REFUSAL TO IMPLEMENT THE WRIT OF POSSESSION IT ISSUED OVER LOT NO. 8485-B IN FAVOR OF PETITIONERS, CONSIDERING THE LATTER'S UNQUESTIONABLE OWNERSHIP AND RIGHT OF POSSESSION THEREOF.[8]

On January 29, 1996, the Court resolved to consolidate the two petitions (G.R. No. 121298 and G.R. No. 122123).

The real issue in these consolidated cases is: Who between the parties has a preferred right over the subject land?

Petitioners assail the findings of the respondent court in both cases that they had no more right over the land since the subject land was already sold to Honorato Hong as early as April 23, 1986 for a valuable consideration, as evidenced by a duly notarized deed of sale. Petitioners assert that they have a better right over the subject land claiming that as against a deed of sale which was unregistered, the attachment of Lot No. 8485-B in CEB-5268 (Support Case) was indeed more superior.

We find no merit in the petitions.

There is no dispute that both the trial court and the respondent court found that the subject land was already sold to Honorato Hong as early as April 23, 1986, as evidenced by a deed of sale which was duly notarized and reiterated in another deed of sale executed on July 22, 1986, also duly notarized. This is a finding which we need not disturb.

Settled is the rule that factual findings of the trial court, especially when affirmed by the Court of Appeals, is well-nigh conclusive upon this Court.[9] While there are exceptions to this rule, we do not find any cogent reason to depart from such rule in the case at bar.

The pertinent findings of the trial court which is worth quoting are as follows:

> xxx the evidence for the plaintiff shows that Genaro Ruiz had been separated from his wife, Amor Ruiz, on an on-and-off basis for several years preceding his death in July 1989; that at that time, Genaro Ruiz was in his late 70s with only one eye and suffering from kidney, arthritis and other ailments which necessitated his continuous medication and hospitalization; that consequently he was constrained to obtain loans and cash advances from the plaintiff using the land in question, which was his exclusive property inherited from the estate of Laureano Ruiz his father (Exhibits "B" & "B-3"), as his security therefor (see Answer of Genaro Ruiz in Civil Case No. CEB-3268 marked Exhibit "D" & "D-1"); that ultimately, he sold and conveyed the property to the plaintiff by virtue of a Deed of Absolute Sale dated April 23, 1986 (Ibid, par. 8, Exhibit "A", Deed of Absolute Sale). On the same date, April 23, 1986, the plaintiff issued Solidbank Check No. 165589 (Exhibit "Q") to payee Genaro B. Ruiz in the amount of P100,000.00 representing part of the remaining balance of the purchase price which in addition to the various installments in the form of loans/cash advances to Genaro Ruiz totalled P350,000.00. The check was encashed by Genaro Ruiz at Solidbank, Taboan Branch, the following day as shown by the ledger of the bank account of Honorato Hong (Exhibit "V", Exhibit "K-1"; tsn 2/21/90, p. 3). After the execution of the deed of sale and notarization of the same by Atty. Marino E. Martinquilla, Honorato Hong left the original of the deed of sale together with all the copies thereof, except for one duplicate copy which he retained to Genaro Ruiz to effectuate the transfer of the title to him it being the standard practice for the vendor of a piece of land, and also to allow Ruiz to talk to his wife about the matter. After the passage of several weeks, still no documents were delivered to Honorato Hong. Sometime in July 1986, Amor Ruiz came to Hong telling him that she and her husband had reconciled and assuring him that she will be the one to work for the transfer of the title of the land in Hong's name. For this purpose, Amor Ruiz asked for the owner's copy of the certificate of title which had been entrusted by her to Hong in 1985 for safekeeping per their memorandum of agreement (Exhibit "2") and also to serve as security for loans obtained by Amor Ruiz herself from Honorato Hong (Exhibits "W", "X", "Y", "Z", "AA", "BB" and "CC"). Plaintiff, happy that the spouses had reconciled and confident that there were no more hitches, turned over the transfer certificate of title to Amor Ruiz, later even giving her a check for P5,000.00 (Exhibits "W" also marked "12" & "12-A"). Amor Ruiz failed to return with a new certificate of title along with the Deed of Sale and pertinent papers. Realizing that he had been duped, Honorato Hong attempted to transfer the title to his name by means of the single duplicate copy that he retained in his possession but the same was not acceptable to the BIR. Thus, he requested Genaro Ruiz to execute a second Deed of Absolute Sale dated July 22, 1986 with practically the same contents (Exhibit "K") this time notarized before Atty. Rogelio Lucmayon. By virtue of this Deed of Absolute Sale, Hong was able to obtain a BIR certificate authorizing registration of the property in his name (Exhibit "L", page 203, Record) after payment of the capital gains tax (Exhibits "M" & "N", page 205 & 206, Record). However, Honorato Hong was never able to have the sale registered nor the title transferred in his name inasmuch as the TCT was never returned by Amor Ruiz, a fact admitted by the latter in her testimony (tsn, 3/14/90, p. 21). Thus, he filed this case.

