DOMINGO R. MANALO, PETITIONER, VS. COURT OF APPEALS (SPECIAL TWELFTH DIVISION) AND PAIC SAVINGS AND MORTGAGE BANK, RESPONDENTS.

G.R. No. 141297. October 08, 2001

Ponente: PUNO, J.

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PUNO, J.:

This petition for certiorari seeks the review of the Decision of the Court of Appeals in C.A.-G.R. SP. No. 50341 promulgated December 23, 1999, which affirmed an Order issued by the Regional Trial Court, Branch 112, Pasay City, in Civil Case No. 9011 dated December 9, 1998.

On July 19, 1983, S. Villanueva Enterprises, represented by its president, Therese Villanueva Vargas, obtained a loan of three million pesos (P3,000,000.00) and one million pesos (P1,000,000.00) from the respondent PAIC Savings and Mortgage Bank and the Philippine American Investments Corporation (PAIC), respectively. To secure payment of both debts, Vargas executed in favor of the respondent and PAIC a Joint First Mortgage[1] over two parcels of land registered under her name. One of the lots, located in Pasay City with an area of nine hundred nineteen square meters (919 sq.m.) and covered by TCT No. 6076, is the subject of the present case. Section 2 of the mortgage contract states that "the properties mortgaged therein shall include all buildings and improvements existing on the mortgaged property at the time of the execution of the mortgage contract and thereafter."[2]

S. Villanueva Enterprises defaulted in paying the amortizations due. Despite repeated demands from the respondent, it failed to settle its loan obligation. Accordingly, respondent instituted extrajudicial foreclosure proceedings over the mortgaged lots. On August 22, 1984, the Pasay City property was sold at a public auction to the respondent itself, after tendering the highest bid. The respondent then caused the annotation of the corresponding Sheriff's Certificate of Sale[3] on the title of the land on December 4, 1984. After the lapse of one year, or the statutory period extended by law to a mortgagor to exercise his/her right of redemption, title was consolidated in respondent's name for failure of Vargas to redeem.

On October 29, 1986, the Central Bank of the Philippines filed a Petition[4] for assistance in the liquidation of the respondent with the Regional Trial Court. The petition was given due course in an Order[5] dated May 19, 1987.

It appears that from the years 1986 to 1991, Vargas negotiated with the respondent (through its then liquidator, the Central Bank) for the repurchase of the foreclosed property. The negotiations, however, fizzled out as Vargas cannot afford the repurchase price fixed by the respondent based on the appraised value of the land at that time. On October 4, 1991, Vargas filed a case for annulment of mortgage and extra-judicial foreclosure sale before Branch 116 of the Pasay City Regional Trial Court. On July 22, 1993, the court rendered a decision[6] dismissing the complaint and upholding the validity of the mortgage and foreclosure sale. On appeal, the appellate court upheld the assailed judgment and declared the said mortgage and foreclosure proceedings to be in accord with law.[7] This decision of the Court of Appeals subsequently became final and executory when we summarily

dismissed Vargas's Petition for Review on Certiorari for having been filed beyond the reglementary period.[8]

In the meantime, on June 22, 1992, respondent petitioned the Regional Trial Court, Branch 112, of Pasay City, herein court a quo, for the issuance of a writ of possession for the subject property in Civil Case No. 9011. This is in view of the consolidation of its ownership over the same as mentioned earlier. Vargas and S. Villanueva Enterprises, Inc. filed their opposition thereto. After which, trial ensued.

During the pendency of Civil Case No. 9011 (for the issuance of a writ of possession), Vargas, on December 23, 1992, executed a Deed of Absolute Sale[9] selling, transferring, and conveying ownership of the disputed lot in favor of a certain Armando Angsico. Notwithstanding this sale, Vargas, still representing herself to be the lawful owner of the property, leased the same to petitioner Domingo R. Manalo on August 25, 1994. Pertinent provisions of the lease agreement[10] state:

> "3. (a) The lease is for a period of ten year lease (sic), involving 450 square meters, a portion of the above 919 square meter property.
>
> x x x (d) The LESSEE has to introduce into the said 450 square meter premises improvements thereon (sic) consisting of one story building to house a Karaoke Music Restaurant Business, which improvements constructed therof (sic), upon the termination of the lease contract, by said LESSEE be surrendered in favor of the LESSOR (sic)."[11]

Later, on June 29, 1997, Armando Angsico, as buyer of the property, assigned his rights therein to petitioner.[12]

