

DEVELOPMENT BANK OF THE PHILIPPINES, PETITIONER, VS. THE HONORABLE COURT OF APPEALS, ENVIRONMENTAL AQUATICS, LAND SERVICES AND MANAGEMENT ENTERPRISES, INC., AND MARIO MATUTE, RE...

G.R. No. 139034. June 06, 2001

Ponente: GONZAGA-REYES, J.

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GONZAGA-REYES, J.:

In this petition for review on certiorari, petitioner seeks to set aside the (1) 25 January 1999 Resolution of the Court of Appeals[1] in CA - G.R. CV No. 46207 dismissing petitioner's appeal for failure to file the appellant's brief within the extended period granted by the appellate court and its (2) 14 June 1999 Resolution denying petitioner's motion for reconsideration. The appeal originated from a complaint for redemption filed by private respondents with the Regional Trial Court of Quezon City and docketed as Civil Case No. Q-91-10563. The factual antecedents leading up to the filing of this complaint are related in the trial court's decision, as follows -

On November 8, 1991, Environmental Aquatics and its corporate sister, Land & Services Management Enterprises, Inc., as well as the assignee of the right of redemption of the latter corporation, Mario Matute, filed the instant action with this Court with the following prayer:

"1.

Ordering defendant Development Bank of the Philippines to accept the plaintiff Matute's bonafide offer to redeem the foreclosed property covered by Transfer Certificate of Title No. 209937 of the Register of Deeds of Quezon City pursuant to Sections 29 and 30 of Rule 39 of the Rules of Court.

2.

Ordering defendant Development Bank of the Philippines to issue the corresponding release of mortgage and surrender and/or release in favor of plaintiff `Matute' the owner's duplicate copy of the aforesaid Transfer Certificate of Title No. 209937.

3.

Ordering defendant DBP to pay the amount of P50,000.00 in the concept of attorney's fees and to pay the costs of suit.

Plaintiffs further pray for additional reliefs which are just and equitable under the premises."

The Bank answered, admitting some allegations of the complaint and denying other allegations, and by way of special and affirmative defenses alleged, among others, that the subject property cannot be redeemed at only P1,507,000.00 unless the total debt of the mortgagors to the Bank were paid, which as of September 11, 1990, amounted to P16,384,418.90. Defendant DBP interposed a counterclaim for what it alleged is a deficiency outstanding obligation in the amount of P14,877,419.90 plus exemplary damages and litigation expenses.

Briefly stated, the undisputed material facts of this case are as follows:

On September 10, 1976 plaintiffs Environmental Aquatics Incorporated and Land & Services Management Enterprises, Inc., executed a MORTGAGE in favor of defendant Development Bank of the Philippines, over two (2) fishing boats (with engines, equipment and accessories) and a parcel of land (its building & improvements) covered by Transfer Certificate of Title No. 209937 of the Registry of Deeds of Quezon City, situated in New Manila, the lot being in the name of Land & Services Management Enterprises, Inc., Exhibits "2", "2-A", and "A". The mortgage was given to secure the payment of P1,792,600.00 or for whatever amount the plaintiffs corporations might be indebted to the DBP. One of the clauses of the mortgage provides that in case of a violation by mortgagors-plaintiffs of any of the conditions of the contract, the mortgagee-defendant Bank "may immediately foreclose this mortgage judicially or extrajudicially under Act No. 3135 as amended, or under Republic Act No. 85, as amended, and or under Act No. 1508 as amended". The encumbrance was annotated on said torrens title, Exh. "9", "9-A" and "9-A-1".

The above initial loan granted under DBP Board Resolution No. 3103 dated August 11, 1976, Exhibits "8" to "8-B", was subsequently restructured thru a liquidation loan of P2,163,800.00 granted under DBP Board Resolution No. 813 dated March 14, 1979, Exhibits "8-C" to "8-F", which was also annotated on TCT No. T-209937, Exh. "9-B-1".

