CLEMENCIA P. CALARA, ET AL., PETITIONER, VS. TERESITA FRANCISCO, ET AL. RESPONDENTS.

G.R. No. 156439. September 29, 2010

Ponente: PEREZ, J.

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PEREZ, J.:

The delineation of the jurisdiction of the regular courts and the Housing and Land Use Regulatory Board (HLURB) over cases between a subdivision owner and buyer is primarily at issue in this petition for review-on certiorari filed pursuant to Rule 45 of the 1997 Rules of Civil Procedure, assailing the 12 April 2002 Decision rendered by the Special Seventh Division of the Court of Appeals (CA) in CA-G.R. SP No. 91771.[1]

The Facts

Petitioner Clemencia Calara and her children, petitioners Concepcion, Elenita, Isidro, Carlosa, Bernardino, Doris, Cladiolosa and Lophcal, all surnamed Calara, own the Lophcal (Calara) Subdivision in Brgy. Anos, Los Baños.[2] Petitioner Clemencia Calara was named respondent in a letter-complaint for violation of P.D. 957[3] instituted on 28 April 1982 by a group of buyers, one Gaudencio Navarro and respondent Jesus Francisco among them, before the then Human Settlement Regulatory Commission (HSRC). Incorporating such grievances as absence of a drainage system, unfinished curb and gutter, undeveloped roads and abandoned electrical facilities, the complaint was docketed before said office as HSRC Case No. REM-060482-1043.[4]

Contending that the portions sold in favor of the complaining buyers resulted from the partitioning of the aforesaid parcel by its co-owners, petitioner Clemencia Calara filed an answer dated 11 July 1982 alleging that the subdivision was exempt from P.D. 957 and that complaints for ejectment were about to be filed against said buyers.[5] On 29 July 1982, petitioners consequently filed against respondents Spouses Jesus and Teresita Francisco the complaint for unlawful detainer docketed as Civil Case No. 993 before the then Municipal Court of Los Banos, Laguna.[6] A separate complaint for unlawful detainer was likewise filed by petitioners against Gaudencio Navarro and was docketed before the same court as Civil Case No. 994.[7]

In their 29 January 1990 amendment of the complaint against respondents, petitioners alleged that, sometime in 1976, the former manifested their intention to buy the 250-square meter parcel denominated as Lot No. 23 of the Lophcal (Calara) Subdivision at the price of P80.00 per square meter; that having made an advance payment in the sum of P8,093.00, respondents were made to understand that their purchase of said parcel is conditioned on the parties' execution of a contract to sell over the same; that after constructing a house of strong materials, however, respondents have not only refused to execute a contract to sell but also failed to make any further payments on the lot; and, that having already ignored petitioner Clemencia Calara's 20 March 1979 demand letter for them to vacate the property, respondents also refused to heed the 27 March 1982 demand to the same effect served upon them by petitioners' counsel. In addition to respondents' ejectment from the lot and the turnover of the peaceful possession thereof, petitioners sought indemnities for exemplary damages, attorney's fees and the costs.[8]

On 26 August 1982, respondents and Gaudencio Navarro filed a joint motion to dismiss on the ground that the Municipal Court had no jurisdiction over the complaints filed against them by petitioner since another action over the same cause and the same parties was pending before the HSRC; and, that said complaints failed to state a cause of action. Dissatisfied with the denial of said motion in the 28 June 1983 resolution issued by the Municipal Court which had, by then, been reorganized as a Municipal Trial Court (MTC)[9] pursuant to Batas Pambansa Blg. 129,[10] respondents and Gaudencio Navarro filed a 30 June 1983 motion for reconsideration[11] which was no longer resolved in view of the ensuing approval and effectivity of the Rules on Summary Procedure. In the meantime, the HSRC rendered a decision dated 4 June 1985 in HLURB Case No. REM-060482-1043,[12]disposing of the case in the following wise:

