

ABSTRACT

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TORT OF THE DEBTOR'S LAND AUCTION OBJECT OF HOLDING RIGHTS

This study is a normative-empirical judicial case study that combines normative and empirical approaches to analyze a legal case. The focus of the research is on the District Court Decision Number 366/Pdt.G/2019/PN Mks regarding the auction of land and buildings that serve as collateral. The research method employed is normative legal research explanatory design using a case and statutory approach. Data analysis is conducted. The research findings reveal the auction action without a court execution letter, categorizable as an unlawful act. The involved parties in this case are Plaintiff I (Arifin Hozeng), Plaintiff II (Henny Sumarlin), Defendant I (PT. Bank Negara Indonesia Tbk.), and Defendant II (Office of State Asset and Auction Services Makassar). The unlawful act of auctioning a debtor's land as mortgage collateral due to non-payment is scrutinized under the Civil Code. Compliance with legal principles, including the Mortgage Law, is essential in the auction process. Mortgage rights grant exclusive creditor privileges, supported by the clear legal basis in Article 4 of the Mortgage Rights Law. Makassar District Court decision Number 366 PDT.G/2019, examined under Law Number 4 of 1996 and Minister of Finance Regulation Number 27/PMK.06/2016, reveals the creditor's compliance with regulations governing mortgage rights auctions. The conclusion of this research emphasizes the importance of maintaining legal procedures in the execution of collateral auctions to prevent legal complexities and serious consequences for all parties involved. This study contributes to the understanding of legal aspects related to property dispute resolution through auctions in the context of Indonesian law.

Keywords: *Tort, Collateral Auction, Legal Procedures.*