

Maintaining Legal Certainty in Indonesia: The Role of Legal Instruments in Protecting Auction Buyer

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Abstract

The implementation of a mortgage auction carries a high potential for lawsuits to cancel the auction due to objections from the debtor. This study analyzes the rights of heirs over assets encumbered with a mortgage based on credit agreements, aiming to provide legal certainty for auction winners and protection for mortgage auction winners. The research is normative with a legislative and conceptual approach. The findings show that inherited property mortgaged by the deceased, the heirs must fulfill the obligations. If they refuse, the bank can auction the property. However, auction winners often face legal disputes from heirs. For example, in Case No. 453/PdtG/2021/PN Mks, heirs sued Bank BRI and the auction winner, claiming ownership of the mortgaged property, despite the auction winner having valid proof. A similar issue occurred in Case No. 240/PdtG/2019/PN Mks, where heirs sued PT Penanaman Modal Madani and the auction winner over a mortgaged asset due to non-performing loans. In both cases, auction winners encountered conflicts and difficulties in executing their rights despite winning the auction legally. This highlights that auction winners often lack adequate legal protection, especially in disputes with heirs. Despite existing auction regulations, legal uncertainty remains, and protection for auction winners needs improvement.

Keywords: auction winner; debtor; heirs

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Pelaksanaan lelang hak tanggungan sangat berpotensi akan adanya gugatan untuk membatalkan lelang karena keberatan dari pihak debitur. Penelitian ini menganalisis hak ahli waris atas aset yang dijamin dengan hipotek berdasarkan perjanjian kredit, dengan tujuan memberikan kepastian hukum dan perlindungan bagi pemenang lelang hak tanggungan. Penelitian ini bersifat normatif dengan pendekatan legislatif dan konseptual. Hasil penelitian menunjukkan bahwa harta warisan yang dijamin oleh pewaris dibebani dengan hak tanggungan, ahli waris wajib memenuhi kewajiban pewaris. Jika ahli waris menolak, bank dapat melelang aset tersebut. Namun, pemenang lelang sering menghadapi gugatan hukum dari ahli waris. Contohnya, dalam Putusan No. 453/PdtG/2021/PN Mks, ahli waris menggugat Bank BRI dan pemenang lelang, mengklaim hak atas aset agunan meskipun pemenang lelang memiliki bukti sah. Kasus serupa terjadi pada Putusan No. 240/PdtG/2019/PN Mks, di mana ahli waris menggugat PT Penanaman Modal Madani dan pemenang lelang karena kredit macet. Pemenang lelang menghadapi konflik dan kesulitan dalam mengeksekusi haknya meskipun telah memenangkan lelang secara sah. Ini menunjukkan bahwa pemenang lelang sering kali tidak mendapatkan perlindungan hukum yang memadai, terutama dalam sengketa dengan ahli waris. Meskipun ada aturan lelang, ketidakpastian hukum masih sering terjadi, dan perlindungan bagi pemenang lelang perlu diperkuat.

Kata Kunci: pemenang lelang; debitur; ahli waris

Introduction

Banking institutions, in this context, drive the wheels of the economy¹ through their main activities, which are collecting funds from the public and redistributing them back to the public² in the form of credit to support development.³ According to Joseph Schumpeter, the role of banking institutions is fundamental in the economic development of any country, as they act as intermediaries between savers and investors, mobilizing resources and ensuring efficient allocation of capital.⁴ In current practice, banks provide various types of credit⁵ according to the needs and activities of the community.⁶ Based on Article 1, No. 11 of Law No. 10 of 1998 concerning amendments to Law No. 7 of 1992 concerning Banking Law,⁷ credit is the provision of money or equivalent claims based on an agreement or

¹ Hasanudin Hasanudin, Jaih Mubarak, and Muhammad al-Fayyad Maulana, "Progressiveness of Islamic Economic Law in Indonesia: The Murā'at al-'Ilal wa al-Maṣāliḥ Approach," *Samarah: Jurnal Hukum Keluarga dan Hukum Islam* 7, no. 2 (2023): 1267-92, <https://doi.org/10.22373/sjhkv7i2.17601>.

² Asrul Hamid and Dedisyah Putra, "The Practice of Buying and Selling during Friday Prayer in Mandailing District Natal: A Study with a Maqashid al-Syari'ah Approach," *Samarah: Jurnal Hukum Keluarga dan Hukum Islam* 5, no. 2 (2021): 1021-43, <https://doi.org/10.22373/sjhkv5i2.7575>; Lucky Nugroho et al., "The Contribution of Islamic Bank in Poverty Alleviation," *al-Ahkam* 30, no. 1 (2020): 19-38, <https://doi.org/10.21580/ahkam.2020.30.1.5387>.

³ Nur Hidayah, "Gender, Economy, and the Law: Women Entrepreneurs in Indonesian and Islamic Legal Perspectives," *Samarah: Jurnal Hukum Keluarga dan Hukum Islam* 7, no. 2 (2023): 1121-42, <https://doi.org/10.22373/sjhkv7i2.17944>; Gunardi Lie et al., "Problematisasi UU No. 37 Tahun 2004 tentang Kepailitan dan PKPU terhadap Bank sebagai Kreditor Separatis," *Jurnal Bakti Masyarakat Indonesia* 2, no. 2 (2020): 159-68, <https://doi.org/10.24912/jbmi.v2i2.7242>.

⁴ Ahmad Bahruddin, "Implementasi Maqasid al-Shari'ah Sebagai Solusi Problematika Sosial dan Kemasyarakatan Kontemporer," *Ijtihad: Jurnal Wacana Hukum Islam dan Kemanusiaan* 17, no. 1 (2017): 1-18, <https://doi.org/10.18326/ijtihad.v17i1.1-18>; Widi Nopiardo, "Perkembangan Peraturan tentang Zakat di Indonesia," *JURIS (Jurnal Ilmiah Syariah)* 18, no. 1 (2019): 65-76, <https://doi.org/10.31958/juris.v18i1.1369>.

⁵ Abidin Nurdin et al., "Tujuan Hukum Islam untuk Kemaslahatan Manusia: Penerapan Kaidah Fiqhiyah dalam Bidang Ekonomi dan Hukum Keluarga," *el-Usrah: Jurnal Hukum Keluarga* 5, no. 1 (2022): 41-55, <https://doi.org/10.22373/ujhkv5i1.14665>.