Undoubtedly, Genaro Ruiz, Sr. had already conveyed the subject land to Honorato Hong as early as April 23, 1986 and such sale was reiterated in a deed of sale executed on July 22, 1986. Notwithstanding private respondent's failure to have the sale registered, petitioners can not claim that they had no knowledge of such conveyance to Honorato Hong. Thus, their right over the land which they acquired through a registered attachment in the action for Support (CEB-5268) can not be more superior and preferred than that of private respondent.

While it is true that in case of a conflict between a vendee and an attaching creditor, an attaching creditor who registers the order of attachment and the sale of the property to him as the highest bidder acquires a valid title to the property, as against a vendee who had previously bought the same property from the registered owner but who failed to register his deed of sale.[10] This is because registration is the operative act that binds or affects the land insofar as third persons are concerned.[11] It is upon registration that there is notice to the whole world.[12]

But where a party has knowledge of a prior existing interest which is unregistered at that time he acquired a right

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to the same land, his knowledge of that prior unregistered interest has the effect of registration as to him. Knowledge of an unregistered sale is equivalent to registration. As held in Fernandez v. Court of Appeals,[13]

> Section 50 of Act No. 496 (now Sec. 51 of P.D. 1529), provides that the registration of the deed is the operative act to bind or affect the land insofar as third persons are concerned. But where the party has knowledge of a prior existing interest which is unregistered at the time he acquired a right to the same land, his knowledge of that prior unregistered interest has the effect of registration as to him. The torrens system cannot be used as a shield for the commission of fraud (Gustillo v. Maravilla, 48 Phil. 442). As far as private respondent Zenaida Angeles and her husband Justiniano are concerned, the non-registration of the affidavit admitting their sale of a portion of 110 square meters of the subject land to petitioners cannot be invoked as a defense because (K)nowledge of an unregistered sale is equivalent to registration (Winkleman v. Veluz, 43 Phil. 604).

This knowledge of the conveyance to Honorato Hong can not be denied. The records disclose that after the sale, private respondent was able to introduce improvements on the land such as a concrete two-door commercial building, a concrete fence around the property, concrete floor of the whole area and G.I. roofing. Acts of ownership and possession were exercised by the private respondent over the land. By these overt acts, it can not therefore be gainsaid that petitioner was not aware that private respondent had a prior existing interest over the land.

Genaro Ruiz, Sr., in his Answer submitted in the case for Support filed against him by petitioners (CEB-5268), particularly mentioned that he was constrained to sell the subject land to Honorato Hong on April 23, 1986. We quote:

> x x x
>
> 4. Defendant who is now 75 years old with one eye and has an illness of arthritis, kidney trouble, and other illnesses, is impossible to go abroad. Said allegation is highly impossible with his frail physical condition, it is defendant who is more in dire need of support in order to sustain his medicines. Because of his illness, he was forced to get cash advances from Mr. Honorato Hong, specially when he was confined in the hospital. These cash advances accumulated and since he has no other guarantee but his only parcel of land, he sold it absolutely on April 23, 1986.
>
> x x x
>
> WHEREFORE, premises considered, it is most respectfully prayed of this Honorable Court that judgment be rendered in favor of the defendant and against the plaintiffs and to issue an order to lift the order of attachment on the real property, more particularly on Lot 8485-B he sold on April 23, 1986 for the reason that since that date he no longer owned it. Defendant further pray for the dismissal of the instant complaint and to grant defendant's counterclaim.[14]

This was a declaration made by the owner himself, a statement which could be considered as a declaration against interest. Genaro Ruiz, Sr., the registered owner categorically stated that he had already sold the land to Honorato Hong on April 23, 1986 so his wife had no basis to attach the subject land. Genaro Ruiz, Sr. would not have made an allegation if it were not true. Such statement must be given weight and credence as against the party who declares otherwise and has no proof to rebut the same.

Moreover, the sale of the property was evidenced by duly notarized deeds of sale executed on April 23, 1986 and again on July 22, 1986. Documents acknowledged before notaries public are public documents and public documents are admissible in evidence without necessity of preliminary proof as to their authenticity and due execution. They have in their favor the presumption of regularity, and to contradict the same, there must be evidence that is clear, convincing and more than merely preponderant.[15]

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Petitioners, however, attempt to challenge the authenticity of the document executed on July 22, 1986 by insisting that there was actually no sale of the subject land to the private respondent. They assert, among others, that Honorato Hong could not have surrendered the TCT to Amor Ruiz if he was indeed the owner already of the subject land; secondly, if the land was sold to him as early as April 23, 1986, it strains credulity to offer the same land for sale again on July 22, 1986; thirdly, at that time of the levy in the Support case, the title was free from all liens and encumbrances.

We can not give merit to these contentions of the petitioner. Cognizant with the rule that findings of facts are well within the province of the trial court for they have clearly observed the demeanor of the witnesses when testifying in court, we bind ourselves to respect such findings of the trial court. As observed by the trial court:

> Apart from being unrebutted, the testimony of the plaintiff is credible in itself.
>
> x x x
>
> This testimony was delivered in an earnest, logical, and straightforward manner which inspired confidence, something that can not be said of Amor Ruiz whose conduct and demeanor rendered her undeserving of credence.[16]

Anent the allegation that Honorato Hong would not have returned the TCT if the land was sold to him, it should be noted that a Memorandum of Agreement was executed between Honorato Hong and Amor Ruiz whereby the former would keep in his possession the TCT for safekeeping. Obviously, this served as a security for the money Amor Ruiz borrowed from Honorato Hong for herself. On the pretext that Amor Ruiz would undertake the transfer of title to Hong's name, she was able to get the TCT from Honorato Hong and never returned or delivered it to him. Quite embarrassed with the actuations of his wife, Genaro Ruiz, Sr. caused the execution of another deed of sale bearing the same contents and amount of consideration in the April 23, 1986 Deed of Sale for the purpose of registering it in his name. If to the petitioner, this defies logic, such reiteration of the execution of the deed of sale in favor of the private respondent certainly buttresses the vendor's intention of selling the land to the vendee. The two deeds of sale duly notarized are more than enough proof of such conveyance. Petitioners, on the other hand, never presented any proof to rebut the same but only flimsy surmises and conjectures. At that time of the levy in the Support case, the TCT was obviously free from all liens and encumbrances since Genaro Ruiz, Sr. and/or Honorato Hong could not have anticipated that petitioners would file an action for Support against Genaro Ruiz, Sr. and attach the subject property. We agree more with the observation that the action for Support was precisely filed to adversely affect the conveyance of the land to Honorato Hong.

Petitioners capitalize on the Court of Appeals decision in CA-G.R. SP No. 23032 where the court ruled on the validity of the levy and execution sale of the questioned property and allowed the issuance of the certificate of sale in their favor. Since said decision has already become final and executory on June 9, 1992,[17] then their right to possess the land is unquestionable. To this assertion, the respondent court only have this to say:

> It is misleading for defendants-appellants to insist that this Court in CA-G.R. SP No. 23032 had finally settled the issue on the validity of the levy and the execution sale of the questioned property.
>
> A reading of the decision in CA-G.R. SP No. 23032 would show that what was ruled upon therein was the validity of the injunction issued by the trial court enjoining the issuance of the certificate of sale. This Court in said special case had declared void the writ of injunction issued by the trial court and declared that the issuance of a certificate of sale is ministerial and mandatory in view of the completion of the auction sale. This Court had explicitly ruled that the award of the questioned land to the highest bidder shall be subjected to the outcome of the claims made by plaintiff-appellee. This Court in CA-G.R. SP No. 23032, explained:
> "The issuance of a Certificate of Sale is obviously an incident of a validly conducted auction sale, thus, is mandatory and reduce to being a ministerial act of the Sheriff because the rule employs the word `must'

> connoting `imperativeness'. But, since the subject property sold by virtue of a writ of execution has been claimed by Hong, the Certificate of Sale to be issued by the Sheriff shall make express mention of the existence of such third-party claim."[18]

