



RECORDED
NOV 15 2024
BY: YSA
TIME: 8:54

Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

FEI HUA FINANCE AND
LEASING SERVICE, represented
by ELIZABETH O. LIM,
Petitioner,

G.R. No. 272689

Present:

GESMUNDO, C.J.,
Chairperson,
HERNANDO,
ZALAMEDA,
ROSARIO,* and
MARQUEZ, JJ.

- versus -

EDILBERTO CASTAÑEDA,
Respondent.

Promulgated:

OCT 16 2024

withheld

X-----X

DECISION

HERNANDO, J.:

Before the Court is a Petition for Review on *Certiorari*¹ under Rule 45 of the Rules of Court assailing the Decision² and the Resolution³ of the Court of Appeals (CA). The assailed CA Decision and Resolution set aside the Orders⁴ of the Regional Trial Court (RTC) of Quezon City, which rendered as moot and academic the motion to intervene and to recall the granted petition for writ of

* On official leave.

¹ *Rollo*, pp. 9–28.

² *Id.* at 30–39. The November 29, 2023 Decision in CA-G.R. SP No. 178119 was penned by Associate Justice Apolinario D. Bruselas, Jr. and concurred in by Associate Justices Geraldine C. Fiel-Macaraig and Jennifer Joy C. Ong of the Fourth Division, Court of Appeals, Manila.

³ *Id.* at 41–43. The March 12, 2024 Resolution in CA-G.R. SP No. 178119 was penned by Associate Justice Apolinario D. Bruselas, Jr. and concurred in by Associate Justices Geraldine C. Fiel-Macaraig and Jennifer Joy C. Ong of the Fourth Division, Court of Appeals, Manila.

⁴ *Id.* at 152 and 166–171. The September 15, 2022 and January 26, 2023 Orders in LRC Case No. R-QZN-22-01290-LR were penned by Presiding Judge Kathleen Rosario D. De la Cruz-Espinosa of Branch 91, Regional Trial Court, Quezon City and Presiding Judge Rochelle Yvette D. Galano, of Branch 105, Regional Trial Court, Quezon City, respectively.

possession filed by Fei Hua Finance and Leasing Service (Fei Hua) against Goldland Properties and Development Corporation (Goldland).

The Antecedents

Fei Hua, a duly organized lending investor granted Goldland a credit facility in the principal amount of PHP 9,900,000.00. As a security for the loan/s obtained under the said credit facility, Goldland executed a Deed of Real Estate Mortgage⁵ over 60 parking spaces in Porto Vita Condominium located at P. Tuazon Street corner 14th Avenue, Cubao, Quezon City (*mortgaged properties*). The mortgaged properties are covered by 60 individual Condominium Certificates of Title (CCT) registered in the name of Goldland.⁶ One of the parking slots made as loan security was covered by CCT No. 004-2011006807⁷ (*subject parking lot/property*) allegedly sold by Goldland to herein respondent Edilberto Castañeda (Castañeda) prior to its mortgage to Fei Hua.⁸

In the Real Estate Mortgage, the parties agreed that Fei Hua, as the mortgagee, may foreclose the mortgage either judicially or extrajudicially, in accordance with the applicable provisions of law should Goldland, the mortgagor, default in the payment of its obligation, among others.⁹

Goldland eventually defaulted in the payment of the loan. As of June 23, 2017, Goldland's outstanding obligation had ballooned to PHP 23,700,000.00.¹⁰ This prompted Fei Hua to file an Amended Petition¹¹ to extrajudicially foreclose the mortgage before the Office of the Clerk of Court & Ex-Officio Sheriff of the Quezon City RTC. Subsequently, a public auction was conducted where Fei Hua emerged as the highest bidder. Consequently, a Certificate of Sale¹² was issued in its favor on February 23, 2018.

The period of redemption expired without Goldland exercising its right of redemption. Thus, Fei Hua consolidated the titles of the mortgaged properties and caused their transfer and registration under its name. Thereafter, CCT No. 004-2011006807 covering the subject property was canceled and in lieu thereof, CCT No. 004-2021017619¹³ was issued in the name of Fei Hua on October 28, 2021 by the Register of Deeds of Quezon City.

⁵ *Id.* at 61–77.

⁶ *Id.* at 61–71.

⁷ *Id.* at 106–109.

⁸ *Id.* at 128.