⁶ Siska Vilonia Indah Sopamena, Merry Tjoanda, and Sarah Selfina Kuahaty, "Prudent Principle dalam Penyaluran Kredit pada Layanan Digital Perbankan," *Kanjoli: Business Law Review* 2, no. 1 (2024): 1-11, <https://ojs3.unpatti.ac.id/index.php/kanjoli/article/view/13262>.

⁷ Najwa Khalilah Harahap et al., "Electoral Integrity at Stake? Islamic Law and Indonesian Legislation on Vote Trading," *al-Risalah: Jurnal Ilmu Syariah dan Hukum* 24, no. 1 (2024): 30-41, https://journal.uin-alauddin.ac.id/index.php/al_risalah/article/view/48967.

loan agreement⁸ between a bank and another party which obliges the borrower to repay the debt⁹ after a certain period of time with the provision of interest.¹⁰ As a business entity, banks always expect that the credit they distribute will be repaid smoothly and generate optimal profits.¹¹

However, banks also recognize the risk of losses in distributing credit,¹² particularly if the credit recipients fail to fulfill their promise to repay the credit on time.¹³ In such cases, the credit becomes problematic or even non-performing. According to Bank for International Settlements, credit risk arises from the possibility that the counterparty to a financial contract will fail to meet its obligations in accordance with agreed terms, making it crucial for financial institutions to adopt effective risk management strategies.¹⁴ To minimize this risk, banks adhere closely to the principle of prudence in distributing credit.¹⁵ One

⁸ Slamet Abidin, "Online Loans through Smart Credit Application: A Comparative Study of Islamic Law and Positive Law," *al-Risalah: Jurnal Ilmu Syariah dan Hukum* 21, no. 1 (2021): 86–98, <https://doi.org/10.24252/al-risalah.v21i1.24011>.

⁹ Arief Rahman and Danang Wahyu Muhammad, "Legal Review of the Execution of Movable Objects Based on Fiduciary Guarantees Against Default Debtors from the Perspective of Islamic Law," *al-Risalah: Forum Kajian Hukum dan Sosial Kemasyarakatan* 21, no. 2 (2021): 259–70, <https://doi.org/10.30631/alrisalah.v21i2.799>; Kamaruddin et al., "Disorientasi Zakat Cultural-Based Deviance on Islamic Law; Zakat Tekke Wale' Spending in Basala, Konawe, Southeast Sulawesi, Indonesia," *al-Ihkam: Jurnal Hukum & Pranata Sosial* 18, no. 2 (2024): 568–90, <https://doi.org/10.19105/al-lhkam.v18i2.10150>.

¹⁰ Denis Oktaviana et al., "Pengaruh Efektivitas KUR terhadap Pendapatan Nasabah UMKM Bank BRI Unit Rambipuji," *Gudang Jurnal Multidisiplin Ilmu* 2, no. 6 (2024): 472–78, <https://gudangjurnal.com/index.php/gjmi/article/view/580>; Rahma Octaviani, Pas Ingrid Pamesti, and Bagas Heradhyaksa, "Review of Equity Crowdfunding Practices through Santara.Id in the Perspective of Islamic Economic Law," *al-Ahkam* 31, no. 2 (2021): 161–82, <https://doi.org/10.21580/ahkam.2021.31.2.9014>.

¹¹ Nengah Erlina Wahyu Damayanti and Iswi Hariyani, "Tanggung Gugat Developer dan Penyedia KPR terhadap Pembeli Perumahan atas Penggunaan Sertifikat Tanah sebagai Agunan Bank (Studi Kasus Perumahan Violet Garden)," [Undergraduate Thesis] (Universitas Jember, 2022).

¹² Muhammad Hasan, "Murābaḥa Reconstruction: Its Application in the Electronic Journal in Indonesia," *al-Ahkam* 30, no. 1 (2020): 77–94, <https://doi.org/10.21580/ahkam.2020.30.1.5077>.

¹³ Nicho Hadi Wijaya, "The Challenges of Sharia Pawnshops in Indonesia in the Era of the Industrial Revolution 4.0," *el-Mashlahah* 12, no. 1 (2022): 52–69, <https://doi.org/10.23971/elma.v12i1.3910>.

¹⁴ Basel Committee on Banking Supervision, "Principles for Sound Liquidity Risk Management and Supervision," Bank for International Settlements, 2008, <https://www.bis.org/publ/bcb144.htm>.

¹⁵ Aslati et al., "Utilizing Science and Maqāṣid al-Sharīḥ in Resolving Contemporary Issues of Islamic Family Law," *al-Manahij: Jurnal Kajian Hukum Islam* 18, no. 1 (2024): 17–36, <https://doi.org/10.24090/mnh.v18i1.10571>.

implementation of this principle is that banks tightly secure the credit they distribute by requiring collateral from the credit recipients (debtors).¹⁶ The collateral generally accepted by banks is land and buildings.¹⁷ This collateral is considered adequate due to the relatively high and stable economic value of land and buildings. Collateral is an asset that can be valued in monetary terms from the debtor or borrower to the creditor to create confidence that the debtor will fulfill the obligations arising from an agreement.¹⁸

If the debtor defaults by failing to repay after the specified deadline for the loan agreement under the mortgage rights.¹⁹ The mortgage certificate has executorial power (can be executed directly without a court decision), whether agreed upon or not in the deed of mortgage. This concept is explained in Article 1178, Paragraph (2) of the Civil Code, known as parate execution. With the parate execution concept, the holder of the mortgage does not need to seek prior approval from the grantor of the mortgage, nor do they need to request a court ruling when executing the mortgage that serves as collateral for the debtor's debt in the event of a default by the debtor.²⁰ In other words, the creditor has the right to sell the mortgage, one of which is through an auction process.²¹ To prevent the debtor's mortgage from being violated, the creditor cannot directly auction the mortgaged object but must base it on the regulations governing auctions. One of the regulations governing auctions is the Minister of Finance Regulation No.

¹⁶ Lalu Indra Wijaya, "Eksekusi Jaminan Fidusia Karena Overmacht (Studi di Wahana Ottomitra Multiartha Finance Mataram)," *al-Ihkam: Jurnal Hukum Keluarga* 9, no. 1 (2017): 89–105, <https://doi.org/10.20414/alihkam.v9i01.1155>.

¹⁷ Hisam Ahyani, Memet Slamet, and Tobroni Tobroni, "Building the Values of Rahmatan lil'Alamin for Indonesian Economic Development at 4.0 Era from the Perspective of Philosophy and Islamic Economic Law," *al-Ihkam: Jurnal Hukum & Pranata Sosial* 16, no. 1 (2021): 121–51, <https://doi.org/10.19105/al-lhkam.v16i1.4550>.