On April 21, 1998, the court a quo granted the petition for the issuance of the Writ of Possession.[13] The writ was subsequently issued on April 24, 1998, the pertinent portion of which reads:[14]

> "NOW THEREFORE you are hereby commanded that you cause oppositors THERESE VILLANUEVA VARGAS and S. VILLANUEVA ENTERPRISES, INC. and any and all persons claiming rights or title under them, to forthwith vacate and surrender the possession of subject premises in question known as that parcel of land and improvements covered by TCT No. 6076 of the Registry of Deeds of Pasay City; you are hereby further ordered to take possession and deliver to the petitioner PAIC SAVINGS AND MORTGAGE BANK the subject parcel of land and improvements."

Shortly, on May 8, 1998, S. Villanueva Enterprises and Vargas moved for its quashal.[15] Thereafter on June 25, 1998, petitioner, on the strength of the lease contract and Deed of Assignment made in his favor, submitted a Permission to File an Ex-parte Motion to Intervene.[16] It bears mentioning, however, that before petitioner sought intervention in the present case, he had separately instituted a Complaint for Mandamus, docketed as Civil Case No. 98-0868 before another branch[17] of the Pasay City RTC to compel PAIC Bank to allow him to repurchase the subject property.

On October 7, 1998, the court a quo denied the Motion to Quash and Motion to Intervene filed respectively by Vargas and petitioner.[18] A Motion for Reconsideration and a Supplemental Motion for Reconsideration were filed by the petitioner which, however, were similarly denied on December 9, 1998.

Petitioner then sought relief with the Court of Appeals, filing therein a Petition for Certiorari. While this was awaiting resolution, he entered into another lease agreement,[19] this time with the respondent, represented by its liquidator, over the same 450 sq.m.portion of the lot. The contract fixed a period of one month beginning January 28, 1999, renewable for another month at the exclusive option of the lessor, respondent PAIC Bank.

On December 23, 1999, the appellate court rendered the impugned Decision, dismissing the petition, thus:

> "All told, WE find the Order, subject of the instant Petition for Certiorari and Prohibition, to be not without rational bases and we observe that the court a quo, in issuing its questioned Order, committed no grave abuse

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> of discretion amounting to lack of jurisdiction.
>
> WHEREFORE, the Petition for Certiorari and Prohibition is hereby DISMISSED and the assailed December 9, 1998 Order is AFFIRMED in all respects.
>
> SO ORDERED."[20]

Hence, this appeal, where petitioner raises and argues the following legal issues:

> "I. Whether or not public respondent acted without or in excess of its jurisdiction and/or was patently in error when it affirmed the denial of petitioner's motion for intervention, despite the fact that he has a legal interest, being a lessee and an assignee of the property subject matter of this case.
>
> II. Whether or not the public respondent committed grave abuse of discretion when it held that what are required to be instituted before the liquidation court are those claims against the insolvent banks only considering that the private respondent bank is legally dead due to insolvency and considering further that there is already a liquidation court (Regional Trial Court of Makati, Branch 57, docketed as Spec. Pro. No. M-1280) which is exclusively vested with jurisdiction to hear all matters and incidents on liquidation pursuant to Section 29, Republic Act No. 265, otherwise known as The Central Bank Act, as amended.
>
> III. Whether or not the public respondent committed grave abuse of discretion and/or was patently in error in affirming the ruling of the trial court, totally disregarding the arguments raised in petitioner's supplemental motion for reconsideration only through a minute order and without taking into consideration the fact that there is a pending action in another court (RTC, Pasay City, Branch 231) which presents a prejudicial question to the case at bar.
>
> IV. Whether or not the petitioner is estopped from questioning private respondent's ownership when it entered into a contract of lease involving the property in question."[21]

We will first resolve the jurisdictional and procedural questions raised by the petitioner.

I.

Petitioner postulates that the lower court should have dismissed respondent's "Ex-Parte Petition for Issuance of Writ of Possession" in Civil Case No. P-9011 for want of jurisdiction over the subject matter of the claim. The power to hear the same, he insists, exclusively vests with the Liquidation Court pursuant to Section 29 of Republic Act No. 265, otherwise known as The Central Bank Act.[22] He then cites our decision in Valenzuela v. Court of Appeals,[23] where we held that "if there is a judicial liquidation of an insolvent bank, all claims against the bank should be filed in the liquidation proceeding." For going to another court, the respondent, he accuses, is guilty of forum shopping.