> Premises considered, it appearing that respondent had sold subdivision lots within the Opaco Lophcal Subdivision project without securing the necessary license to sell as required in Section 4 & 5 of P.D. 957, and it appearing further that respondent had failed to develop the subdivision despite repeated demands thereof(r) by complainants, judgment is hereby rendered ordering respondent (1) to cease and desist from selling or offering to sell the remaining unsold lots in Opaco Lophcal Subdivision until such time as she shall have duly registered the subdivision project and secured the requisite license to sell pursuant to Section 4 & 5 of P.D. 957; (2) to develop the subdivision within four (4) months from receipt of this decision and to submit to this Commission, within ten (10) days from receipt hereof, a timetable to undertake said development and, thereafter, a progress report every end of the month or as often as this Commission may require.
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> An administrative fine of P5,000.00 is hereby imposed upon respondent for violation of Section 4, 5 and 20 of P.D. 957.
>
> Failure to comply with this decision shall constrain this Commission to forward the records of this case to the Task Force on Subdivision, Ministry of Justice, for the filing of appropriate charges against respondent Clemencia Calara for violation of P.D. 957.
>
> Let copies of this decision be furnished all parties concerned.
>
> It is SO ORDERED.[13]

On the other hand, in compliance with the MTC's directive during 23 May 1989 hearing conducted in the case,[14] respondents and Gaudencio Navarro, filed their 5 June 1989 answer, specifically denying the material allegations of the complaint. Calling attention to the HSRC's 4 June 1985 decision in HSRC Case No. REM-060482-1043, said answering defendants averred that, despite the perfection of the sale over the lots respectively occupied by them, they were constrained to stop paying the monthly amortizations thereon in view of petitioners' failure to comply with their obligations as subdivision developers. Signifying their willingness to continue paying their respective amortizations/installments upon the latter's compliance with the decision rendered by the HSRC, the former prayed for the dismissal of the complaint as well as the grant of their counterclaims for moral damages.[15]

Having terminated the mandatory pre-trial conference[16] and in receipt of the position papers submitted by the parties, the MTC went on to render a decision dated 6 October 1999, discounting the existence of a contract of sale between petitioners and respondents and upholding its jurisdiction over the case. Further finding that respondents were builders in bad faith,[17] the MTC disposed of Civil Case No. 993 in the following wise:

> WHEREFORE, the above premises considered, and on a finding that plaintiff and her children have been unlawfully deprived of possession of the subject lot they own, judgment is hereby rendered in favor of plaintiff CLEMENCIA F. CALARA, and her children. CONCEPCION, ELENITA, ISIDRO, CARLOSA, BERNARDO", DORIS CLADIOLOSA and LOPCHAL, all surnamed CALARA, and as against defendants TERESITA FRANCISCO and JESUS FRANCISCO, and ordering.

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> - Said defendants TERESITA FRANCISCO and JESUS FRANCISCO and all those acting in their behalves, or claiming rights under them, to completely vacate the parcel of residential lot identified as Lot No. 4-A-4-9-20-D-5-A, containing 278 square meters, more or less, covered by Transfer Certificate of Tide No. T-52242. registered in the name of plaintiffs, and which lot is identified as Lot 23 in the original subdivision plan of LOPHCAL (CALARA) SUBDIVISION, located at Brgy. Anos, Los Banos, Laguna, and forthwith to turn over and surrender possession of the same to said plaintiff and her children;
>
> - Said defendants, and all persons claiming rights under them, to remove and demolish any and all houses, structures erected, built, or constructed by them, or existing, over the said described property, without right of reimbursement, forthwith upon receipt of a copy of this Judgment;
>
> - Said defendants to jointly and severally pay said plaintiffs) damages representing the reasonable rental compensation or value for the use and occupancy of the lot belonging to plaintiffs and children, in the total sum of P188,771.28 corresponding to the period from April 1, 1979 up to October 31, 1999 and the sum of P1,800.00 a month, corresponding to reasonable rental thenceforth with twenty 20% percent increase per annum, up to and until said defendants fully vacate the property of the plaintiffs, with all accrued and unpaid amounts to bear interest at 6% from date of first demand and/or date when they had/should have first accrued and until fully paid;
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> - Said defendants to pay said plaintiffs the sum of P60,000.00, for and as attorney's fee:
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> - Said defendants to pay plaintiffs the sum of P10,000.00 representing litigation costs.
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> The counterclaims interposed by defendants against plaintiffs is hereby ordered dismissed for lack of merit.
>
> SO ORDERED.[18]