¹⁸ Ilham Muzzaki and Aris Machmud, "Prosedur Pengalihan Cessie dalam Perspektif Hukum," *Binamulia Hukum* 12, no. 1 (2023): 143–59, <https://doi.org/10.37893/jbh.v12i1.503>.

¹⁹ Ferdinansyah Ferdinansyah, M.S. Tumanggor, and Noviriska Noviriska, "Perlindungan Hukum terhadap Debitur atas Eksekusi Hak Tanggungan dalam Penyelesaian Kredit Bermasalah," *Action Research Literate* 8, no. 4 (2024): 550–59, <https://doi.org/10.46799/arl.v8i4.281>.

²⁰ Ahmad Rifa'i, "Perlindungan Hukum bagi Pemenang Lelang atas Obyek Hak Tanggungan yang secara Fisik Masih dikuasai oleh Pihak Terlelang," *Jurnal Pendidikan Tambusai* 7, no. 3 (2023): 24306–18, <https://jptam.org/index.php/jptam/article/view/10457>.

²¹ Muhammad Haris, "Kewenangan Notaris sebagai Pejabat Lelang Kelas II dalam Memberikan Penyuluhan Hukum atas Akta Risalah Lelang yang Dibuatnya," *Syariah Jurnal Hukum dan Pemikiran* 17, no. 1 (2018): 53–65, <https://doi.org/10.18592/sy.v17i1.1502>.

213/PMK.06/2020 concerning Auction Implementation Guidelines (hereinafter abbreviated as PMK on Auction Guidelines).

According to Article 6 of the Mortgage Law, if the debtor defaults, the holder of the first mortgage has the right to sell the mortgaged object on their own authority through a public auction and to take repayment of their debt from the proceeds of the sale.²² If in the execution of the mortgage, the liquidation value exceeds the debtor's total obligations, the remainder of the auction proceeds will be given to the debtor's heirs. However, if the liquidation value is insufficient to cover the debtor's obligations, the remaining obligations from the sale of the auctioned asset will become the responsibility of the heirs. In situations where the liquidation value is below the amount of the debtor's obligations, it often leads to lawsuits from the heirs.²³ The transfer of ownership rights to the auctioned object through an auction is a legally valid act if it meets the requirements stipulated in the legislation as a result, the execution of the auction mentioned therein is binding on each party.²⁴

The government established an institution that manages auctions, namely the Office of State Assets and Auction Services (hereinafter abbreviated as KPKNL).²⁵ One of the purposes of establishing KPKNL is to serve as a means of selling goods through auctions, thereby providing an efficient means to obtain debt repayment. A problem that may arise in the implementation of mortgage right auctions is that such transactions have not yet been able to provide a sense of security, legal certainty, and justice, Hans Kelsen, a legal theorist, highlights that "legal certainty is a fundamental principle of modern legal systems, particularly in financial transactions, where both creditors and debtors must have clear expectations

²² Anthony Adiputra Sugianto, "Perlindungan Hukum Kreditur Atas Debitur Wanprestasi Berupa Penjualan Obyek Hak Tanggungan," *Unes Law Review* 5, no. 4 (2023): 3055–62, <https://review-unes.com/index.php/law/article/view/635>.

²³ Iman Fadhilah et al, "Exploring the Monogamy Principle in the Samin Community's Customary Marriages in Kudus: Harmonisation of Tradition and State Law," *Ijtihad: Jurnal Wacana Hukum Islam dan Kemanusiaan* 23, no. 2 (2024): 281–304, <https://doi.org/10.18326/ijtihad.v23i2.281-304>.

²⁴ Hatta Isnaini Wahyu Utomo, *Memahami Pelaksanaan Tugas Jabatan Pejabat Pembuat Akta Tanah* (Yogyakarta: Phoenix Publisher, 2019), 172.

²⁵ Masitoh Miftahul Jannah and Siti Malikhatun Badriyah, "Tinjauan Yuridis Pelaksanaan Eksekusi Lelang pada Perjanjian Kredit Macet dengan Hak Tanggungan," *al-Manhaj: Jurnal Hukum dan Pranata Sosial Islam* 5, no. 1 (2023): 557–66, <https://doi.org/10.37680/almanhaj.v5i1.2493>.

about the enforcement of contracts and the protection of property rights,²⁶ because the parties in the e-auction process cannot meet directly as in conventional auctions. As a result, it cannot guarantee the authenticity of the data and the condition of the items offered by the auction seller through internet media.²⁷ In many cases, there are lawsuits against the implementation of auctions, and the plaintiff's petitem (demand) is an act against the law. Another issue debated in the implementation of auctions is that the auction minutes or auction report conducted through e-auction are not read out by the auction officer because the auction participants and the auction officer do not meet face-to-face. Another problem with e-auction is whether the auction minutes in e-auction can be categorized as an authentic deed.²⁸ Due to these debates, e-auction is considered unable to provide legal protection for creditors, auction institutions, and auction buyers

Issues regarding the authentication of deeds, lawsuits by debtors, and interventions or threats to auction buyers are likely to occur if there are disputes in court later on, especially in auctions conducted by KPKNL. In fact, legal protection is needed by every citizen, as stated by Philipus, who argues that the purpose of legal protection is to protect or provide assistance to legal subjects by using legal instruments.²⁹ Legal protection for auction buyers means the existence of legal certainty for auction buyers regarding the items they purchase through the auction, obtaining the items and property rights over the items (especially those related to the sale of collateral from execution seizures) they buy, and in the event of a lawsuit, the auction buyers should not be penalized.³⁰

²⁶ Jailani Jailani, Syamsir Syamsir, and Ilham Khalik, "Accountability of Management System of State Finances in Order to Actualize the Legal Certainty," *JL Poly & Globalization* 58 (2017): 1-18, <https://www.iiste.org/Journals/index.php/JLPG/article/view/35568/>.

²⁷ Ahnia Septya Karina, Sukarmi Sukarmi, and Endang Sri Kawuryan, "Keabsahan Akta Risalah Lelang sebagai Akta Otentik dalam Pelaksanaan Lelang Elektronik oleh Kantor Pelayanan Kekayaan Negara dan Lelang," *Jurisdictie: Jurnal Hukum dan Syariah* 11, no. 1 (2020): 1-15, <https://doi.org/10.18860/j.v11i1.7421>.

²⁸ Habib Adjie, *Menjalin Pemikiran-Pendapat tentang Kenotariatan* (Bandung: Citra Aditya Bakti, 2013), 125.

