

SPOUSES PANFILO AND PERLITA OLIVA, PETITIONERS, VS. COURT OF APPEALS AND SPOUSES SALVADOR AND PATRIA ANG, RESPONDENTS.

G.R. No. 76737. October 27, 1988

Ponente: NARVASA, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-76737/>

NARVASA, J.:

The appeal at bar concerns conflicting claims by two (2) creditors of the same debtor over the latter's property which they had caused to be seized under writs of preliminary attachment issued in the actions respectively instituted by them.

The property, a house and lot, was owned at the time by the Spouses Arturo and Elsa Co, and was covered by Transfer Certificate of Title No. 20374 of the Registry of Deeds of Rizal. The first levy on attachment was annotated on the title as Entry No. 93433 on July 18, 1983 at 9:45 o'clock in the morning, the writ emanating from Branch 154 of the Regional Trial Court at Pasig, Rizal, in connection with Civil Case No. 49865 entitled "Spouses Salvador and Patricia Ang v. Spouses Arturo and Elsa Co." [1] The second levy was annotated on the title as Entry No. 93484 on July 18, 1983 at 3:00 o'clock in the afternoon, the attachment writ having been issued by Branch 153 of the same Regional Trial Court in Civil Case No. 49962 entitled "Spouses Perlita and Panfilo Oliva v. Spouses Elsa and Arturo Co." [2]

Judgment by compromise was rendered in Civil Case No. 49962 (Olivas Spouses v. Co Spouses) on July 27, 1983. [3] A writ of execution subsequently issued, which was enforced against the attached property. [4] The property was conveyed to the Olivas Spouses as the highest bidders at the execution sale held on October 4, 1984. [5] The Co Spouses, as judgment debtors, failed to redeem the property within the one-year period provided by law; [6] consequently, a Deed of Final Sale was executed by the sheriff in favor of the Oliva Spouses on December 21, 1984. [7]

On March 4, 1985, a decision based on compromise was also rendered in Civil Case No. 49865 in favor of the plaintiffs, the Spouses Ang, against the defendants, said Co Spouses. [8] Alleging failure of the Co Spouses to comply with the judgment, the Angs filed a "Motion for Execution and Appointment of Special Sheriff **." [9]

The Olivas Spouses sought to prevent the execution prayed for. They filed on April 7, 1985 (in Civil Case No. 49865) an "Urgent Motion for Intervention and Opposition to Motion for Execution," arguing that the Compromise Agreement between the Angs and the Cos, dated February 25, 1985 -- in virtue of which, among others, the Cos bound themselves to pay the Angs P480,000.00 and granted to them the right "to take possession of the house which has been under attachment ** if only to preserve its value" -- was null and void because they (the Olivas Spouses) were already the owners of said house and the lot covered by TCT No. 20374. [10]

The Angs disputed the validity of the Olivas' contentions. They asserted that the attempt to intervene came much too late, intervention being allowed only "before or during a trial," but not afterwards (Section 2, Rule 12, Rules of Court). They also pointed out that the Olivas' right over the property, as attaching creditor and as highest

bidder at the subsequent execution sale, was subject and subordinate to the prior attachment lien in their (the Angs') favor -- their lien having been registered in the Property Registry at 9:45 A.M., July 18, 1983, whereas that of the Olivases had been recorded at 3:00 P.M. on the same day.

The Trial Court resolved the issue in favor of the Olivas Spouses. Its Order dated May 16, 1985 permitted the filing by said spouses of a complaint-in-intervention,[11] and its Order of June 7, 1985 denied the Angs' motion for reconsideration.[12]

These orders of May 16, 1985 and June 7, 1985 were however nullified and set aside by the Court of Appeals, in a special civil action of certiorari and prohibition filed by the Angs shortly after their rendition. By judgment promulgated on August 29, 1986, the Appellate Court[13] declared that the decision in Civil Case No. 49865 had become final and executory; hence, intervention was no longer permissible, being allowed only before or during a trial; and the Angs, as prevailing parties, were entitled to execution as a matter of right.[14] It is this judgment of the Appellate Court which the petitioners plead to be overturned by this Court in the present appeal. The judgment will however be sustained, being in accord with the relevant facts and settled doctrine.

It is indeed axiomatic, as the Court of Appeals stressed, that intervention is legally possible only "before or during a trial," and therefore a motion for intervention filed after trial -- and a fortiori, when the case has already been submitted, when judgment has been rendered, or worse, when judgment is already final and executory -- should be denied.[15] The resolution of this Court in *Director of Lands v. C.A. and Bernal*,[16] is inapplicable; for while it is true that there, intervention was allowed long after trial (on appeal, in fact), that was because the intervenors were indispensable parties and in light of the peculiar circumstances of the case, there was need to preserve the "indefeasibility and stability of the Torrens System," an "aspect of the case" "overrid(ing) any question of late intervention." [17] These exceptional factors are evidently not present in the case at bar.

Besides, the theory by which the Olivases attempt to justify their intervention is clearly untenable. The priority in the registration of the Angs' levy on preliminary attachment gave them superiority and preference in rights over the attached property as against the Olivases. The fact that the execution sale in favor of the Olivas Spouses has already taken place does not help the Olivases' cause one bit. In virtue of that sale, the Olivases acquired the rights of the judgment debtors over the property sold subject to the prior lien annotated on the title thereof in favor of the Angs. Since it is also axiomatic that an auction sale retroacts to the date of levy,[18] the subsequent execution sale pursuant to the judgment in favor of the Angs, would retroact to the time of their levy, which was anterior and superior to that of the Olivases. The Olivases' theory that they had acquired title to the property to the exclusion of the Angs cannot therefore be sustained. Whatever rights had been acquired by them by virtue of the execution sale, to repeat, were subject and subordinate to the lien in favor of the Angs, and to the rights resulting and subsequently arising from the enforcement of that lien. The right of the Angs to a writ of execution in the premises, and to have the property attached sold for the satisfaction of the judgment in their favor cannot be gainsaid.

WHEREFORE, the petition is DENIED for lack of merit, with costs against the petitioners. This decision is immediately executory.

Cruz, Gancayco, Griño-Aquino, and Medialdea, JJ., concur.

[1] Rollo, pp. 22-23

[2] Id.

[3] Rollo, pp. 37-38

[4] Id., p. 39

[5] Id., p. 23

[6] Secs. 29, 30, Rule 39, Rules of Court

[7] Rollo, pp. 40-41. Title was afterwards consolidated in the Olivas' names, on March 11, 1985 (Rollo, p. 42).

[8] Id., pp. 46-47

[9] Id., p. 49-50

[10] Id., pp. 51-54

[11] Id., p. 65

[12] Ibid.

[13] Fourth Division: Nocon, J., ponente; Purisima and Ramirez, JJ., concurring

[14] Rollo, p. 24

[15] Sec 2, Rule 12, Rules of Court; SEE Ong v. Tating, G.R. No. L-61042, April 15, 1987; SEE also, Felismino v. Gloria, 47 Phil., 967; De Borja v. Jugo, 64 Phil. 464, 468-9; El Hogar Filipino v. National Bank, 64 Phil. 582, 587; Lim Tek Goan v. Azores, 76 Phil. 363; Rizal Surety & Insurance Co. v. Tan, 46 O.G. [Supp. 11] 184; Serrano, et al. v. Palacio, et al., C.A., Aug. 31, 1955, 52 O.G. 260, all cited in Feria, J., Civil Procedure, 1969 ed., p. 266, which also cites Falcasantos v. Falcasantos, L-4627, May 13, 1952 [5 Rep. of the Phil. Digest, p. 476 Sec. 48] in which intervention was allowed although the case was already submitted for decision because the intervenors were clearly indispensable parties;

[16] 93 SCRA 238, promulgated Sept. 25, 1979

[17] At p. 248. This Court observed that the denial of intervention would lead to injustice and "open the door to fraud, falsehood and misrepresentation;" "chaos and confusion" would arise "from a situation where the certificates of title of the movants covering large areas of land overlap or encroach on properties the title to which is being sought to be reconstituted;" (p. 246) and there would be a consequent "swamping of the courts and the clogging of their dockets with cases involving not only the original parties and the movants but also their successors-in interest."

[18] SEE Hernandez v. Katigbak, 69 Phil. 744, 749; Vargas v. Tancioco, 39 O.G. (No. 28), 651 [67 Phil. 308, 311]; Philippine Executive Commission v. Abadilla, 74 Phil. 68; 69, cited in Feria, op. cit., pp. 595-596

ABOUT BATAS.ORG

Study smarter at BATAS.org

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

The complete Philippine law library - free for everyone.

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

Audio case-brief lectures.

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

Bar review built on the science of memory.

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

The full law-school curriculum.

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

Mock exams that tell you where you stand.

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

A study planner that keeps you on pace.

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

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

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

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

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