On August 31, 1981, plaintiffs corporations were again granted an opportunity to restructure their loan account as evidenced by three (3) Promissory Notes marked during the trial as Exhibits "1", "1-A" and "1-B". Exhibits "1" is for the amount of P1,973,100.00 while Exhibit "1-A" is for P190,700.00 - both of which mature on March 14, 1986. On the other hand, Exhibit "1-B", taken for interest in the amount of P684,788.00, matures on March 14, 1982.

On October 25, 1990, plaintiffs sisters corporations being unable to pay their debt which amounted to P16,384,419.90 as of September 11, 1990, the defendant Development Bank of the Philippines applied and asked the Quezon City Ex-Officio RTC Sheriff to foreclose and sell the mortgage property at public auction in accordance with the provisions of Act No. 3135, as amended by Act No. 4118, Exhibit "3".

So, on November 16, 1990, in accordance with the terms of the promissory notes and the mortgage contract itself, Ex-Officio Sheriff notified plaintiffs corporations of the scheduled public auction and had the Notice of Sheriff's Sale published as required by law, Exhs. "4" and "B". The Sheriff accordingly extrajudicially foreclosed and sold the subject lot at auction on December 19, 1990, with defendant Bank itself as the highest bidder for P1,507,000.00 Exh. "C". Thereupon, a Sheriff's Certificate of Sale dated December 19, 1990, was issued by the Ex-Officio Sheriff covering TCT No. 209937, Exhs. "5" and "D". Upon the certificate of sale issued in favor of the defendant DBP, a condition was made to the effect that the period of redemption will expire one year from and after the date of registration of the sale in the Registry of Deeds for Quezon City.

Plaintiff Mario Matute, thru counsel Atty. Julian R. Vitug, Jr., to whom plaintiffs-corporations assigned or transferred its rights of redemption, wrote defendant DBP on July 27, 1991, Exhibits "G" and "10", made known his desire to redeem the New Manila property. The letter of plaintiff Matute in this regard reads in part thus:

"In furtherance to the purpose of this representation, we shall appreciate it very much if your office can officially advise us of the principal obligation inclusive of interest for the period covering December 19, 1990 up to and including August 19, 1991 as well as other reasonable assessments that may have been incurred in connection with the aforesaid auction sale.

We shall immediately remit our client's payment by way of Manager's Check in redeeming the auctioned property as soon as we get the accurate figures in writing.

Thank you very much in anticipation for your kind indulgence and look forward to receiving your reply soonest time possible.

Very truly yours,

(Sgd./T) JULIAN R. VITUG, JR."

Under date of August 16, 1991, defendant Bank Bacolod Branch objected to "piecemeal redemption" but adding that should redemption be effected, the entire amount owed to the Bank as per updated Statement of Total Claim as of August 31, 1991", Exh. "7-A", be paid. The following was the reply of defendant DBP, Exhibit "7":

"This refers to your letter dated July 27, 1991, in behalf of Mr. Mario Matute, Director of Land & Services Management Enterprises, Inc., informing us of his intention to redeem the property, particularly TCT-T-No. 209937 of the Register of Deeds of Quezon City.

We understand from your letter that Mr. Matute is only interested in redeeming the land subjected to Sheriff's Auction Sale dated December 19, 1990, at its acquisition cost of P1,507,000.00.

Please be informed that existing bank policies do not allow piecemeal redemption of foreclosed properties, hence, we cannot give due course to your request.

However, if your client is amenable to redeem the foreclosed properties of subject corporation, please submit your concrete offer by way of a Board Resolution authorizing Mr. Mario Matute to negotiate for redemption of said properties.

In this connection, we are sending herewith an updated Statement of Total Claim as of August 31, 1991 re subject matter, for your information and guidance."

The point of contention between the parties relates to the amount of the redemption price. Petitioner insisted that, pursuant to Section 16 of Executive Order No. 81,[2] redemption may only be made if private respondent Mario Matute, the assignee of the right of redemption, paid it the amount of the loan outstanding as of 12 December 1990 - the date of the foreclosure sale - in the amount of P18,301,653.11. Private respondents, on the other hand, contended that redemption may be effected by paying petitioner P1,507,000.00 - the amount which petitioner had paid for the property at the auction sale, pursuant to Section 5 of Act No. 3135 and Sections 26 to 30 of Rule 39 of the Rules of Court.