⁹ *Id.* at 74.

¹⁰ *Id.* at 91.

¹¹ *Id.* at 78–93.

¹² *Id.* at 94–105.

¹³ *Id.* at 110–112.

On February 15, 2022, Fei Hua filed an *Ex-Parte* Petition¹⁴ for issuance of a writ of possession with the RTC of Quezon City which was granted in a Decision¹⁵ dated June 27, 2022. Accordingly, a Writ of Possession¹⁶ was issued by the RTC. The Decision granting the issuance of a writ of possession became final on August 11, 2022 as per the Entry of Final Judgment¹⁷ dated August 16, 2022. Accordingly, the subject writ of possession had been duly satisfied and implemented as per the Sheriff's Final Report¹⁸ dated September 13, 2022.

On September 9, 2022, Castañeda filed before the RTC of Quezon City an Entry of Appearance with Manifestation and Very Urgent Motion to Recall Writ of Possession¹⁹ claiming that he is the owner and possessor of the parking slot covered by CCT No. 004-2011006807. He alleged that he bought the parking space from Goldland as evidenced by the Reservation Agreement²⁰ and Acknowledgment²¹ both dated September 28, 2013, showing his full payment of the purchase price thereof in the sum of PHP 700,000.00.

On September 12, 2018, Goldland executed a Deed of Absolute Sale²² over the subject parking space in favor of Castañeda. In the said deed, Goldland expressly declared that the parking lot was "free from any lien or encumbrances, whatsoever, except those contained in the 'Master Deed with Declarations and Restrictions' of Portovita Condominium."²³ Castañeda also averred that Goldland never disclosed any prior mortgage or encumbrance over the subject property.²⁴

After the execution of the Deed of Absolute Sale, Goldland paid the transfer tax for the supposed transfer of the title of the subject parking lot in the name of Castañeda with the Bureau of Internal Revenue (BIR).²⁵ On August 12, 2017, the parking space had been turned over to Castañeda.²⁶ Since then, he had been in actual and constructive possession of the same by regularly using it as parking space for his vehicle. Moreover, he started paying the corresponding association dues and realty taxes thereon.²⁷ However, Goldland failed to deliver the corresponding CCT to Castañeda despite regular follow ups and notwithstanding his full payment of the purchase price.²⁸

¹⁴ CA rollo, pp. 106–113.

¹⁵ Rollo, pp. 116–120. The June 27, 2022 Decision in LRC Case No. R-QZN-22-01290-LR was penned by Presiding Judge Kathleen Rosario D. De la Cruz-Espinosa of Branch 91, Regional Trial Court, Quezon City.

¹⁶ *Id.* at 123–124.

¹⁷ *Id.* at 121–122.

¹⁸ *Id.* at 125–126.

¹⁹ *Id.* at 127–133.

²⁰ *Id.* at 138–139.

²¹ *Id.* at 142.

²² CA rollo, pp. 172–174.

²³ *Id.* at 6.

²⁴ *Id.*

²⁵ Rollo, p. 141.

²⁶ CA rollo, pp. 38–39.

²⁷ Rollo, p. 128.

²⁸ *Id.* at 129.

To his surprise, Castañeda was notified by Portovita Condominium Association, Inc. through a letter dated September 5, 2022, that the parking lot was the subject of a writ of possession and notice to vacate issued by the Quezon City RTC and the Sheriff, respectively. This prompted Castañeda to file the instant motion to recall the writ of possession insofar as the subject property is concerned invoking the last sentence of Rule 39, Section 33 of the Revised Rules of Court. He averred that he is a purchaser in good faith and for value, and that he has a better right over the subject parking lot having been in actual and constructive possession thereof from the moment it was turned over to him on August 12, 2017.²⁹

Ruling of the Regional Trial Court

In the first assailed Order,³⁰ the trial court denied Castañeda's motion to recall the writ of possession for being moot and academic. The Motion for Reconsideration was likewise denied by the trial court in the second assailed Order.³¹ The RTC held that since the writ of possession had already been served and satisfied, the motion to recall the same had ceased to present a justiciable controversy, and a declaration thereon would be of no practical use or value.³²