Elevated by respondents on appeal before Branch 37 of the Regional Trial Court (RTC) of Calamba, Laguna, the foregoing decision was affirmed in toto in the 23 May 2000 decision rendered by said court in Civil Case No. 2866-99-C. Undeterred by the denial of their motion for reconsideration of said decision in the RTC's order dated 21 September 2000,[20] respondents filed the petition for review which was docketed as CA-G.R. SP No. 61243 before the CA which, thru its then Special Twelfth Division, granted their application for a writ of preliminary injunction to enjoin the enforcement of said 23 May 2000 decision.[21] On 12 April 2002, the then Special Seventh Division of the CA rendered the herein assailed decision, reversing the decisions of the MTC and RTC and ordering the dismissal of petitioners' complaint for unlawful detainer[22] upon the following findings and conclusions:

> The action is not a simple case for unlawful detainer. The complaint focuses on [respondents'] refusal to execute the Contract to Sell and to pay the monthly installments for Lot 23 in Lophcal Subdivision.
>
> [Respondents] claimed that they were within their rights, as provided by P.D. 957, to stop paying the monthly amortizations since the [petitioners] failed to develop the subdivision. The issue, therefore, involves the rights and obligations of parties to a sale of real property, as regulated by P.D. 957.
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> When a complaint for unlawful detainer arises from the failure of a buyer on installment basis of real property to pay based on a right to stop paying monthly amortizations under PD 957, the determinative question is exclusively cognizable by the Housing and Land Use Regulatory Board (HLURB). Therefore, the question of the right to collect the monthly amortization must be determined by said agency (Francel Really Corporation vs. Court of Appeals, 252 SCRA 129).
>
> Section 3 of PD 957, provides:
>
> 'The National Housing Authority shall have exclusive jurisdiction to regulate the real estate trade and business in accordance with the provisions of this Decree."

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In Executive Order No. 90 dated December 17, 1986, the exclusive jurisdiction of National Housing Authority (NHA) over the above case was transferred to the HLURB.

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Where the law confines in an administrative office quasi-judicial functions, the jurisdiction of such office shall prevail over the court. Thus, the courts cannot or will not determine a controversy involving a question which is lodged with an administrative tribunal of special competence and when a uniformity of ruling is essential to comply with the purposes of the regulatory statute administered (Brett vs. IAC, 191 SCRA 687; Roxas and Co., Inc. vs. Court of Appeals, 321 SCRA 106).

The MTC having no jurisdiction to entertain the case, it is also without jurisdiction to award damages to [petitioners]."[23]

Petitioners' motion for reconsideration of the foregoing decision was denied in the CA's 20 November 2002 resolution, [24] hence, this petition.

The Issues

Petitioners urge the reversal of the assailed decision on the following grounds:

I.

THE HONORABLE COURT OF APPEALS ERRED IN DECLARING THAT THE HOUSING AND LAND USE REGULATORY BOARD (HLURB) HAS EXCLUSIVE ORIGINAL JURISDICTION TO DETERMINE WHETHER THERE IS A PERFECTED CONTRACT TO SELL BETWEEN PETITIONER CALARA AND RESPONDENTS FRANCISCO[25]