On 7 January 1994, the trial court held that private respondent Matute must exercise his right of redemption in accordance with Section 6 of Act No. 3135 and Sections 29 to 32 of Rule 39 of the Rules of Court. In particular, Section 30 of Rule 39 provides that the judgment debtor or his successor-in-interest "may redeem the property from the purchaser at any time within twelve months after the sale, on paying the purchaser the amount of his purchase, with one per centum per month interest thereon in addition, up to the time of redemption, together with the amount of any assessments or taxes which the purchaser may have paid thereon after the purchase, and interest on such last-named amount at the same rate." On petitioner's counterclaim, the trial court declared that petitioner is entitled to recover from private respondents Environmental Aquatics and Land Services Management Enterprises, Inc. the deficiency arising after the extrajudicial foreclosure of the mortgaged property. The dispositive portion of the trial court's decision states -

WHEREFORE, judgment is hereby rendered declaring plaintiff Mario Matute entitled to redeem or repurchase the parcel of land described in the complaint from the defendant Development Bank of the Philippines and, upon payment by plaintiff Mario Matute of the amount due to defendant DBP pursuant to Sec. 30 of Rule 39, Revised Rules of Court, defendant Development Bank of the Philippines is hereby ordered to surrender the owner's duplicate copy of Transfer Certificate of Title No. 209937 of the Register of Deeds of Quezon City

and transfer the title to the property in question to plaintiff Mario Matute.

On the counterclaim, ordering plaintiffs Environmental Aquatics Incorporated and Land Services Management Enterprises, Inc., to pay jointly and severally to defendant Development Bank of the Philippines their deficiency outstanding obligation in the amount of P16,794,653.00, with 6% interest from December 19, 1990 until fully paid.

The complaint against defendant Register of Deeds of Quezon City and defendant Deputy Sheriff Cesar P. Cruz is dismissed. The other claims of the parties against each other for attorney's fees, exemplary damages and expenses of litigation are likewise dismissed for lack of sufficient basis. No costs.

IT IS SO ORDERED.[3]

On 25 April 1994, petitioner's motion for reconsideration was denied by the trial court. Thus, petitioner filed its notice of appeal with the trial court within the reglementary period. On 31 May 1994, the trial court ordered the elevation of the original records to the Court of Appeals.

On 6 July 1998, petitioner received notice to file its appellant's brief. However, on 20 August 1998, at the expiration of the period for filing its brief, petitioner asked the appellate court for an extension of thirty (30) days, or until 19 September 1998, invoking in support thereof counsel's heavy workload. The Court of Appeals granted petitioner's motion in a resolution dated 8 September 1998.

On 21 September 1998 - as 19 September 1998 was a Saturday - petitioner filed a second motion for extension of thirty (30) days, or until 19 October 1998. The appellate court granted this second extension in its resolution of 1 October 1998.

Petitioner filed another motion for extension on 19 October 1998, claiming that the lawyer assigned to the case was stricken with acute bronchitis. The twenty (20) day extension prayed for by petitioner in its third motion, ending on 8 November 1998, was acquiesced to by the Court of Appeals in its 11 November 1998 resolution.

On 9 November 1998, since 8 November 1998 was a Sunday, petitioner begged the Court of Appeals for another reprieve of ten (10) days, or until 18 November 1998, in order to file its appellant's brief, alleging that the handling lawyer had just reported back to work and needed time to complete the revisions to the prepared brief.

Even before having received the appellate court's action on its most recent motion, on 18 November 1998, petitioner filed a fifth motion for extension of ten (10) days, or until 28 November 1998. Petitioner claimed that it needed time for the handling lawyer to input the revisions after the appellant's brief was reviewed by the latter's superiors.

On 20 November 1998, private respondents filed a motion to dismiss petitioner's appeal for failure to submit its appellant's brief.

Petitioner filed a "Last Motion for Extension" on 27 November 1998, seeking an additional ten (10) days, or until 8 December 1998, since its computer had allegedly broken down.

On 8 December 1998, petitioner filed a "Very Urgent Motion" for an extension of five (5) days, or until 13 December 1998, claiming that additional time was needed to complete the re-encoding of the brief. Petitioner claims that, on the same day, it received a copy of the appellate court's resolution dated 27 November 1998 granting its fourth motion for extension but with a warning against further extensions; however, this resolution was allegedly received by petitioner only after it had already sent out its messenger to file its last motion for extension.

Finally, on 14 December 1998 - as 13 December 1998, which is the last day in the extended period prayed for in

its most recent motion, was a Saturday - petitioner filed its appellant's brief.[4]

On 25 January 1999, the Court of Appeals dismissed petitioner's appeal for failure to file its appellant's brief within the extended period.[5] Petitioner's motion for reconsideration was also denied by the Court of Appeals in a resolution dated 14 June 1999. Hence, the present petition.

It is petitioner's contention that the Court of Appeals gave undue weight to technicalities when it dismissed petitioner's appeal, in direct contravention of several cases promulgated by this Court upholding the primacy of substantive justice over technical rules of procedure. Petitioner seeks the reversal of the Court of Appeals' order of dismissal based on the following considerations: (1) its appellant's brief was filed within the extended period sought in its last motion; (2) no substantial rights of private respondents will be affected by giving due course to its appeal; (3) it received the Court of Appeals' resolution dated 27 November 1998 warning it against any further extensions only on 8 December 1998; (4) all of its motions for extension were filed within the extended periods sought; (5) its motions for extension were all made in good faith, due to human and technological errors, and with no intention to delay the proceedings; (6) petitioner immediately filed a motion for reconsideration, only three days after it received the appellate court's resolution of 25 January 1999 dismissing its appeal, evincing its earnest efforts to pursue its appeal; and (7) should the appeal be denied, a government financial institution stands to lose at least eighteen million pesos.

Petitioner enumerates several cases promulgated by this Court setting aside orders of dismissal issued by the Court of Appeals for failure to perfect the appeal or to file the appellant's brief within the period granted. In addition, petitioner cites cases wherein the Court of Appeals gave due course to appeals despite the late filing of the appellant's brief, which decisions were subsequently affirmed by the Supreme Court. In view of these prior rulings, petitioner argues that it would be tantamount to judicial discrimination for the appellate court to dismiss its appeal.

According to petitioner, the dismissal of its appeal would sanction the trial court's erroneous decision that redemption may be made by merely reimbursing the acquisition cost of the mortgaged property at the foreclosure sale, pursuant to Section 5 of Act No. 3135 and Section 26 of Rule 39 of the Rules of Court. Petitioner claims that the redemption price consists of the entire loan obligation as of the date of the foreclosure sale, with interest thereon at the rate agreed upon, in accordance with Section 31 of Commonwealth Act No. 459 in relation to Section 19 of Republic Act No. 85.

As to the assignment of the right of redemption in favor of private respondent Mario Matute, petitioner argues that the latter merely stepped into the shoes of the original mortgagor, subject to exactly the same obligations. Thus, the right of redemption can only be exercised by private respondent Matute in exactly the same manner as it would have been exercised by private respondents Environmental Aquatics and Land Services And Management Enterprises, Inc.

Petitioner claims that it stands to lose at least P18,000,000.00 should the subject property be redeemed at P1,507,000.00 since the total indebtedness of private respondents already reached P18,301,853.11 as of the date of the foreclosure sale on 12 December 1990, and P20,914,766.18 as of 11 February 1993. Moreover, the potential damage to petitioner is compounded by the current financial position of private respondents Environmental Aquatics and Land Services And Management Enterprises, Inc., both of which admitted in their Comment filed before this Court that they are "moribund outfits" incapable of satisfying the deficiency judgment that may be rendered against them.[6]

On the other hand, private respondents maintain that the Court of Appeals correctly dismissed petitioner's appeal for failure to file its appellant's brief on time. Petitioner's numerous motions for extension display its lack of

sincerity in pursuing its appeal and prove that it was merely trifling with judicial processes. With regard to the merits of the case, private respondents argue that the applicable law insofar as the redemption price is concerned is Section 6 of Act No. 3135 and Section 26 of Rule 39 of the Rules of Court which provides that the redemption price is the purchase price in the public auction sale.[7]

After a thorough and assiduous deliberation of this case, the Court is of the opinion that the Court of Appeals should give due course to petitioner's appeal.