The trial court further held that the enforcement of the writ of possession would not violate Rules 16 and 33 of the Rules of Court. Relying on the Court's judgment in *China Banking Corporation v. Spouses Lozada*,³³ the RTC ratiocinated that Castañeda does not fall under the exception provided in Rule 39, Section 33 of the Rules of Court which withholds the property from the purchaser if a third-party is actually holding the same adversely to the mortgagor/debtor because Castañeda's possession of the parking lot sprung from his supposed right as a mere successor or transferee of Goldland. As such, his claim of possession cannot be considered adverse or contrary to Goldland.³⁴

The dispositive portion of the second assailed Order of the RTC reads:

WHEREFORE, premises considered, the *Motion for Reconsideration of the Orders dated September 15 and 16, 2022* filed by movants-intervenors Ganda, Spouses Alegre, and Heredia family, as well as the *Motion for Reconsideration* dated 14 October 2022 filed by movant-intervenor Castañeda, are hereby *DENIED*. The *Motion to Quash* filed by oppositors-movants Aban, Salsa and Catan is likewise *DENIED* for reasons as stated above.

*SO ORDERED.*³⁵ (Emphasis in the original)

²⁹ *Id.*

³⁰ *Id.* at 152.

³¹ *Id.* at 166–171.

³² *Id.* at 168–169.

³³ 579 Phil. 454, 474–475 (2008) [Per J. Chico-Nazario, Third Division].

³⁴ *Rollo*, pp. 170–171.

³⁵ *Id.* at 171.

Aggrieved, Castañeda filed a Petition for *Certiorari*³⁶ before the CA.

Ruling of the Court of Appeals

In its assailed Decision, the appellate court reversed and set aside the RTC Orders. The *fallo* of the Decision reads:

WHEREFORE, the petition is *GRANTED*. The assailed Orders are *SET ASIDE*. The writ of possession should exclude the parking space possessed by the petitioner.

*IT IS SO ORDERED.*³⁷ (Emphasis in the original)

The CA explained that the trial court's reliance in *China Banking Corporation* is misplaced as the same had been expressly modified by this Court in *Spouses Rosario v. Government Service Insurance System*.³⁸ In *Spouses Rosario*, the Court modified the rule disqualifying all transferees or successors of the judgment debtor from being considered as third-party adverse possessors. Individual buyers of condominium units or subdivision lots, while having privity with developer-mortgagors, should be excluded from the issuance or implementation of a writ of possession if they are actually occupying the unit or lot.³⁹

The CA clarified that the right of possession by a purchaser in an extrajudicial foreclosure of real property is recognized only as against the judgment debtor and his successors-in-interest, but not against persons whose right of possession is adverse to the latter. In this case, the appellate court considered the possession of Castañeda of the subject parking lot as adverse to Fei Hua, the judgment debtor. Thus, Fei Hua's right to the issuance of a writ of possession cannot be invoked against Castañeda, whose possession is legally presumed to be pursuant to a just title that may be overcome only in a judicial proceeding for recovery of property.⁴⁰

The CA also found that Fei Hua failed to dispute the veracity of the sale between Goldland and Castañeda, which was executed way before the mortgage agreement. Hence, it concluded that Castañeda is actually holding the subject property adversely to the judgment debtor. Consequently, the subject writ of possession could not have been validly enforced against Castañeda and as such, no right can be obtained therefrom by Fei Hua. Accordingly, the enforcement

³⁶ *Id.* at 172–193.

³⁷ *Id.* at 38.

³⁸ G.R. No. 200991, March 18, 2021 [Per J. Zalameda, First Division].

³⁹ *Rollo*, pp. 33–34.

⁴⁰ *Id.* at 37.

of the writ of possession did not, in any way, render Castañeda's motion to recall it moot and academic.⁴¹

Fei Hua sought reconsideration but the CA denied the same in its March 12, 2024 Resolution.

Hence, the petition.

Issue

The main issue in this case is whether or not the CA erred in holding that the execution or implementation of the subject writ of possession did not render Castañeda's motion to recall the same moot and academic.

Our Ruling

The Petition is devoid of merit.

A writ of possession is a variant of a writ of execution which is interlocutory in character hence, appealable under Rule 41, Section 1 of the Rules of Court

Fei Hua avers that Castañeda availed of the wrong mode of appeal when he filed before the CA a petition for *certiorari* under Rule 65 of the Rules of Court to assail the September 15, 2022 and the January 26, 2023 Orders of the RTC. Fei Hua posits that the assailed RTC Orders are not interlocutory orders but are final in nature, hence, the proper recourse should have been an ordinary appeal under Rule 41 of the Rules of Court.⁴²

The contention is untenable.

