

FIRST DIVISION

[G.R. No. 146096, December 14, 2001]

**SPOUSES JOHN AND ANITA UY TANSIPEK, PETITIONERS, VS.
PHILIPPINE BANK OF COMMUNICATIONS, REGISTER OF DEEDS
OF METRO MANILA, DISTRICT II, AND GRACE S. BELVIS,
RESPONDENTS.**

D E C I S I O N

PARDO, J.:

The Case

The case is an appeal *via certiorari* from the decision^[1] of the Court of Appeals reversing that of the Regional Trial Court, Pasig City, Branch 166, and dismissing the complaint by petitioners to nullify the extra-judicial foreclosure sale conducted by the Sheriff of Pasig City, covering a real property situated at San Juan, Province of Rizal, which respondent Philippine Bank of Communications (PBC) purchased at the public auction sale.

The Facts

The facts, as found by the Court of Appeals, are as follows:

"Philippine Bank of Communications (PBC) filed with the Office of the Clerk of Court and Ex-Officio Sheriff of the Regional Trial Court of Pasig a petition dated December 7, 1984 for extra-judicial foreclosure of mortgage.

"Subject of the petition for foreclosure was the mortgage constituted on January 17, 1979 by spouses John Tansipek and Anita Uy Tansipek over a 524 sq. m. parcel of land (the property) known as Lot 2, Block 84 of the San Juan Heights Subdivision and covered by Transfer Certificate of Title No. 14800 to secure the payment of loans they obtained from the PBC.

"As of October 5, 1984, the obligation of the spouses Tansipek amounted to P1,236,314.84, by PBC's computation.

"Extra-judicial sale of the property was scheduled on January 9, 1995, notice of which was published in the NEW RECORDS, a newspaper of general circulation published weekly, in its December 15, 22, and 29, 1984 issues.

"As scheduled, extra-judicial sale of the property was conducted on January 9, 1985 which was attended by a representative of the Tansipek spouses. The PBC was the highest bidder at P500,000.00.

"As the period to redeem the property expired without the Tansipek spouses redeeming it, ownership was consolidated in favor of PBC. Title to the property was cancelled and in its stead TCT No. 56256 in the name of PBC was issued on February 19, 1986.

"On May 8, 1986, the PBC filed at the Regional Trial Court of Pasig a petition for the issuance of a writ of possession of the property, docketed as LRC Case No. R-3661.

"Subsequently or on June 2, 1987, the Tansipek spouses filed a complaint against PBC, two sheriffs of the Pasig RTC, and the Register of Deeds of Metro Manila, District II, for the annulment of the extra-judicial foreclosure sale on the ground of "lack and/or insufficient publication and notice, fraud and collusion and insufficient bid price." The complaint was docketed as Civil Case No. 54613.

"The petition for issuance of a writ of possession and the complaint for annulment were consolidated at Branch 166 of the RTC of Pasig.

"In its decision of May 11, 1995, the trial court held that the extra-judicial foreclosure of mortgage on January 9, 1985 was null and void for the December 15, 22, and 29, 1984 issues of the NEW RECORD were delivered to the Post Office for mailing to regular subscribers six days after the sale, adding that the NEW RECORD was then of limited or local circulation, was not known in San Juan where the property is situated, and the subscribers were not shown to be found in San Juan.

"The trial court likewise held that there was no proof that notice of the sale was posted in three public places in San Juan and that the bid price of P500,000.00 was inadequate, the value of the property being estimated to be P1,285,000.00

"Accordingly, the trial court disposed as follows:

"WHEREFORE, judgment is hereby rendered:

"1. Declaring the extra-judicial foreclosure of the subject property and the corresponding Certificate of Sale, null and void;

"2. Ordering the defendant Register of Deeds to cancel TCT No. 56256 and reinstate TCT No. 14800 in favor of the plaintiffs;

"3. Dismissing the petition in LRC Case No. R-3661, for lack of merit; and,

"4. Ordering defendant bank to pay plaintiffs the sum of P30,000.00, as attorney's fees, plus the costs of suit."^[2]

On August 8, 2000, the Court of Appeals promulgated a decision, the dispositive portion of which reads: