

****Title: Perfecto Velasquez, Jr. vs. Lisondra Land Incorporated****

****Facts:**** In 1998, Perfecto Velasquez, Jr. entered into a joint venture agreement with Lisondra Land Incorporated to develop a memorial park on a 7,200-square meter land. The project faced delays attributed to Lisondra Land's failure to secure the necessary HLURB permit, provide insurance coverage, and settle its share of realty taxes. It was also found that Lisondra Land engaged in unsound real estate practices, such as giving away lots for services instead of financing the project as agreed.

Velasquez filed a breach of contract case against Lisondra Land at the RTC, which Lisondra Land contested on grounds of jurisdiction, suggesting that the matter fell under HLURB's scope. The CA agreed with Lisondra Land, leading Velasquez to file a complaint with the HLURB, which ruled in his favor. This decision was reversed by the HLURB Board of Commissioners but then reinstated upon reconsideration.

Lisondra Land took the matter to the Office of the President, which upheld the HLURB decision. Undeterred, Lisondra Land challenged the jurisdiction of the HLURB at the CA, which found in its favor, dismissing Velasquez's complaint. This led Velasquez to raise the issue to the Supreme Court, citing the contradictory decisions of appellate courts as mockery of the judicial system.

****Issues:**** The primary issues revolved around the jurisdiction of the HLURB over the dispute and the application of the principle of estoppel against Lisondra Land for its inconsistent positions on jurisdiction.

****Court's Decision:**** The Supreme Court ruled in favor of Velasquez. It clarified that HLURB's jurisdiction is confined to cases involving buyers and developers of subdivisions or condominiums, which did not directly apply to the joint venture dispute between Velasquez and Lisondra Land. Despite this, the Court found Lisondra Land estopped from questioning the HLURB's jurisdiction due to its initial insistence on the matter. Also, it held Lisondra Land guilty of unsound real estate practices, upheld the imposition of fines and damages, and reinstated the Office of the President's Decision with modifications on the interests applied to damages.

****Doctrine:**** The decision reaffirmed the doctrines on HLURB's jurisdiction, unsound real estate practices, and estoppel. Jurisdiction is conferred by law and cannot be subject to parties' agreement or estoppel. However, when a party has taken contradictory positions regarding jurisdiction to its advantage, the principle of estoppel may prevent it from

asserting a different stance later.

****Class Notes:****

1. ****HLURB's Jurisdiction:**** Limited to disputes involving subdivision/condominium buyers and developers.
2. ****Unsound Real Estate Practices:**** Includes actions prejudicial to buyers such as selling lots without permits or beyond authorized project sites.
3. ****Estoppel:**** A party may be precluded from denying jurisdiction after inducing another court to rely on its initial position.
4. ****Interest on Damages:**** Following *Nacar v. Gallery Frames*, moral and exemplary damages are subject to interest from the decision date till full payment.

****Historical Background:**** This case highlights the evolving interpretation of jurisdiction within the context of real estate development and the principle of estoppel in Philippine jurisprudence. It underscores the specificity of HLURB's jurisdiction and the judicial system's safeguard against manipulative tactics that undermine the integrity of legal proceedings.