²⁹ Hubertus Veron Mailuhuw, Theresia Louize Pesulima, and Yosia Hetharie, "Perlindungan Konsumen terhadap Penjualan Obat Antibiotik tanpa Resep Dokter," *Pattimura Law Study Review* 1, no. 1 (2023): 336-46, <https://ojs3.unpatti.ac.id/index.php/palasrev/article/view/10855>.

³⁰ Irfan Hamzah Mangunsong, "Kekuatan Mengikat Risalah Lelang terhadap Hak Tanggungan bagi Pembeli Lelang di Kantor Pelayanan Kekayaan Negara dan Lelang (KPKNL) Medan," *Ilmu Hukum Prima (IHP)* 3, no. 2 (2020): 1-35, <https://doi.org/10.34012/jihap.v3i2.1292>.

In the event of a lawsuit against the sale or transfer of ownership by any party, the seller should be fully responsible for any losses arising from the sale of the item and should not result in the cancellation of the sale through the auction. This is reasonable considering that the buyer is purchasing from the government or under the government's supervision. However, due to unclear and poorly understood regulations, legal protection for auction buyers is still being questioned. There are even cases where auctions that have been carried out are canceled by judicial authorities. Therefore, the government must accommodate the interests of buyers and sellers through the existing KPKNLs in Indonesia, including one in Makassar. In practice, particularly in the execution auctions at KPKNL Makassar, lawsuits arise because, in most execution auctions, items are auctioned without the consent of the owner, and many interested parties do not want the auction to take place. In such cases, parties who feel their interests are disturbed by the auction of an object usually file a lawsuit in court.

Previous research shows that auction participants do not receive their rights to take possession of the collateral object they won at the auction. The auction winner often faces threats and disturbances from the previous owner, who claims to still have rights to the land. There have even been near-physical altercations between the debtor and the auction winner, according to participants' accounts. To obtain their rights as auction winners, the auction winners have written to the Makassar District Court for assistance in acquiring the rights to the mortgage collateral they won. However, the court is reluctant to execute without security or police presence, even though the winners have strong evidence of winning the auction for the mortgage rights object.

Additionally, the debtor argues that there was no prior notification from the bank that the collateral would be sold at auction. The auction winners have tried sending letters to the bank, the seller in the KPKNL auction, asking the debtor to hand over the collateral object, but the bank refuses to take responsibility, arguing that the auction announcement included terms stating that participants are assumed to be aware of the existence and condition of the auctioned object. According to court decision No. 453/Pdt.G/2021/PN Mks, there was a lawsuit by the heirs over the collateral object against the defendants, namely Bank BRI Maros Branch, KPKNL Makassar, and the auction winner. This was because the debtor of Bank BRI Maros Branch had died, and the debtor's loan had become a non-performing loan (NPL). Since there was no life insurance included at the time of the initial loan application, Bank BRI conducted an auction process through KPKNL Makassar. Based on Auction Minutes No. 677/72/2020, the collateral object was auctioned off through mortgage execution and won by the auction

winner, referred to as Defendant III in this decision. However, when the credit collateral was about to be executed, there was a conflict between the auction winner and the debtor's heirs. The debtor's heirs claimed their inheritance rights to the collateral, resulting in a potential dispute during the mortgage execution involving the auction winner and the debtor's heirs. A similar case, according to court decision No. 240/Pdt.G/2019/PN Mks, involved a lawsuit by the heirs over the collateral object against the defendants, namely PT. Penanaman Modal Madani Makassar Branch, KPKNL Makassar, the plaintiff's relative, and the auction winner. One of the defendants, a relative of the plaintiff, had pledged the family inheritance and defaulted on the loan, leading to the collateral being auctioned off through mortgage execution by PT. PNM, which was won through e-auction, causing a dispute during the mortgage execution process.

The research method is conducted to find solutions to emerging legal issues. The achieved results aim to provide prescriptions regarding the proposed issues. The type of research used in this study is doctrinal or normative legal research. The nature of this research is prescriptive or applied, which means it studies legal objectives, values of justice, the validity of legal rules, legal concepts, and legal norms. As an applied science, legal science establishes standards, procedures, provisions, and guidelines in implementing legal rules.³¹ In this legal research, the author uses a statutory approach and a conceptual approach. The collection of legal materials related to the issues in this research involves primary and secondary legal materials. In this study, the author uses literature study or document study techniques for data collection. The analysis of legal materials employed by the author is the syllogism method, which is the process of drawing conclusions from two comparisons into one conclusion.

The Extent of Heirs' Rights to the Collateral Object Pledged by the Deceased Based on the Credit Agreement Secured by Mortgage Rights

Inheritance law in Indonesia regulates the rights and obligations of heirs regarding the assets and debts of the deceased.³² Based on Article 832 of the Civil

³¹ Peter Mahmud Marzuki, *Penelitian Hukum* (Jakarta: Kencana, 2009), 83.

³² Hafizha Harts, "Perspektif Ulama Kota Langsa terhadap Pembagian Harta Bersama bagi Istri yang tidak Bekerja," *el-Usrah: Jurnal Hukum Keluarga* 5, no. 2 (2022): 374–87, <https://jurnal.ar-raniry.ac.id/index.php/usrah/article/view/11929>.

Code, heirs include blood relatives and the surviving spouse.³³ Heirs can choose to accept the inheritance fully, conditionally, or reject the inheritance.³⁴ They are responsible for settling the deceased's debts using the inheritance before distributing it. The process of transferring rights to land encumbered by mortgage rights requires documentation and registration. If the deceased has debts, the heirs are obliged to pay them, and if they are unable to do so, the bank can execute the mortgage auction. The heirs can challenge the auction procedure if they feel aggrieved. The judge will consider all legal aspects of the case to ensure that the auction procedure is conducted correctly and fairly, providing legal certainty for all parties involved.³⁵

Rights and Obligations of Heirs to the Deceased's Estate Inheritance law within the Indonesian legal system includes complex provisions regarding the transfer of assets and obligations from the deceased to the heirs. Article 832 of the Civil Code explains that the inheritance includes all the property left to the heirs or the concerned family when the deceased passes away. The right to become an heir is held by blood relatives, whether legitimate or illegitimate, as well as the longest-living spouse.³⁶

One of the important aspects of inheritance law is that a person's debts do not cease even after the person has died. This means that the deceased's debt obligations will be transferred to the heirs. The heirs must use the inherited property to pay off the deceased's debts before the property is distributed to them. This aligns with the principle that heirs must settle all of the deceased's obligations, including debts incurred during their lifetime.