In *Rizal Commercial Banking Corporation v. F. Franco Transport, Inc.*,⁴³ the Court settled that a writ of possession is a variant of a writ execution which cannot be the subject of an appeal under Rule 41, Section 1⁴⁴ of the Rules of Court.

⁴¹ *Id.*

⁴² *Rollo*, p. 14.

⁴³ 843 Phil. 556, 571 (2018) [Per J. Bersamin, Third Division].

⁴⁴ Section 1. Subject of appeal. — An appeal may be taken from a judgment or final order that completely disposes of the case, or of a particular matter therein when declared by these Rules to be appealable. No appeal may be taken from:

- (a) An order denying a petition for relief or any similar motion seeking relief from judgment;
- (b) **An interlocutory order;**
- (c) An order disallowing or dismissing an appeal;
- (d) An order denying a motion to set aside a judgment by consent, confession or compromise on the ground of fraud, mistake or duress, or any other ground vitiating consent;
- (e) **An order of execution;**

The pertinent portions of the ruling in *RCBC* read:

The petitioner insists that the order that the respondent sought to be reviewed on appeal was an order of execution that, being of an interlocutory character, was not appealable. The insistence is entirely valid. *The order of execution was truly interlocutory and thus not subject to appeal because it was among the orders of the RTC that are listed in Section 1, Rule 41 of the Rules of Court as not subject of appeal. . . .*

....

The respondent sought to appeal the order of February 26, 2007 whereby the RTC denied its motion to recall the alias writ of possession and to hold the implementation of the alias writ of possession in abeyance on the ground that the alias writ of possession was invalid. But reviewing the validity of the alias writ of possession was no longer permissible for the several reasons outlined hereunder.

Firstly, the order sought to be reviewed on appeal involved the implementation of the writ of possession. *It is basic that the writ of possession is a variant of the writ of execution that enforces a judgment of a court to recover the possession of land, and commands the sheriff to enter the land and give its possession to the person entitled under the judgment. On the other hand, an alias process, like the alias writ of execution or alias writ of possession, is defined as a second writ, summons, execution or subpoena, used when the first or earlier process has for any reason failed to accomplish its purpose. The order under challenge herein merely affirmed the order of execution issued in the case. In the context of Section 1, Rule 41 of the Rules of Court, no appeal should be allowed to assail the order of February 26, 2007.*⁴⁵ (Emphasis supplied, citations omitted)

In line with the above ratiocination of the Court in *RCBC*, it is clear that Castañeda availed of the correct remedy when he filed a Rule 65 petition before the CA to challenge the assailed RTC Orders which in essence denied Castañeda's motion to recall the subject writ of possession as the same partakes of the nature of an order of execution which is interlocutory in character, thus, not appealable under Rule 41, Section 1 of the Rules of Court. As provided in the said rule, the proper recourse of the aggrieved against an interlocutory order is to file a special civil action as provided in Rule 65, which Castañeda aptly did. Verily, Castañeda resorted to the correct mode of review.

(f) A judgment or final order for or against one or more of several parties or in separate claims, counterclaims, cross-claims and third-party complaints, while the main case is pending, unless the court allows an appeal therefrom; and

(g) An order dismissing an action without prejudice.

⁴⁵ *Rizal Commercial Banking Corporation v. F. Franco Transport, Inc.*, 843 Phil. 556, 569–571 (2018) [Per J. Bersamin, Third Division].

*Issuance of a writ of possession;
ministerial function; exceptions*

A writ of possession is a writ of execution employed to enforce a judgment to recover the possession of land. It commands the sheriff to enter the land and give its possession to the person entitled under the judgment.⁴⁶ In extrajudicial foreclosures, a writ of possession may be issued either (1) within the redemption period or (2) after the lapse of the redemption period.⁴⁷

In this case, Fei Hua anchored its prayer for the issuance of the writ of possession on the second instance which is based on its alleged right of ownership over the subject parking lot being the highest bidder during its auction sale and due to the failure of Goldland to redeem the subject property within the one-year period of redemption provided by law. Since Fei Hua was able to consolidate its title to the subject property after Goldland failed to redeem it, the CCT previously issued in the name of Goldland was cancelled by the Register of Deeds of Quezon City, and CCT No. 004-2021017619 was issued in favor of Fei Hua. Therefore, Fei Hua claims that it is entitled to the issuance of a writ of possession based on its right of ownership.

