

MANILA BANKERS LIFE INSURANCE CORPORATION, PETITIONER, VS. EDDY NG KOK WEI, RESPONDENT.

G.R. No. 139791. December 12, 2003

Ponente: SANDOVAL-GUTIERREZ, J.

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SANDOVAL-GUTIERREZ, J.:

Before us is a petition for review on certiorari assailing the Decision[1] dated March 26, 1999 and Resolution[2] dated August 5, 1999 of the Court of Appeals in CA-G.R. CV No. 40504, entitled "Eddy Ng Kok Wei vs. Manila Bankers Life Insurance Corporation".

The factual antecedents as borne by the records are:

Eddy Ng Kok Wei, respondent, is a Singaporean businessman who ventured into investing in the Philippines. On November 29, 1988, respondent, in a Letter of Intent addressed to Manila Bankers Life Insurance Corporation, petitioner, expressed his intention to purchase a condominium unit at Valle Verde Terraces.

Subsequently or on December 5, 1988, respondent paid petitioner a reservation fee of P50,000.00 for the purchase of a 46-square meter condominium unit (Unit 703) valued at P860,922.00. On January 16, 1989, respondent paid 90% of the purchase price in the sum of P729,830.00.

Consequently, petitioner, through its President, Mr. Antonio G. Puyat, executed a Contract to Sell in favor of the respondent. The contract expressly states that the subject condominium unit "shall substantially be completed and delivered" to the respondent "within fifteen (15) months" from February 8, 1989 or on May 8, 1990, and that "(S)hould there be no substantial completion and fail(ure) to deliver the unit on the date specified, a penalty of 1% of the total amount paid (by respondent) shall be charged against (petitioner)".

Considering that the stipulated 15-month period was at hand, respondent returned to the Philippines sometime in April, 1990.

In a letter dated April 5, 1990, petitioner, through its Senior Assistant Vice-President, Mr. Mario G. Zavalla, informed respondent of the substantial completion of his condominium unit, however, due to various uncontrollable forces (such as coup d`etat attempts, typhoon and steel and cement shortage), the final turnover is reset to May 31, 1990.

Meanwhile, on July 5, 1990, upon receipt of petitioner's notice of delivery dated May 31, 1990, respondent again flew back to Manila. He found the unit still uninhabitable for lack of water and electric facilities.

Once more, petitioner issued another notice to move-in addressed to its building administrator advising the latter that respondent is scheduled to move in on August 22, 1990.

On October 5, 1990, respondent returned to the Philippines only to find that his condominium unit was still unlivable. Exasperated, he was constrained to send petitioner a letter dated November 21, 1990 demanding payment for the damages he sustained. But petitioner ignored such demand, prompting respondent to file with the

Regional Trial Court, Branch 150, Makati City, a complaint against the former for specific performance and damages, docketed as Civil Case No. 90-3440.

Meanwhile, during the pendency of the case, respondent finally accepted the condominium unit and on April 12, 1991, occupied the same. Thus, respondent's cause of action has been limited to his claim for damages.

On December 18, 1992, the trial court rendered a Decision[3] finding the petitioner liable for payment of damages due to the delay in the performance of its obligation to the respondent. The dispositive portion reads:

"WHEREFORE, judgment is hereby rendered in favor of plaintiff and against defendant, ordering Manila Bankers Life Insurance Corporation to pay plaintiff Eddy Ng Kok Wei the following:

- One percent (1%) of the total amount plaintiff paid defendant;
- P100,000.00 as moral damages;
- P50,000.00 as exemplary damages;
- P25,000.00 by way of attorney's fees; and
- Cost of suit.

"SO ORDERED."

On appeal, the Court of Appeals, in a Decision dated March 26, 1999, affirmed in toto the trial court's award of damages in favor of the respondent.

Unsatisfied, petitioner filed a motion for reconsideration but was denied by the Appellate Court in a Resolution dated August 5, 1999.

Hence, this petition for review on certiorari. Petitioner contends that the trial court has no jurisdiction over the instant case; and that the Court of Appeals erred in affirming the trial court's finding that petitioner incurred unreasonable delay in the delivery of the condominium unit to respondent.