From the foregoing, we find no reversible error with the finding that all the attendant circumstances in the case at bar lead to the inevitable conclusion that the subject land was indeed already sold to Honorato Hong by virtue of a Deed of Sale long before it was subjected to an execution sale on June 13, 1989. As such, petitioners obviously did not acquire any more right over the subject land from its predecessor. Genaro Ruiz, Sr. had actually nothing more to pass on to his wife and children. We quote the respondent court's ruling on the matter:

> Section 35, Rule 39, Revised Rules of Court provides that a purchaser of real property at an execution sale "shall be substituted to and acquire all the right, title, interest and claim of the judgment debtor to the property as of the time of the levy." It follows that, if at that time, the judgment debtor had no more right to or interest in the property because he had already sold it to another, as repeatedly declared by Genaro Ruiz in his pleadings in CEB-5263 (Br. 24) and CEB-5309 (Br. 23), then the purchaser acquired nothing. Inasmuch as, at this time, the judgment debtor Genaro Ruiz no longer had any right or interest in the property. Amor Ruiz as judgment creditor and purchaser at the execution sale acquired nothing.[19]

In Dagupan Trading Co. v. Macam,[20] we held that:

> x x x It is our considered view that what should determine the issue are the provisions of the last paragraph of Section 35, Rule 39 of the Rules of Court, to the effect that upon the execution and delivery of the final certificate of sale in favor of the purchaser of land sold in an execution sale, such purchaser "shall be substituted to and acquire all the right, title, interest and claim of the judgment debtor to the property as of the time of the levy." Now We ask: What was the interest and claim of Sammy Maron on the one-eighth portion of the property inherited by him and his co-heirs, at the time of the levy? The answer must necessarily be that he had none, because for a considerable time prior to the levy, his interest had already been conveyed to appellee, "fully and irretrievably" - as the Court of Appeals held. Consequently, subsequent levy made on the property for the purpose of satisfying the judgment rendered against Sammy Maron in favor of the Manila Trading Company was void and of no effect (Buson vs. Licuaco, 13 Phil. 357-358; Landig vs. U.S. Commercial Company, G.R. No. L-3597, July 31, 1951). x x x

Accordingly, as rightful owner of the subject land, private respondent is, therefore, entitled to the injunctive relief enjoining the sheriff in the Support case from issuing a Certificate of Sale covering Lot 8585-B in favor of the petitioners. Likewise, petitioners are not entitled to the writ of possession of the subject land.

WHEREFORE, the Decision of the Court of Appeals dated July 31, 1995 in G.R. No. 121298 and the Decision dated February 10, 1995 in G.R. No. 122123 are hereby AFFIRMED.

SO ORDERED.

Puno, Pardo, and Ynares-Santiago, JJ., concur.
Davide, Jr., C.J., (Chairman), on official leave.

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[1] Civil Case No. CEB-5309, Rollo of G.R. No. 121298, p. 157.

[2] G.R. No. 121298, Rollo, pp 70-71.

[3] CA-G.R. CV No. 35673, Third Division, J. Labitoria, ponente, JJ. Buena and Garcia, members.

[4] G.R. No. 121298, Rollo, p. 30.

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[5] G.R. No. 122123, Rollo, pp. 42-56.

[6] G.R. No. 122123, Id., at 32.

[7] G.R. No. 122123, Id., at 33-34.

[8] Id., at 16.

[9] Salao v. Court of Appeals, 284 SCRA 493 (1998), British Airways v. Court of Appeals, 285 SCRA 450 (1998).

[10] Vargas v. Tancioco, 67 Phil. 308 (1939).

[11] Egao v. Court of Appeals, 174 SCRA 484 (1989), GSIS v. Court of Appeals, 169 SCRA 244 (1989).

[12] Calalang v. Register of Deeds, 208 SCRA 215 (1992).

[13] 189 SCRA 780 (1990).

[14] Exhibit D-1, Civil Case No. CEB-5268 (underlining ours).

[15] Salome v. Court of Appeals, 239 SCRA 356 (1994).

[16] G.R. No. 121298, Rollo, pp. 68-69.

[17] Id., p. 91.

[18] G.R. No. 121298, Rollo, p. 57.

[19] Id., at 69.

[20] 14 SCRA 179 (1965).

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