The failure of the appellant to file his brief within the time provided is one of the instances when the Court of Appeals, on its own motion or on that of the appellee, may dismiss an appeal.[8] Instead of risking a dismissal, the appellant should ask for an extension of time to file his brief. An extension will only be granted, however, if there is good and sufficient cause, and if the motion asking for the same is filed before the expiration of the time sought to be extended.[9]

The granting of an extension, including the duration thereof, lies within the sound discretion of the court, to be exercised in accordance with the attendant circumstances of each case.[10] The court has the power to relax or suspend the rules or to except a case from their operation when compelling circumstances so warrant or when the purpose of justice requires it.[11] However, the movant is not justified in assuming that the extension sought will be granted, or that it will be granted for the length of time sought. Thus, it is the duty of the movant for extension to exercise due diligence and inform himself as soon as possible of the appellate court's action on his motion.[12]

In the case at bar, it was only on 8 December 1998 that petitioner received the appellate court's resolution dated 27 November 1998 granting its fourth motion for extension and prohibiting any further extensions. By that time, petitioner had already filed three more motions for extension. However, it is noted that the periods prayed for in petitioner's last three motions for extension amounted to only twenty-five (25) days and that all three motions were filed within the extended period sought in the immediately preceding motion. It is also significant that private respondents have not alleged nor proven that they have sustained any material injury or that their cause has been prejudiced by reason of the delay in the filing of the appellant's brief.[13]

Should its appeal be denied, petitioner, a government financial institution, stands to lose millions of pesos. Based on the figures contained in the petition, petitioner could lose as much as P16,794,853.00, which is the difference between the total indebtedness of private respondent as of the date of the foreclosure sale on 12 December 1990 - the amount demanded by petitioner - and the purchase price at the foreclosure sale - the amount decreed by the trial court. This does not even include interest yet, so the losses of petitioner could actually be much greater.

In the 1999 case of *Republic v. Imperial*, [14] the Court overturned the Court of Appeals' decision to dismiss the government's appeal for late filing of its appellant's brief. The case had its origins in a complaint filed by the government, as represented by the Solicitor General, for the cancellation of the certificates of title in the name of defendants covering several parcels of land with a total area of 18,142 square meters. It was the position of the government that such properties belonged to the public domain being foreshore land. The trial court eventually dismissed the complaint on the ground of *res judicata*. The case was appealed. Invoking its heavy workload, the Solicitor General asked for two 30-day extensions, in two successive motions, within which to file its appellant's brief. The appellate court granted the additional time prayed for, but in granting the second extension, it declared that no further extensions would be permitted. This last resolution was received by petitioner, however, only after it had already filed its third motion for extension. Moreover, even after it had learned of such resolution, petitioner proceeded to file a fourth motion for extension with the appellate court. In its decision penned by Chief Justice Hilario G. Davide, Jr., the Court held that "[t]he need xxx to determine once and for all whether the lands subject of petitioner's reversion efforts are foreshore lands constitutes good and sufficient cause for relaxing procedural

rules and granting the third and fourth motions for extension xxx" and constituted an "exceptional circumstance" which impressed petitioner's appeal with public interest. Thus, petitioner's appeal was given due course despite the late filing of its appellant's brief.[15]

Similarly, the case at bar is impressed with public interest. If petitioner's appeal is denied due course, a government institution could lose a great deal of money over a mere technicality.[16] Obviously, such an appeal is far from being merely frivolous or dilatory.[17]