On petitioner's contention that the trial court has no jurisdiction over the instant case, Section 1 (c) of Presidential Decree No. 1344, as amended, provides:

"SECTION 1. – In the exercise of its functions to regulate the real estate trade and business and in addition to its powers provided for in Presidential Decree No. 957, the National Housing Authority [now Housing and Land Use Regulatory Board (HLURB)][4] shall have exclusive jurisdiction to hear and decide cases of the following nature:

x x x

"C. Cases involving specific performance of contractual and statutory obligations filed by buyers of subdivision lots or condominium units against the owner, developer, dealer, broker or salesman.

x x x."

Pursuant to the above provisions, it is the HLURB which has jurisdiction over the instant case. We have consistently held that complaints for specific performance with damages by a lot or condominium unit buyer against the owner or developer falls under the exclusive jurisdiction of the HLURB.[5]

While it may be true that the trial court is without jurisdiction over the case, petitioner's active participation in the proceedings estopped it from assailing such lack of it. We have held that it is an undesirable practice of a party participating in the proceedings and submitting its case for decision and then accepting the judgment, only if

favorable, and attacking it for lack of jurisdiction, when adverse.[6]

Here, petitioner failed to raise the question of jurisdiction before the trial court and the Appellate Court. In effect, petitioner confirmed and ratified the trial court's jurisdiction over this case. Certainly, it is now in estoppel and can no longer question the trial court's jurisdiction.

On petitioner's claim that it did not incur delay, suffice it to say that this is a factual issue. Time and again, we have ruled that "the factual findings of the trial court are given weight when supported by substantial evidence and carries more weight when affirmed by the Court of Appeals." [7] Whether or not petitioner incurred delay and thus, liable to pay damages as a result thereof, are indeed factual questions.

The jurisdiction of this Court in a petition for review on certiorari under Rule 45 of the 1997 Rules of Civil Procedure, as amended, is limited to reviewing only errors of law, not of fact, unless the factual findings being assailed are not supported by evidence on record or the impugned judgment is based on a misapprehension of facts.[8] These exceptions are not present here.

WHEREFORE, the petition is DENIED. The assailed Decision dated March 26, 1999 and Resolution dated August 5, 1999 of the Court of Appeals are hereby AFFIRMED IN TOTO.

Costs against the petitioner.

SO ORDERED.

Vitug, (Chairman), Corona, and Carpio-Morales, JJ., concur.

[1] Annex "A" of the Petition for Review, Rollo at 27-57.

[2] Annex "C", id. at 63-65.

[3] Annex "H", id. at 83-89.

[4] Jurisdiction was originally vested in the National Housing Authority (NHA) under P.D. No. 957, as amended by P.D. No. 1344. Under E.O. No. 648 of February 7, 1981, this jurisdiction was transferred to the Human Settlements Regulatory Commission (HSRC) which, pursuant to E.O. No. 90 of December 17, 1986, was renamed as the Housing and Land Use Regulatory Board (HLURB).

[5] See *Solid Homes, Inc. vs. Payawal*, G.R. No. 84811, August 29, 1989, 177 SCRA 72; *C.T. Torres Enterprises, Inc. vs. Hibionada*, G.R. No. 80916, November 9, 1990, 191 SCRA 268; *Tejada vs. Homestead Property Corporation*, G.R. No. 79622, September 29, 1989, 178 SCRA 164; *Alcasid vs. Court of Appeals*, G.R. No. 94927, January 22, 1993, 217 SCRA 437; *Fajardo vs. Bautista*, G.R. Nos. 102193-97, May 10, 1994, 232 SCRA 291.

[6] See *Producers Bank of the Philippines vs. NLRC, et al*, G.R. No. 118069, November 16, 1998, 298 SCRA 517; *TCL Sales Corporation vs. Court of Appeals*, G.R. No. 129777, January 5, 2001, 349 SCRA 35; *Alday vs. FGU Insurance Corporation*, G.R. No. 138822, January 23, 2001, 350 SCRA 113.

[7] *Lim vs. Chan*, G.R. No. 127227, February 28, 2001, 353 SCRA 55, 59, citing *Valgoson's Realty, Inc. vs. Court of Appeals*, 295 SCRA 449 (1998).

[8] *Cosmos Bottling Corporation vs. NLRC*, G.R. No. 146397, July 1, 2003, citing *De Rama vs. Court of Appeals*, 351 SCRA 94 (2001).

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