These contentions can not pass judicial muster. The pertinent portion of Section 29 states:

> "x x x The liquidator designated as hereunder provided shall, by the Solicitor General, file a petition in the Regional Trial Court reciting the proceedings which have been taken and praying the assistance of the court in the liquidation of such institution. The court shall have jurisdiction in the same proceedings to assist in the adjudication of disputed claims against the bank or non-bank financial intermediary performing quasi-banking functions and the enforcement of individual liabilites of the stockholders and do all that is necessary to preserve the assets of such institution and to implement the liquidation plan approved by the Monetary Board. x x x"[24] (emphasis supplied.)

Petitioner apparently failed to appreciate the correct meaning and import of the above-quoted law. The legal provision only finds operation in cases where there are claims against an insolvent bank. In fine, the exclusive

jurisdiction of the liquidation court pertains only to the adjudication of claims against the bank. It does not cover the reverse situation where it is the bank which files a claim against another person or legal entity.

This interpretation of Section 29 becomes more obvious in the light of its intent. The requirement that all claims against the bank be pursued in the liquidation proceedings filed by the Central Bank is intended to prevent multiplicity of actions against the insolvent bank and designed to establish due process and orderliness in the liquidation of the bank, to obviate the proliferation of litigations and to avoid injustice and arbitrariness.[25] The lawmaking body contemplated that for convenience, only one court, if possible, should pass upon the claims against the insolvent bank and that the liquidation court should assist the Superintendents of Banks and regulate his operations.[26]

It then ought to follow that petitioner's reliance on Section 29 and the Valenzuela case is misplaced. The Petition for the Issuance of a Writ of Possession in Civil Case No. 9011 is not in the nature of a disputed claim against the bank. On the contrary, it is an action instituted by the respondent bank itself for the preservation of its asset and protection of its property. It was filed upon the instance of the respondent's liquidator in order to take possession of a tract of land over which it has ownership claims.

To be sure, the liquidator took the proper course of action when it applied for a writ in the Pasay City RTC. Act 3135,[27] entitled An Act to Regulate the Sale of Property Under Special Powers Inserted In or Annexed To Real Estate Mortgages, mandates that jurisdiction over a Petition for Writ of Possession lies with the court of the province, city, or municipality where the property subject thereof is situated. This is sanctioned by Section 7 of the said Act, thus:

> "Section 7. In any sale made under the provisions of this Act, the purchaser may petition the Court of First Instance of the province or place where the property or any part thereof is situated, to give him possession thereof during the redemption period, furnishing bond in an amount equivalent to the use of the property for a period of twelve months, to indemnify the debtor in case it be shown that the sale was made without violating the mortgage or without complying with the requirements of this Act. x x x"[28] (emphasis supplied)

Since the land subject of this controversy is located in Pasay City, then the city's RTC should rightly take cognizance of the case, to the exclusion of other courts.

Anent petitioner's auxiliary contention that respondent should be held guilty of forum shopping for not filing the case in the liquidation court, suffice it to state here that the doctrine only ponders situations where two (or more) cases are pending before different tribunals.[29] Well to point, we have laid down the yardstick to determine whether a party violated the rule against forum shopping as where the elements of litis pendentia are present or where a final judgment in one case will amount to res judicata in the other.[30] Inasmuch as the case at bar is the only one filed by the respondent for the issuance of a writ of possession over the subject property, there is no occasion for the doctrine to apply.

Petitioner next casts doubt on the capacity of the respondent to continue litigating the petition for the issuance of the writ. He asserts that, being under liquidation, respondent bank is already a "dead" corporation that cannot maintain the suit in the RTC. Hence, no writ may be issued in its favor.

The argument is devoid of merit. A bank which had been ordered closed by the monetary board retains its juridical personality which can sue and be sued through its liquidator. The only limitation being that the prosecution or defense of the action must be done through the liquidator.[31] Otherwise, no suit for or against an insolvent entity would prosper. In such situation, banks in liquidation would lose what justly belongs to them through a mere technicality.[32]

That the law allows a bank under liquidation to participate in an action can be clearly inferred from the third paragraph of the same Section 29 of The Central Bank Act earlier quoted, which authorizes or empowers a liquidator to institute actions, thus:

> "x x x and he (liquidator) may in the name of the bank or non-bank financial intermediary performing quasi-banking functions and with the assistance of counsel as he may retain, institute such actions as may be necessary in the appropriate court to collect and recover accounts and assests of such institution or defend any action filed against the institution."[33] (emphasis supplied.)