At this juncture, it bears stressing that a distinction should be made between the failure to file a notice of appeal within the reglementary period and the failure to file a brief within the period granted by the appellate court. The former results in the failure of the appellate court to acquire jurisdiction over the appealed decision resulting in its becoming final and executory upon failure of the appellant to move for reconsideration. Meanwhile, the latter simply results in the abandonment of the appeal which could lead to its dismissal upon failure to move for its reconsideration, in which case the appealed decision would also become final and executory but prior thereto, the appellate court shall have obtained jurisdiction of the appealed decision.[18] In the case at bar, it is not contended that petitioner failed to perfect its appeal within the reglementary period; it merely failed to file its appellant's brief within the last extended period accorded to it by the appellate court. In a considerable number of cases, the Court has deemed it fit to suspend its own rules or to exempt a particular case from its operation where the appellant failed to perfect its appeal within the reglementary period, resulting in the appellate court's failure to obtain jurisdiction over the case.[19] Thus, there is more leeway to exempt a case from the strictures of procedural rules when the appellate court has already obtained jurisdiction over the appealed case.[20]

Time and again, this Court has reiterated the doctrine that the rules of procedure are mere tools intended to facilitate the attainment of justice, rather than frustrate it. A strict and rigid application of the rules must always be eschewed when it would subvert the rules' primary objective of enhancing fair trials and expediting justice. Technicalities should never be used to defeat the substantive rights of the other party. Every party-litigant must be afforded the amplest opportunity for the proper and just determination of his cause, free from the constraints of technicalities.[21]

WHEREFORE, the instant petition is hereby GRANTED. The 25 January 1999 and 14 June 1999 Resolutions of the Court of Appeals are SET ASIDE and petitioner's appeal is REINSTATED. The instant case is REMANDED to the Court of Appeals for further proceedings.

SO ORDERED.

Melo, (Chairman), Vitug, Panganiban, and Sandoval-Gutierrez, JJ., concur.

[1] Sixteenth Division, composed of .. Ramon A. Barcelona, ponente and chairman; .. Martin S. Villarama, Jr.; and .. Demetrio G. Demetria.

[2] Otherwise known as the "Revised Charter of the Development Bank of the Philippines."

[3] Rollo, 9-14.

[4] Ibid., 201-202, 261-262.

[5] Ibid., 18-20.

[6] Ibid., 195-254.

[7] Ibid., 256-275.

[8] Rules of Court, Rule 50, Section 1 (e).

[9] Id., Rule 44, Section 12.

[10] Republic v. Imperial, Jr. 303 SCRA 127 (1999).

[11] De Guzman v.. Sandiganbayan, 256 SCRA 171 (1996); PNB v. Court of Appeals, 246 SCRA 304 (1995); Republic v. Court of Appeals, 83 SCRA 453 (1978).

[12] Diman v. Alumbres, 299 SCRA 459 (1998).

[13] Gregorio v.. Court of Appeals, 72 SCRA 120 (1976); Pongasi v.. Court of Appeals, 71 SCRA 614 (1976).

[14] 303 SCRA 127 (1999).

[15] See also Ginete v.. Court of Appeals, 296 SCRA 38 (1998); Republic v.. Court of Appeals, 83 SCRA 453 (1978); Gregorio v.. Court of Appeals, 72 SCRA 120 (1976).

[16] Executive Order No. 81 (EO 81), otherwise known as "The 1986 Revised Charter of the Development Bank of the Philippines," which was enacted by President Aquino on 3 December 1986, provides -

SEC. 16. Right of Redemption. Any mortgagor of the Bank whose real property has been extrajudicially sold at public auction shall, within one (1) year counted from the date of registration of the certificate of sale, have the right to redeem the real property by paying to the Bank all of the latter's claims against him, as determined by the Bank.

The Bank may take possession of the foreclosed property during the redemption period. When the Bank takes possession during such period, it shall be entitled to the fruits of the property with no obligation to account for them, the same being considered compensation for the interest that would otherwise accrue on the account. Neither shall the Bank be obliged to post a bond for the purpose of such possession. (emphasis supplied)

Prior to the enactment of EO 81, the redemption price for property foreclosed by the Development Bank of the Philippines (DBP), whether judicially or extrajudicially, was determined by Commonwealth Act No. 459 (CA 459), which contained a provision substantially similar to Section 16 of EO 81 insofar as the redemption price was concerned. Section 31 of CA 459 provides that -