³³ Khairuddin Hasballah, Dhaiful Mubarrak, and Saddam Rasanjani, "Disparity in Judge Decisions in Resolving Rad Inheritance Disputes: Case Study at the Sharia Court in Banda Aceh City," *el-Ussrah: Jurnal Hukum Keluarga* 6, no. 2 (2023): 249–61, <https://doi.org/10.22373/ujhk.v6i2.8612>.

³⁴ Tommy Leonard, "Kewenangan Ahli Waris Direktur Perseroan Komanditer yang Meninggal Dunia sebelum Jangka Waktu Kredit Berakhir," *Jurnal Ilmiah Hukum dan Dinamika Masyarakat* 20, no. 2 (2022): 103–24, <http://jurnal.untagsmg.ac.id/index.php/hdm/article/view/3737>.

³⁵ Pauzi Muhammad et al., "Actualizing Islamic Economic Law in the Digital Era: A Study of the Application of Khiyar al-Majlis in Electronic Contracts," *JURIS (Jurnal Ilmiah Syariah)* 23, no. 2 (2024): 205–14, <https://doi.org/10.31958/juris.v23i2.11573>.

³⁶ Mohammad Hafidz Molana, "Kedudukan Hak Waris Anak Luar Nikah sesudah Putusan Mahkamah Konstitusi Nomor 46/PUU-VIII/2010," *Pancasakti Law Journal (PLJ)* 2, no. 1 (2024): 25–34, <https://fh.pps-upstegal.ac.id/index.php/plj/article/view/56>.

Article 832 of the Civil Code also stipulates that heirs have three options in dealing with the inheritance: First, heirs can fully accept the inheritance (*zuivere aanvaarding*), which means they accept all the assets and obligations of the deceased without any conditions. Second heirs can accept the inheritance with conditions (*beneficiae aanvaarding*), which means they accept the inheritance on the condition that the debt obligations do not exceed the value of the inherited property. Third heirs can refuse to accept the inheritance (*verwerpen*), which means they do not accept any assets or obligations from the deceased

If the heirs have secretly sold part of the inheritance or paid off the deceased's debts, they are considered to have chosen to fully accept the inheritance (*stilzwijgende aanvaarding*). However, if the heirs choose to accept the inheritance with conditions or to reject the inheritance, this choice must be explicitly declared in front of the Court Clerk. The obligations of the heirs to the deceased include: First managing and arranging the funeral of the deceased. Second settling debts related to medical treatment, care, and other obligations of the deceased. Third fulfilling the deceased's will. Fourth distributing the inheritance among the rightful heirs. The responsibility of the heirs for the debts or obligations of the deceased is limited to the amount or value of the inheritance. According to Article 833 of the Civil Code, all rights and obligations of the deceased in the field of wealth transfer to the heirs after the deceased passes away. This transfer of rights and obligations is called *Saisine*, which means that the heirs must use the inherited property to pay off the deceased's debts.

The principle of inheritance is based on death. The transfer of material and immaterial rights to the heirs occurs after the deceased passes away. Article 123 of the Civil Code states that all death debts that arise after someone passes away only become the burden of the heirs. Thus, all debts of a deceased person become the absolute responsibility of their heirs.

Rights and Obligations of Heirs over Inherited Property Encumbered with Mortgage Rights

The transfer of land rights is the process of transferring rights to land from the previous holder to the new holder.³⁷ This transfer can occur for two main reasons:

³⁷ Ayu Karisa Fania Aristiawati and Mukhanet Wahyu Nugroho, "Urgensi BPJS Kesehatan sebagai Syarat Permohonan Pendaftaran Peralihan Hak atas Tanah Akibat Jual Beli," *Rechtenstudent* 3, no. 1 (2022): 116–33, <https://doi.org/10.35719/rch.v3i1.102>.

because it is transferred without any legal act performed by the owner (e.g., inheritance of land rights) or because it is transferred through a legal act performed by the land rights owner (e.g., land sale).³⁸

The transfer of land rights due to inheritance usually begins with the creation of an inheritance certificate by a notary. This process can take quite some time and incur certain costs. An inheritance certificate is a document that confirms the status of the heirs and their rights to the inherited land or property. This document is necessary to complete the administration of the land rights transfer.

A mortgage right is a form of debt repayment security with a preferential right, which means that the creditor has priority in debt repayment compared to other creditors.³⁹ The object of mortgage rights is usually land rights, which are regulated under the Basic Agrarian Law. A mortgage right grants the creditor the authority to sell or auction the land used as collateral if the debtor defaults or fails to meet their debt obligations. The granting of mortgage rights is carried out in two stages: the first stage is the granting of the mortgage right, and the second stage is the registration of the mortgage right. Once the mortgage right is granted, a mortgage certificate is issued as proof that the mortgage right has been registered with the national land office.

Mortgage rights as a security institution are used to bind debt collateral in the form of land. Mortgage rights arise from a principal agreement or a loan agreement. This loan agreement is an integral part of the agreement outlined in the deed of granting mortgage rights (APHT). Mortgage rights can be transferred to another party through cession, subrogation, inheritance, or other reasons. The mortgage right remains attached to the object and must be registered at the land office if transferred.

A Land Deed Official (PPAT) is responsible for making the Deed of Granting Mortgage Rights (APHT) in accordance with the applicable laws and regulations.

³⁸ Fitriana Trinengsi Taolin, Dian Aries Mujiburohman, and Koes Widarbo, "Kesadaran Hukum Masyarakat dalam Pendaftaran Peralihan Hak atas Tanah," *Tunas Agraria* 7, no. 1 (2024): 68–85, <https://doi.org/10.31292/jta.v7i1.277>.

³⁹ Bayu Setiawan Hendri Putra and Arief Suryono, "Kedudukan Sertifikat Hak atas Tanah sebagai Jaminan Kebendaan Berdasarkan Undang-Undang Hak Tanggungan atas Tanah beserta Benda-benda yang Berkaitan dengan Tanah," *Jurnal Privat Law* 8, no. 1 (2020): 57–62, <https://doi.org/10.20961/privat.v8i1.40367>.

The APHT must include the identities of the grantor and holder of the mortgage right as well as the domiciles of the parties listed in the deed. Once created, the APHT must be registered at the land office to obtain a mortgage certificate. The mortgage right does not extinguish if the holder of the right passes away; it will be transferred to their heirs.⁴⁰ The process of transferring land rights encumbered with mortgage rights requires an inheritance certificate and the registration of the inheritance at the land office.