It is therefore beyond dispute that respondent was legally capacitated to petition the court a quo for the issuance of the writ.

II.

Petitioner likewise proffers one other procedural obstacle, which is the pendency of Civil Case No. 98-0868 in Branch 231 of Pasay City RTC. The said action is the complaint he filed against the respondent for the latter to receive and accept the redemption price of eighteen million pesos for the subject property. He argues that the primary issue therein constitutes a prejudicial question in relation to the present case in that if the Court therein will grant petitioner's prayer, then this will necessarily negate the possessory writ issued by the court a quo.

Again, we are not persuaded. A prejudicial question is one which arises in a case the resolution of which is a logical antecedent of the issue involved therein, and the cognizance of which pertains to another tribunal.[34] It generally comes into play in a situation where a civil action and a criminal action are both pending and there exists in the former an issue which must be preemptively resolved before the criminal action may proceed, because howsoever the issue raised in the civil action is resolved would be determinative juris et de jure of the guilt or innocence of the accused in the criminal case. The rationale behind the principle of prejudicial question is to avoid two conflicting decisions.[35]

Here, aside from the fact that Civil Case No. 98-0868 and the present one are both civil in nature and therefore no prejudicial question can arise from the existence of the two actions,[36] it is apparent that the former action was instituted merely to frustrate the Court's ruling in the case at bar granting the respondent the right to possess the subject property. It is but a canny and preemptive maneuver on the part of the petitioner to delay, if not prevent, the execution of a judgment adverse to his interests. It bears stressing that the complaint for mandamus was filed only on May 7, 1998, sixteen days after the lower court granted respondent's petition and thirteen days after it issued the writ. It cannot then possibly prejudice a decided case.

At any rate, it taxes our imagination why the questions raised in Case No. 98-0868 must be considered determinative of Case No. 9011. The basic issue in the former is whether the respondent, as the purchaser in the extra-judicial foreclosure proceedings, may be compelled to have the property repurchased or resold to a mortgagor's successor-in-interest (petitioner); while that in the latter is merely whether the respondent, as the purchaser in the extra-judicial foreclosure proceedings, is entitled to a writ of possession after the statutory period for redemption has expired. The two cases, assuming both are pending, can proceed separately and take their own direction independent of each other.

III.

Having disposed of the jurisdictional and procedural issues, we now come to the merits of the case. Petitioner seeks intervention in this case by virtue of the lease agreement and the deed of assignment executed in his favor by the mortgagor (Vargas) and an alleged buyer (Angsico) of the land, respectively. He posits that as a lessee and

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assignee in possession of the foreclosed real estate, he automatically acquires interest over the subject matter of the litigation. This interest is coupled with the fact that he introduced improvements thereon, consisting of a one-storey building which houses a karaoke-music restaurant, allegedly to the tune of fifteen million pesos (P15,000,000.00). Enforcing the writ, he adds, without hearing his side would be an injustice to him.

Intervention is a remedy by which a third party, not originally impleaded in the proceeding, becomes a litigant therein to enable him to protect or preserve a right or interest which may be affected by such proceeding.[37] The pertinent provision is stated in Section 1, Rule 19 of the 1997 Rules of Civil Procedure,thus:

> "Section 1. Who may intervene. - A person who has a legal interest in the matter in litigation, or in the success of either of the parties, or an interest against both, or is so situated as to be adversely affected by a distribution or other disposition of property in the custody of the court or of an officer thereof may, with leave of court, be allowed to intervene in the action. The court shall consider whether or not the intervention will unduly delay or prejudice the adjudication of the rights of the original parties, and whether or not the intervenor's rights may be fully protected in a separate proceeding."[38]

Intervention is not a matter of right but may be permitted by the courts only when the statutory conditions for the right to intervene is shown.[39] Thus, the allowance or disallowance of a motion to intervene is addressed to the sound discretion of the court.[40] In determining the propriety of letting a party intervene in a case, the tribunal should not limit itself to inquiring whether "a person (1) has a legal interest in the matter in litigation; (2) or in the success of either of the parties; (3) or an interest against both; (4) or when is so situated as to be adversely affected by a distribution or other disposition of property in the custody of the court or of an officer thereof."[41] Just as important, as we have stated in Big Country Ranch Corporation v. Court of Appeals,[42] is the function to consider whether or not the intervention will unduly delay or prejudice the adjudication of the rights of the original parties, and whether or not the intervenor's rights may be fully protected in a separate proceeding.

The period within which a person may intervene is also restricted. Section 2, Rule 19 of the 1997 Rules of Civil Procedure requires:

> "Section 2. Time to intervene. - The motion to intervene may be filed at any time before the rendition of judgment by the trial court. x x x"

After the lapse of this period, it will not be warranted anymore. This is because, basically, intervention is not an independent action but is ancillary and supplemental to an existing litigation.[43]

Taking into account these fundamental precepts, we rule that the petitioner may not properly intervene in the case at bar. His insistence to participate in the proceeding is an unfortunate case of too little, too late.

In the first place, petitioner's Ex-parte Permission to File a Motion to Intervene was submitted to the RTC only on June 25, 1998. At that stage, the lower court had already granted respondent's petition for the writ in an Order dated April 21, 1998. It had issued the Writ of Possession on April 24, 1998. Petitioner's motion then was clearly out of time, having been filed only at the execution stage. For that reason alone, it must meet the consequence of denial. While it is true that on May 8, 1998, Vargas and S. Villanueva Enterprises moved to quash the writ, that did not in any way affect the nature of the RTC's Order as an adjudication on the merits. The issuance of the Order is in essence a rendition of judgment within the purview of Section 2, Rule 19.

Allowing petitioner to intervene, furthermore, will serve no other purpose but to unduly delay the execution of the writ, to the prejudice of the respondent. This cannot be countenanced considering that after the consolidation of title in the buyer's name, for failure of the mortgagor to redeem, the writ of possession becomes a matter of right.[44] Its issuance to a purchaser in an extra-judicial foreclosure is merely a ministerial function.[45] As such, the court neither exercises its official discretion nor judgment.[46] If only to stress the writ's ministerial character,

we have, in previous cases, disallowed injunction to prohibit its issuance,[47] just as we have held that issuance of the same may not be stayed by a pending action for annulment of mortgage or the foreclosure itself.[48]

Even if he anchors his intervention on the purported interest he has over the land and the improvements thereon, petitioner, still, should not be allowed to do so. He admits that he is a mere lessee and assignee. Whatever possessory rights he holds only emanate from that of Vargas, from whom he leased the lot, and from whom his assignor/predecessor-in-interest bought it. Therein lies the precariousness of his title. Petitioner cannot validly predicate his supposed interest over the property in litigation on that of Vargas, for the simple reason that as early as December 4, 1985, the latter has already been stripped of all her rights over the land when she, as mortgagor, failed to redeem it. A mortgagor has only one year within which to redeem her foreclosed real estate.[49] After that period, she loses all her interests over it. This is in consonance with Section 78 of the General Banking Act,[50] viz.:

> "x x x In the event of foreclosure, whether judicially or extrajudicially, of any mortgage on real estate which is security for any loan granted before the passage of this Act or the provisions of this Act, the mortgagor or debtor whose real property has been sold at public auction, judicially or extrajudicially, for the full or partial payment of an obligation to any bank, banking or credit institution, within the purview of this Act shall have the right, within one year after the sale of the real estate mortgage as a result of the foreclosure of the respective mortgage, to redeem the property by paying the amount fixed by the court in the order or execution x x x."[51] (emphasis supplied.)

Being herself bereft of valid title and rights, Vargas can not legitimately convey any to some other person. She could not have lawfully sold the land to Angsico nor leased it to petitioner for her own account. It is axiomatic that one can not transmit what one does not have.[52] It ought to follow that petitioner could not have acquired any right or interest from Vargas.

Withal, all is not lost for the petitioner. He can still fully protect his rights in Civil Case No. 98-0868 or the complaint for mandamus he filed before Branch 231 of the Pasay City RTC. There, he can ventilate his side to a fuller extent as that would be the more appropriate venue for elucidating whatever legal basis he alleges in compelling the respondent to sell to him the currently disputed land.

IV.

This brings us to petitioner's final point. He briefly asserts that his act of entering into a lease contract with the respondent should not affect his right to redeem the subject property.

The possible legal implication of the lease on the petitioner's act of trying to redeem the disputed lot is a question which, in our opinion, can best be resolved in the mandamus complaint. Whether the agreement must be construed as a waiver on his part of exercising his purported right of redemption is an issue best left for the court therein to decide. Whether by acknowledging the legality of the respondent's claim and title over the land at the time of the execution of the contract, he likewise perpetually barred himself from redeeming the same is a matter which can be addressed most aptly in that pending action. Hence, there is presently no need for us to squarely rule on this ultimate point.