Generally, when there has been an extrajudicial foreclosure of a mortgage, the title has been consolidated to the purchaser, and the certificate of title has been issued, the court's duty on such matter is that, upon proper application and proof of title by the petitioner, the issuance of the writ of possession to the purchaser in an extrajudicial foreclosure becomes a ministerial function of the court, which cannot be enjoined or restrained. Even any question concerning the regularity or validity of the mortgage or its foreclosure cannot be raised as a justification for opposing the issuance of the writ. Hence, the general rule is that the lower court, acting on an application for its issuance, should issue the writ as a matter of course and without any delay.⁴⁸

Nevertheless, one of the narrow exceptions wherein the issuance of the writ of possession shall not be a ministerial duty on the part of the trial court even though the purchaser is the registered owner thereof is when there is a third party claiming a right adverse to the mortgagor/debtor.⁴⁹

Here, Castañeda avers that the issuance of the writ of possession is not a mere ministerial duty of the trial court because he claims to be a third party holding the subject parking lot adversely to the judgment obligor, Goldland.

⁴⁶ *Spouses. Reyes v. Spouses. Chung*, 818 Phil. 225, 235 (2017) [Per J. Velasco, Jr., Third Division].

⁴⁷ *Integrated Credit and Corporate Services Co. v. Labrador*, G.R. No. 233127, July 10, 2023 [Per C.J. Gesmundo, First Division]. (Citations omitted)

⁴⁸ *Id.*

⁴⁹ *Nagtalon v. United Coconut Planters Bank*, 715 Phil. 595, 606 (2013) [Per J. Brion, Second Division].

On the other hand, Fei Hua counters that Castañeda does not fall under the exception mentioned because he is a mere successor or transferee of Goldland. Castañeda's possession of the subject property cannot be considered as adverse to Goldland because his possession merely sprung from his supposed right as successor or transferee of Goldland.⁵⁰

Indeed, to be considered in adverse possession, the third-party possessor must have done so in his own right and not as a mere successor or transferee of the debtor or mortgagor. Only in such instance shall the trial court's duty to issue a writ of possession in favor of the purchaser, who has consolidated ownership, not be considered as ministerial.⁵¹

In the past, a condominium unit or subdivision lot buyer was classified as a mere transferee or successor-in-interest since they derive their title to the unit or lot from the developer. Upon the execution of a contract to sell or a deed of sale, the unit or lot buyers merely step into the shoes of the developer. Thus, their possession is subject to conveyances made by the developer involving the property. As such, they cannot be considered as third-party adverse possessors entitled to protection against summary writs consequent to foreclosure. This is the rule in *China Banking Corporation* relied upon by the trial court in issuing its second assailed Order in this case.

However, as aptly held by the appellate court, the foregoing jurisprudential rule had already been modified by this Court in *Spouses Rosario*, thus:

However, guided by the provisions and policy behind [Presidential Decree No. 957], this Court deems it proper to modify the rule disqualifying all transferees of successors of the judgment debtor from being considered as third-party adverse possessors. Individual buyers of condominium units or subdivision lots, while having privity with developer-mortgagors, should be excluded from the issuance or implementation of a writ of possession if they are actually occupying the unit or lot. As clearly demonstrated by this case, these small property buyers would suffer deleterious consequences if they continue to be treated as ordinary transferees or successors-in-interest of property developers. Arguably, while subdivision lot buyers may seek protection under Section 18 of [Presidential Decree] No. 957 and pursue the annulment of the mortgage between the developer and the financial institution entered without the prior written approval of the HLURB, they may in the meantime be deprived of the possession of their property or residence should a financial institution foreclose a mortgage thereon. Certainly, such a scenario is anathema to the policy behind [Presidential Decree] No. 957. Individual subdivision and condominium buyers are legally entitled to protection from being summarily ejected from their homes through processes that they may completely be unaware of and have no control over.

⁵⁰ *Rollo*, p. 22.