Rights and Obligations of Heirs over Inherited Property that Will Be Executed through Mortgage Auction

The right of heirs is to receive the inheritance from the deceased.⁴¹ If the inheritance is pledged by the deceased as debt collateral, the debt of the deceased becomes the obligation of the heirs to settle. If the heirs are unable to settle the debt, the bank has the right to execute a mortgage auction on the inheritance. The execution of the mortgage auction by the bank is usually conducted quickly and does not wait for the normal marketing period to reach market prices. Therefore, a liquidation value, which is a discounted market price due to the short marketing period, is allowed. The limit value in the auction is the minimum price of the item to be auctioned and is set by the seller based on an assessment by an independent appraiser or the bank's internal appraiser.⁴²

If the heirs feel disadvantaged by the auction procedure, they can file an objection lawsuit against the auction execution in court. In such cases, the court will assess whether the auction procedure complies with the applicable legal provisions. Article 6 of Law No. 4 of 1996 concerning Mortgage Rights states that the proceeds from the execution of a mortgage auction will be used to settle the deceased's debts, and the remaining money from the auction process will be given to the heirs. If the auction price is higher than the deceased's obligations, the heirs

⁴⁰ Radius Prayogo and Benny Djaja, "Akibat Hukum Terjadinya Subrogasi Objek Waris dalam Sengketa Waris Perdata," *UNES Law Review* 6, no. 2 (2023): 7269-77, <https://review-unes.com/index.php/law/article/view/1615>.

⁴¹ Alifiar Fattati, "Tanggung Jawab Perdata Ahli Waris Terdakwa Tindak Pidana Korupsi Yang Meninggal Dunia," *UNES Law Review* 6, no. 4 (2024): 10907-14, <https://review-unes.com/index.php/law/article/view/1971>.

⁴² Subhan Amnan, "Tanggung Jawab Bank atas Hasil Lelang Eksekusi Hak Tanggungan yang Dibatalkan Pengadilan (Studi Putusan Nomor 24/Pdt.Bth/2017/PN Stb)," *Nommensen Journal of Legal Opinion* 3, no. 1 (2022): 125-38, <https://doi.org/10.51622/njlo.v3i1.442>.

are entitled to the remaining money. However, if the auction price is lower, the shortfall will become the responsibility of the heirs.

Legal Considerations of the Judicial Panel on the Heirs' Objection Lawsuit Against the Debtor's Mortgage Rights. To explain and support the review of the rights and obligations of heirs over the property pledged by the deceased, here is a case example from Decision No. 453/Pdt.G/2021/PN Mks in Makassar.

Parties' Identities:

First plaintiff: Ahmad Adi, residing at Jl. Ruko Puri Tata Residence Blok A 1 No. 4, Makassar City, South Sulawesi.

Second defendants: First PT. Bank Rakyat Indonesia, located at Jalan Jenderal Sudirman No. 1, Maros Regency, South Sulawesi. Second office of State Assets and Auction Services (KPKNL) Makassar, located at Gedung Keuangan Negara I, Jalan Urip Sumoharjo Lr 6 Km 4, Makassar City, South Sulawesi. Third musfirah, residing at Jalan Perintis Kemerdekaan 8 No. 45, Makassar City, South Sulawesi

Brief Summary of the Lawsuit: The plaintiff's parent, Apa Gando, had entered into a credit agreement involving monthly installment credit with land and buildings as collateral. However, during the course of the credit, the debtor passed away, and the plaintiff acted as the heir. The bank and KPKNL conducted an execution auction of the mortgage, which was won by a third party. The plaintiff filed a lawsuit, arguing that the credit was covered by life insurance, which should have cleared the debt upon the debtor's death.

Judge's Consideration: The panel of judges considered the evidence presented by both parties and found that the main issue pertained to the auction process carried out on the mortgaged object. The judge assessed whether the auction procedures and processes were in accordance with legal provisions. According to Article 6 of the Mortgage Rights Law (UUHT), the first mortgage holder has the right to sell the mortgaged object through a public auction if the debtor defaults. The determination of the auction's limit value is based on an agreement between the auction applicant and the respondent or based on an assessment by an independent appraiser or the bank's internal appraiser.

Verdict: The judge decided to accept and grant the defendant's attorney's exception, stating that the plaintiff's lawsuit was lacking in parties (*plurium litis consortium*) and that the plaintiff's lawsuit was unclear (*obscur libel*). The plaintiff's lawsuit was declared as an allegation of unlawful conduct but did not clearly explain the basis of such conduct. The plaintiff was ordered to comply with this decision and pay the court fees.

Legal certainty in the execution of mortgage auctions is crucial to ensure that the rights of all parties involved are protected. In the auction process, the bank as the creditor must ensure that all procedures are conducted in accordance with applicable laws and regulations. This includes determining the auction's limit

value, giving notice to the debtor, and carrying out the auction itself. If the heirs or the debtor feel aggrieved by the auction procedure, they have the right to file an objection or lawsuit in court. The court will assess whether all procedures have been conducted properly and fairly. If it is found that the auction procedures did not comply with legal provisions, the court can annul the auction.

The judge in this case must consider various aspects, including whether the debtor was given sufficient notice before the auction, whether the auction's limit value was properly set, and whether the auction process was conducted transparently and fairly. The court's decision must provide legal certainty for all parties involved, including heirs, creditors, and auction buyers. In case Decision No. 453/Pdt.G/2021/PN Mks, the judge decided to accept and grant the defendant's attorney's exception, finding that the plaintiff's lawsuit was lacking in parties and unclear. This decision highlights the importance of drafting clear and complete lawsuits and the importance of following legal procedures in the execution of mortgage auctions.

Legal certainty is also essential to maintain public trust in the legal and banking systems. If auction procedures are not conducted correctly, it can harm all parties involved and undermine confidence in the banking and legal systems. Therefore, all parties must ensure that legal procedures are followed correctly and fairly

The rights of heirs to the property pledged by the deceased based on a credit agreement secured by mortgage rights are clearly regulated in Indonesian inheritance and civil law. The heirs have the obligation to settle the deceased's debts using the inheritance before the property is distributed to them.⁴³ The procedure for mortgage auctions must be carried out in accordance with applicable legal provisions to provide legal certainty for all parties involved. If it is found that the auction procedure does not comply with legal provisions, the court can annul the auction. Legal certainty in the execution of mortgage auctions is crucial to maintain public trust in the legal and banking systems.