IN VIEW WHEREOF, finding no cogent reason to disturb the assailed Decision, the instant petition is hereby DENIED.

SO ORDERED.

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

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[1] Annex 1, Comment; Rollo, p. 181 - 201.

[2] Id., p. 183.

[3] Annex 2, Comment; Rollo, pp. 200 - 201.

[4] Annex Q, Petition; Rollo, pp. 110 - 117.

[5] Rollo, p. 118.

[6] Rollo, p. 132.

[7] Decision, CA-G.R. No. 44391, Annex 4, Comment; Rollo, pp. 204 - 210.

[8] Resolution, G.R. No. 130747, Annex 5, Comment; Rollo, p. 211.

[9] Deed of Absolute Sale, Rollo, p.105.

[10] Contract of Lease, Annex C, Rollo, pp.43 - 44.

[11] Ibid.

[12] Deed of Assignment and Transfer of Rights, Rollo, p.136.

[13] Order, Annex D, Petition; Rollo, p. 45.

[14] Writ of Possession, Annex E, Petition; Rollo, p. 46.

[15] Motion to Quash Writ of Possession, Annex F, Petition; Rollo, p. 48.

[16] Permission to File Ex-parte Motion to Intervene, Annex G, Petition; Rollo, p. 53.

[17] Branch 231.

[18] Order, Annex J, Petition; Rollo, p. 75.

[19] Contract of Lease, Annex 7, Comment; Rollo, p. 213.

[20] Decision, CA-G.R. SP No. 50341, Annex A, Petition; Rollo, p. 42.

[21] Petition; Rollo, pp. 8 - 9.

[22] Amended by R.A. No. 7653, otherwise known as The New Central Bank Act.

[23] 168 SCRA 623 (1988).

[24] Now Section 30, The New Central Bank Act.

[25] Ong v. CA, 253 SCRA 105 (1996).

[26] Central Bank of the Philippines, et al. vs. CA, et al., 163 SCRA 482 (1988).

[27] As amended by Act 4118.

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[28] Act 3135.

[29] Carlet v. CA, 275 SCRA 97 (1997).

[30] First Philippine International Bank v. Court of Appeals, 252 SCRA 259 (1996).

[31] See Hernandez v. Rural Bank of Lucena, Inc., 81 SCRA 75 (1978), citing Wauer v. Bank of Pendleton, 65 S.W. 2nd 167.

[32] See Gelano v. CA, 103 SCRA 90 (1981).

[33] See note no. 22.

[34] Tuanda v. Sandiganbayan, 249 SCRA 342 (1995).

[35] Ibid.

[36] Carlos v. CA, 268 SCRA 25 (1997).

[37] First Philippine Holdings Corporation v. Sandiganbayan, 253 SCRA 30 (1996).

[38] Rule 19, id.

[39] Firestone Ceramics, Inc. v. CA, 313 SCRA 522 (1999).

[40] Pagtalunan v. Tamayo, 183 SCRA 252 (1990).

[41] Batama Farmers' Cooperative Marketing Association, Inc. v. Rosal, 42 SCRA 408 (1971).

[42] 227 SCRA 161 (1993).

[43] Lim v. Pacquing, 240 SCRA 649 (1995).

[44] Tarnate v. CA, 241 SCRA 254 (1995).

[45] Vaca v. CA, 234 SCRA 146 (1994).

[46] A.G. Development Corporation v. CA, 281 SCRA 155 (1997).

[47] Kho v. CA, 203 SCRA 160 (1991).

[48] PNB v. Adil, 118 SCRA 110 (1982).

[49] Union Bank v. CA, 311 SCRA 795 (1999).

[50] R.A. 337, as amended.

[51] Likewise, Section 6 of Act 3135 states:

"Section 6. In all cases in which an extrajudicial sale is made under the special power herein before referred to, the debtor, his successors in interest or any judicial creditor or judgment creditor of said debtor, or any person having a lien on the property subsequent to the mortgage or deed of trust under which the property was sold, may redeem the same at any time within the term of one year from and after the date of the sale. x x x" (emphasis supplied)

[52] See also Mathay v. CA, 295 SCRA 556 (1998), which held that "[n]o one can transfer a greater right to another than he himself has."

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