⁵¹ *Integrated Credit and Corporate Services Co. v. Labrador*, G.R. No. 233127, July 10, 2023 [Per C.J. Gesmundo, First Division]. (Citation omitted)

Thus, in keeping with the avowed purpose of [Presidential Decree] No. 957, the rule should now be that the issuance of a writ of possession ceases to be ministerial if a condominium unit or subdivision lot buyer intervenes to protect their rights against a mortgagee bank or financial institution. The court must order a hearing to determine the nature and source of the buyer's supposed right to the foreclosed property. Should the judge be satisfied that the oppositors to the issuance of the writ are bona fide condominium or subdivision buyers who are in actual possession of the property, the writ should thus be issued excluding the aforesaid buyers from its implementation. It should, however, be clarified that exclusion of such buyers is without prejudice to the outcome of cases concerning the validity of the mortgage between the developer and the mortgagee financial institution or bank under Section 18 of [Presidential Decree] No. 957.⁵²

In this case, Castañeda has duly established that he purchased the subject parking lot from Goldland and paid the same in full in 2013, even before it was mortgaged to Fei Hua on April 27, 2016. This is evidenced by the Reservation Agreement⁵³ and Acknowledgment⁵⁴ both dated September 28, 2013, issued by Goldand showing Castañeda's full payment of the purchase price thereof.

On August 12, 2017, the parking lot was turned over to Castañeda⁵⁵ and since then, he had been using the same until he was informed of the writ of possession and notice to vacate issued thereon. On September 12, 2018 a Deed of Absolute Sale⁵⁶ over the parking space was executed by the parties. On even date, the BIR issued a Certificate Authorizing Registration⁵⁷ in the name of Castañeda. On November 5, 2018, the Office of the City Treasurer of Quezon City also issued a Certification⁵⁸ evidencing Castañeda's payment of the transfer tax for the transfer of the title to the subject parking lot in his name. Finally, Castañeda also presented the Acknowledgment and/or Official Receipts⁵⁹ showing his payment of association and parking dues for the subject parking space.

Notably, Fei Hua neither impugned nor countered these overwhelming pieces of evidence constituting Castañeda's purchase and actual physical possession of the subject property. In fact, it is worth mentioning that Castañeda has commenced an action for specific performance and payment of attorney's fees, litigation expenses, and costs of suit against Goldland and Fei Hua relative to the subject parking space with the Human Settlements Adjudication Commission, Regional Adjudication Branch – National Capital Region (HSAC

⁵² G.R. No. 200991, March 18, 2021 [Per J. Zalameda, First Division].

⁵³ *Rollo*, pp. 138–139.

⁵⁴ *Id.* at 142.

⁵⁵ *CA rollo*, pp. 38–39.

⁵⁶ *Id.* at 172–174.

⁵⁷ *Id.* at 54.

⁵⁸ *Id.* at 56.

⁵⁹ *Id.* at 42, 46–47.

RAB-NCR), and the same was adjudicated in favor of Castañeda. In the said Decision,⁶⁰ the HSAC RAB-NCR ruled, among others, that the mortgage contract constituted over the subject parking slot in favor of Fei Hua as well as the consequential mortgage foreclosure sale and the issuance of a new title are null and void. The dispositive portion thereof reads:

WHEREFORE, premises considered, judgment is hereby rendered by:

1. Declaring the mortgage contract constituted over parking slot identified as Slot 17 Podium 3 in Portovita Condominium, P. Tuazon corner 14th Avenue, Cubao, Quezon City executed by respondent *Goldland Properties & Development Corporation* in favor of respondent *Fei Hua Finance and Leasing Service* as well as consequential mortgage foreclosure sale and the issuance of a new title as null and void.
2. Directing the Register of Deeds of Quezon City to cancel CCT No. 004-2021017619 issued in the name of respondent *Fei Hua Finance and Leasing Service* and reinstate CCT No. 004-2011006807.
3. Ordering respondent *Fei Hua Finance and Leasing Service* to release the mortgage and deliver the title (CCT No. 004-2011006807) of the subject parking slot to complainant *Atty. Edilberto T. Castañeda* within 30 days from finality of this decision.
4. Ordering respondent *Goldland Properties & Development Corporation* to pay the mortgage redemption value of the subject parking slot in favor of respondent *Fei Hua Finance and Leasing Service* within 30 days from finality of this decision.
5. Ordering respondent *Goldland Properties & Development Corporation* to pay complainant *Atty. Edilberto T. Castañeda* the following amount:
 - a. One Hundred Thousand Pesos ([PHP] 100,000.00) as attorney's fees; and
 - b. Costs of suit in the form of filing fees in the amount of [PHP] 7,272.00.
6. Ordering respondent *Goldland Properties & Development Corporation* to pay this Office administrative fine amounting to [PHP] 20,000.00 for violation of Section 18 and 25 of [Presidential Decree No.] 957.