Legal uncertainty and risk for auction buyers often represent third parties with no direct relationship to the debtor or their heirs, but they face significant legal risks when purchasing collateralized assets. Key concerns include

⁴³ Cisilia Maiyori and Akbarizan Akbarizan, "Perbandingan Hukum Tanggung Jawab Ahli Waris terhadap Warisan Berupa Utang ditinjau dari Hukum Islam dan KUH Perdata di Indonesia," *JAWI: Journal of Ahkam wa Iqtishad* 2, no. 1 (2024): 309-16, <https://naaspublishing.com/index.php/jawi/article/view/51>.

whether the auction process is transparent and whether the property title is free from defects. Auction validity concerns: when procedural violations occur—such as insufficient notice to heirs or a failure to determine the auction's limit value accurately—the buyer could face post-auction legal disputes. The lack of transparency or compliance with legal procedures could lead to the annulment of the auction, leaving buyers in vulnerable financial positions despite acting in good faith.

Legal certainty for buyers to mitigate this risk, buyers need greater legal assurance through more stringent enforcement of procedural safeguards. Instruments such as mortgage certificates and auction documents should undergo strict verification to confirm that all legal processes were followed prior to the sale. Financial Impact of Auction Cancellations: When auctions are later invalidated, the financial loss for buyers can be substantial. The introduction of insurance or compensation schemes for buyers who suffer losses due to faulty auction procedures should be considered as part of future legal reforms.

Impacts on policy reform the findings from cases like decision No. 453/Pdt.G/2021/PN Mks highlight gaps in legal protections and procedures in the execution of mortgage auctions. Several areas warrant reform strengthening auction procedures: Auctions are often conducted rapidly, with liquidation values lower than market prices. Legal reforms could enhance transparency, ensuring that auctions are conducted fairly and reflect market values, thereby safeguarding the interests of both debtors and buyers. Streamlined dispute resolution mechanisms: Lengthy court processes to resolve disputes over auctioned properties undermine legal certainty for buyers. Reform could focus on creating faster, more efficient dispute resolution mechanisms, particularly those that protect buyers who have acted in good faith.

Insurance for auction buyers: Implementing insurance for auction buyers could provide financial protection in cases where disputes arise post-auction, ensuring that buyers are not disproportionately affected by procedural errors or legal challenges. Rights and obligations of heirs over inherited property that will be executed through mortgage auction the right of heirs is to receive the inheritance from the deceased. If the inheritance is pledged by the deceased as debt collateral, the debt of the deceased becomes the obligation of the heirs to settle. If the heirs are unable to settle the debt, the bank has the right to execute a mortgage auction on the inheritance. The execution of the mortgage auction by the bank is usually conducted quickly and does not wait for the normal marketing period to reach market prices. Therefore, a liquidation value, which is a discounted market price due to the short marketing period, is allowed. The limit value in the auction is the

minimum price of the item to be auctioned and is set by the seller based on an assessment by an independent appraiser or the bank's internal appraiser.

Legal Protection for Winners of Mortgage Execution Auctions Sued by Heirs

Legal Protection for Auction Buyers in Indonesia

Legal protection for auction winners as good faith buyers has not yet received the legal protection mandated by the law. Court decisions that declare the auction invalid and null and void, along with auction minutes that do not have binding force, result in the termination of the auction buyer's rights to the auctioned object. This adversely affects auction buyers, especially when the debtor files a lawsuit in court to cancel the auction. In many cases, court decisions with legal force can declare the execution of the mortgage auction invalid and null and void, along with auction minutes that do not have binding legal force. This issue creates legal uncertainty for good faith auction buyers.⁴⁴

Legal Protection for Auction Winners in the *Vendu Reglement*

According to Article 1, No. 22 of PMK No. 27/PMK.06/2016, an Auction Buyer is a person or legal entity that submits the highest bid and is declared the auction winner by the Auction Official. Legal protection for mortgage execution auction buyers is provided in the form of preventive protection before any disputes related to the auctioned object arise. The execution of mortgage auctions is the implementation of the *parate executie* of mortgage rights, which is execution without court assistance. The right to sell the mortgaged object is a conditional authority that exists only if the debtor defaults. When the debtor defaults, the creditor has the right to sell the mortgaged object through a public auction to obtain the highest price.

The position of the auction winner is very important because, through the auction winner, the purpose of the mortgage execution auction can be achieved. The auction winner, who has participated in the auction process and is approved by the auction official, actually helps resolve the debt issue between the creditor

⁴⁴ Suroto Suroto and Adhi Gunawan, "Tinjauan Yuridis terhadap Putusan Hakim dalam Pembatalan Akta Risalah Lelang" *Jurnal Akta Notaris* 1, no. 2 (2023): 85–95, <https://doi.org/10.56444/aktanotaris.v1i2.399>.

and the debtor. Through auction sales, the proceeds from the sale of the auctioned object can provide repayment for the debtor's debt, and the creditor also benefits from the repayment of the credit. However, in practice, auction buyers are often disadvantaged as they have to face lawsuits related to the cancellation of the mortgage auction. These lawsuits are closely related to the auction buyers because they involve the cancellation of the sales transaction conducted through the auction process. Sales in the execution of mortgage rights are legally valid acts, and the auction winner is a legally legitimate buyer. The positive law governing auctions currently includes the *Vendu Reglement* as the principal auction regulation and the Ministry of Finance Regulation as the implementing regulation. The *Vendu Reglement*, which took effect on April 1, 1908, governs the basic principles of auctions and consists of 49 articles containing general provisions regarding auctions.

A legal rule should provide legal certainty, as should the positive law governing auctions. Execution auctions are conducted for the purpose of settling debts secured by mortgage rights. The auction official must fulfill every auction request submitted to the auction office, including auctions based on *parate executie*.⁴⁵ The *Vendu Reglement* also regulates the responsibility of the auction official in the conduct of auctions. Article 40 of the *Vendu Reglement* states that the auctioneer is responsible for all losses arising from non-compliance with the provisions of Articles 37, 38, and 39. However, this responsibility does not include the accuracy of the auctioned object being sold and the delivery of the auctioned object.