The mortgagor or debtor to the Agricultural and Industrial Bank, whose real property has been sold at public auction, judicially or extra-judicially for the full or partial payment of an obligation to said Bank, shall, within one year from the date of the auction sale, have the right to redeem the real property by paying to the Bank all the amount he owed the latter on the date of the sale, with interest on the total indebtedness at the rate agreed upon in the obligation from said date, unless the bidder has taken material possession of the property or unless this had been delivered to him, in which case the proceeds of the property shall compensate the interest. If the Agricultural and Industrial Bank was not the highest bidder at the auction sale, the Bank shall, in case of redemption, return to the bidder the amount it received from him as a result of the auction sale with the corresponding interest paid by the debtor. (emphasis supplied)

Thus, in DBP v. Mirang [66 SCRA 141 (1975)], the Court held that appellant could redeem the subject property by paying the entire amount he owed to the Bank on the date of the foreclosure sale, with interest thereon at the rate agreed upon, pursuant to Section 31 of CA 459. The ruling herein was reiterated by the Court in the more recent case of Dulay v. Cariaga [123 SCRA 794 (1983)].

In the earlier case of Nepomuceno v. Rehabilitation Finance Corporation [110 Phil 42 (1960)], the Court explained that Section 31 of CA 459, being a special law applicable only to properties mortgaged to the

Rehabilitation Finance Corporation - the predecessor of DBP - should prevail over Section 6 of Act No. 3135, which is a more general law applicable to all mortgaged properties extrajudicially foreclosed, regardless of the mortgagee.

[17] *Paulino v. Court of Appeals*, 80 SCRA 257 (1977).

[18] *Republic v. Imperial*, 303 SCRA 127 (1999); *Ginete v. Court of Appeals*, 296 SCRA 38 (1998); *Carco Motor Sales, Inc. v. Court of Appeals*, 78 SCRA 547 (1977).

[19] *United Airlines v. Uy*, 318 SCRA 576 (1999); *Philippine National Bank v. Court of Appeals*, 246 SCRA 304 (1995), citing *Republic v. Court of Appeals*, 83 SCRA 453 (1978); *Siguenza v. Court of Appeals*, 137 SCRA 570 (1985); *Pacific Asia Overseas Shipping Corporation v. NLRC*, 161 SCRA 122 (1988); *Cortes v. Court of Appeals*, 161 SCRA 444 (1988); *Olacao v. NLRC*, 177 SCRA 38 (1989); *Legasto v. Court of Appeals*, 172 SCRA 722 (1989); *City Fair Corporation v. NLRC*, G.R. No. 95711, 21 April 1995.

[20] *Republic v. Imperial, Jr.* 303 SCRA 127 (1999); *Diman v. Alumbres*, 299 SCRA 459 (1998); *Ginete v. Court of Appeals*, 296 SCRA 38 (1998); *People v. Court of Appeals*, 242 SCRA 180 (1995); *Foralan v. Court of Appeals*, 241 SCRA 176 (1995); *Telan v. Court of Appeals*, 202 SCRA 534 (1991); *Avisado v. Villafuerte*, 195 SCRA 188 (1991); *Municipality of Antipolo v. Zapanta*, 133 SCRA 820 (1984); *Valisno v. Intermediate Appellate Court*, 131 SCRA 507 (1984); *Fereira v. Intermediate Appellate Court*, 127 SCRA 734 (1984); *Republic v. Court of Appeals*, 83 SCRA 453 (1978); *Carco Motor Sales, Inc. v. Court of Appeals*, 78 SCRA 547 (1977); *Gregorio v. Court of Appeals*, 72 SCRA 120 (1976); *Pongasi v. Court of Appeals*, 71 SCRA 614 (1976); *Obut v. Court of Appeals*, 70 SCRA 546 (1976); *Allam v. Acosta*, 10 SCRA 230 (1964).

[21] *Ginete v. Court of Appeals*, 296 SCRA 38 (1998); *De Guzman v. Sandiganbayan*, 256 SCRA 171 (1996); *Municipality of Antipolo v. Zapanta*, 133 SCRA 820 (1984); *Fereira v. Intermediate Appellate Court*, 127 SCRA 734 (1984); *Republic v. Court of Appeals*, 83 SCRA 453 (1978); *Gregorio v. Court of Appeals*, 72 SCRA 120 (1976).

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