All other claims are dismissed accordingly.

*IT IS SO ORDERED.*⁶¹ (Emphasis in the original)

This only confirms the veracity of Castañeda's claims. Given that Castañeda has held the questioned parking lot since 2017 until he was dispossessed thereof by virtue of the subject possessory writ, he is considered a

⁶⁰ *Id.* at 224–234. The April 28, 2023 Decision in HSAC-NCR-REM-221115-00666 was penned by Regional Adjudicator Marife C. Doblada-San Pedro of the Human Settlements Adjudication Commission, Regional Adjudication Branch – National Capital Region.

⁶¹ *Id.* at 234.

third-party adverse possessor, and thus excluded from the implementation of the writ of possession issued thereon pursuant to Rule 39, Section 33,⁶² of the Rules of Court, and in line with the prevailing doctrine in *Spouses Rosario*.

*The writ of execution is void,
consequently, all actions pursuant to the
void writ are of no legal effect*

Finally, Fei Hua points out that the motion to recall the writ of possession is already moot and academic as the same had already been satisfied and fully implemented.

This argument does not hold water.

In *Carpio v. Court of Appeals*,⁶³ the Court stressed that nothing in jurisprudence says that if the sheriff has in the meantime executed an otherwise invalid writ of execution pending appeal, the appealed case becomes moot and academic. That would be an absurd conclusion. In this connection, the Court held in *Spouses Rosario* that the third-party adverse possessor cannot be summarily dispossessed on the strength of a mere *ex-parte* possessory writ, since to do so would be tantamount to his/her summary ejection, in violation of the basic tenets of due process. And it is elementary that a decision rendered without due process is void *ab initio* for lack of jurisdiction.⁶⁴

In this case, it is evident that Castañeda was denied due process of law as he was completely unaware of the entire proceedings before the trial court. It was only after the writ of possession had been issued and became final that he was notified thereof through a letter dated September 5, 2022 from Portovita Condominium Association, Inc. Consequently, the writ of possession was void, thus, all actions and proceedings conducted pursuant to it, i.e., its full implementation and satisfaction, were also void and of no legal effect.⁶⁵ That the void writ has already been satisfied does not perforce clothe it, and all actions taken pursuant to it, with validity.⁶⁶ As such, the writ's enforcement did not render Castañeda's motion to recall the same moot and academic.

ACCORDINGLY, the Petition is **DENIED**. The November 29, 2023 Decision and the March 12, 2024 Resolution of the Court of Appeals in CA-G.R. SP No. 178119 are **AFFIRMED**.

⁶² SEC. 33. *Deed and possession to be given at expiration of redemption period; by whom executed or given.* — If no redemption be made within one (1) year from the date of the registration of the certificate of sale, the purchaser is entitled to a conveyance and possession of the property[...]

Upon the expiration of the right of redemption, the purchaser or redemptioner shall be substituted to and acquire all the rights, title, interest and claim of the judgment obligor to the property as of the time of the levy. *The possession of the property shall be given to the purchaser or last redemptioner by the same officer unless a third party is actually holding the property adversely to the judgment obligor.*


⁶³ 705 Phil. 153, 161 (2013) [Per C.J. Sereno, First Division].

⁶⁴ *Office of the Ombudsman v. Conti*, 806 Phil. 384, 396 (2017) [Per J. Mendoza, Second Division].

⁶⁵ *Carpio v. Court of Appeals*, 705 Phil. 153, 162 (2013) [Per C.J. Sereno, First Division].

⁶⁶ *Id.* at 162–163.

SO ORDERED.



RAMON PAUL L. HERNANDO

Associate Justice
Working Chairperson

WE CONCUR:



ALEXANDER G. GESMUNDO

Chief Justice
Chairperson



RODIL N. ZALAMEDA

Associate Justice

On official leave
RICARDO R. ROSARIO

Associate Justice



JOSE MIDAS P. MARQUEZ

Associate Justice

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


ALEXANDER G. GESMUNDO
Chief Justice