Regarding the responsibility of the seller in the auction, the *Vendu Reglement* does not regulate the obligations and responsibilities of the auction seller.⁴⁶ This regulation only governs the seller's right to determine the terms of sale, providing legal certainty for the owner or auction seller to obtain payment certainty. Legal protection for mortgage execution auction buyers is provided in matters related to the transfer of the auctioned object. Article 42 of the *Vendu Reglement* states that the buyer, as the auction winner, has the right to obtain a copy or excerpt of the auction minutes authenticated, which can later be used as a deed of sale in the transfer of the auctioned object. The *Vendu Reglement* only regulates the conduct

⁴⁵ Nur Rizki Siregar and Mohamad Fajri Mekka Putra, "Tinjauan Hukum Kekuatan Eksekutorial terhadap Permohonan Lelang Eksekusi Hak Tanggungan atas Debitur Wanprestasi," *Jurnal USM Law Review* 5, no. 1 (2022): 128–43, <https://doi.org/10.26623/julr.v5i1.4872>.

⁴⁶ Dedy Suwandi, Agus Saiful Abib, and Tumanda Tamba SP, "Perlindungan Hukum terhadap Pemenang Lelang Beritikad Baik yang Risalah Lelangnya Dibatalkan oleh Pengadilan," *UNES Law Review* 6, no. 1 (2023): 2780–89, <https://review-unes.com/index.php/law/article/view/1048>.

of auctions, auction officials, and the parts and contents of the auction minutes. However, this regulation does not reflect the principle of legal certainty for auction buyers. Therefore, clearer and stronger regulations are needed to protect the rights of auction buyers.

Legal Protection for Auction Buyers in the Ministry of Finance Regulation No. 27/PMK.06/2016 on Auction Implementation Guidelines

The Ministry of Finance Regulation No. 27/PMK.06/2016 concerning Auction Implementation Guidelines is a technical regulation governing the execution of mortgage auctions. This regulation provides legal protection by stating that auctions conducted in accordance with applicable regulations cannot be annulled. Legal protection in this technical regulation includes the completeness of documents in the auction process, the validity of the auctioned object, and legal protection for the auction applicant (creditor)/seller. However, this regulation still allows for objections or disputes related to the execution of mortgage auctions, so it does not yet provide final legal certainty for auction buyers. Besides the cancellation of auctions, the technical regulations on auction implementation guidelines also provide protection to mortgage execution auction buyers concerning the completeness of documents in the auction process, the validity of the auctioned object, and legal protection for the auction applicant (creditor)/seller. The formal legality of the subject and object of the auction arises from a condition where the auction requirements have been met by the auction applicant/seller according to the type of auction and there is no change in data, showing the legal relationship between the auction applicant/seller (auction subject) and the item to be auctioned (auction object). This ensures the auction official that the auction subject has the right to auction the auction object, and the auction object can be auctioned

Article 12 of PMK No. 27/PMK.06/2016 indirectly provides legal certainty for auction buyers because, before conducting the auction, the auction official performs a legal analysis of the auction requirements documents, ensuring that the auction can be carried out in accordance with the legal provisions. The validity of the auctioned object is regulated in Article 17, Paragraphs (1), (2), and (3) of PMK No. 27/PMK.06/2016. This article provides legal protection for auction buyers because the seller/owner of the auctioned object is responsible for the validity of the object and the auction requirements documents, including

compensation for losses arising from the invalidity of the object and the auction requirements documents.

Regarding the control of the auctioned object, Article 75 of PMK No. 27/PMK.06/2016 provides legal protection to the owner of the object, explaining that the buyer is prohibited from taking or controlling the item they purchased before fulfilling the auction payment and tax obligations or other legitimate fortifications in accordance with legal provisions. This article reflects the principle of legal certainty for sellers and owners of the object for the settlement of the sale in the auction because the auction buyer must first fulfill their obligations before they can control the auctioned object.

Chapter VI, Articles 85 to 96 of PMK No. 27/PMK.06/2016 regulate the procedures for preparing auction minutes. KPKNL, as the agency authorized to carry out the execution of mortgage auctions, is responsible for losses due to non-compliance with the provisions in the preparation of auction minutes in accordance with the *Vendu Reglement*.

However, PMK No. 27/PMK.06/2016 does not regulate the responsibility of the auction office concerning the accuracy of the auctioned object being sold through the auction or the delivery of the sold object. The auction minute's function concerning the validity of a legal action in the form of the auction execution based on the agreement between the auction seller and buyer in written form. The auction minutes are a formal agreement; Articles 37-39 of the *Vendu Reglement* regulate that the intentions of the auction seller and buyer must be set in a specific form or linked to certain formalities. Failure to meet the requirement to set the formal agreement in the legally prescribed form results in the nullification of the auction sale. In practice, the auction minutes given to the auction buyer and seller for approval do not provide the auction buyer with the freedom to consider the clauses in the auction minutes as the conditions of validity. The auction official must be cautious in conducting auctions in the interests of both the seller and buyer, and provide clear information about the auctioned object to the auction participants or the winning auction buyer.

Conclusion

Legal protection for auction winners of mortgage executions sued by heirs remains inadequate despite existing regulations. Auction winners often face legal uncertainty when courts annul the auction, causing financial losses. Although Article 1, No. 22 of PMK No. 27/PMK.06/2016 states that the auction winner is the

party offering the highest bid, the winner can still be sued by dissatisfied heirs, resulting in the loss of rights to the auctioned object. The *Vendu Reglement* and PMK No. 27/PMK.06/2016 regulate auction procedures and the responsibilities of auction officials, but preventive legal protection through document analysis before the auction is still insufficient. Stronger regulations are needed to ensure legal certainty for good-faith auction winners. This situation not only affects auction procedures in Indonesia but can also provide insights for other jurisdictions. To enhance legal certainty and fairness, auction procedures must be transparent, ensuring that property titles are free from legal defects. Buyers acting in good faith should receive legal protection from post-auction disputes. Implementing reforms such as insurance schemes or compensation for auction winners, as well as improving dispute resolution mechanisms, can strengthen legal certainty. These efforts could improve auction systems globally and ensure fairness for all parties involved.(a)

Author Contribution Statement

Tifani Rini: Conceptualization; Data Curation; Formal Analysis; Methodology; Resources; Validation; Writing Original Draft.

Hasbir Paserangi: Conceptualization; Data Curation; Formal Analysis; Methodology; Resources; Validation; Writing, Review & Editing.

Okky Deviany: Formal Analysis; Investigation; Project Administration; Resources; Validation; Writing, Review & Editing.

Maskun Maskun: Data Curation; Funding Acquisition; Investigation; Project Administration; Validation; Writing, Review & Editing.

Ratnawati Ratnawati: Data Curation; Funding Acquisition; Investigation; Project Administration; Validation; Visualization; Writing, Review & Editing.

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