THE HONORABLE COURT OF APPEALS ERRED IN NOT RESOLVING THE ISSUE ON WHETHER RESPONDENTS FRANCISCO HAVE STILL LEGAL PERSONALITY TO PURSUE THE PETITION FOR REVIEW IN SPITE OF THE SEVERAL LAPSES THEY HAD COMMITTED BEFORE THE MUNICIPAL TRIAL COURT AND THE REGIONAL TRIAL COURT

II.
THE HONORABLE COURT OF APPEALS ERRED IN DECLARING THAT THE MUNICIPAL TRIAL COURT HAS NO JURISDICTION OVER THE SUBJECT COMPLAINT FOR EJECTMENT/UNLAWFUL DETAINER FILED BY PETITIONER CLEMENCIA CALARA AGAINST RESPONDENTS TERESITA AND JESUS FRANCISCO

III.
THE HONORABLE COURT OF APPEALS ERRED IN STATING THAT RESPONDENTS FRANCISCO HAD BOUGHT THE SUBJECT LOT FROM PETITIONER CALARA

IV.

The Court's Ruling

We find the petition bereft of merit.

As a preliminary consideration, petitioners argue that respondents should not have been allowed to pursue their appeals in view of their numerous procedural lapses before the MTC, the RTC and the CA. Petitioners call attention to the fact that, instead of filing their answer in compliance with the MTC's 28 June 1983 resolution which denied their motion to dismiss, respondents filed a motion for reconsideration which was not acted upon in view of its being a prohibited motion under the Rules on Summary Procedure. Having filed their answer only on 6

June 1989, respondents are additionally taken to task by petitioners for filing their position paper only on 28 June 1999 or beyond the 29 May 1999 deadline set by the MTC. Considering respondents' added failure to file the requisite supersedeas bond during the pendency of their appeal before the RTC and their petition for review before the CA, petitioners further maintain that the MTC's 26 October 1999 decision had long become final and executory.[26]

While it is true that the foregoing matters were raised by petitioners in their comment to respondents' petition for review before the CA,[27] our perusal of the record shows that respondents' 30 June 1983 motion for reconsideration of the MTC's 28 June 1983 resolution denying their motion to dismiss was filed before the 1 August 1983 effectivity of the Rules on Summary Procedure. Despite the ensuing prohibition against said motion and the MTC's long inaction thereon, however, petitioners appear to have made no move at all to submit the case for decision on the strength of the allegations of their complaint or, for that matter, to object to the MTC's directive for respondents to file their answer within 10 days from the 23 May 1989 hearing conducted in the case. Even with respondents' belated filing of their answer on 6 June 1989, petitioners also failed to cause the inclusion of the consequences of said procedural lapses among the issues identified for resolution in the 15 April 1999 Pre-Trial Order subsequently issued by the MTC.

The rule is settled that the determination of the issues at a pre-trial conference bars the consideration of other questions on appeal.[28] Having accepted the MTC's favorable 26 October 1999 decision which cited liberal construction of procedural rules in excusing respondents' tardy filing of their position paper,[29] petitioners were also resultantly barred from taking issue against the former's late filing of said position paper on 28 June 1999. With the RTC's 23 May 2000 decision in Civil Case No. 2866-99-C likewise not delving into the matter, we find that the CA cannot be faulted for brushing aside petitioners' belated harping over said procedural lapses in their comment to respondents' petition for review which was docketed thereat as CA-G.R. SP No. 6123. After all, points of law, theories, issues and arguments not brought to the attention of the trial court will not be and ought not to be considered by a reviewing court, as these cannot be raised for the first time on appeal.[30]

Neither is there merit in petitioners1 position that respondents' failure to file the required supersedeas bond had already rendered the MTC's 26 October 1999 decision final and executory. Although a decision in an ejectment case favorable to the plaintiff is immediately executory[31] unless a supersedeas bond is filed by the defendant[32] the latter's failure to file said bond does not prejudice the appeal otherwise perfected in the premises. This is evident from Section 19, Rule 70 of the 1997 Rules of Civil Procedure which, in part, provides as follows:

> "Sec. 19. Immediate execution of judgment, how to stay the same, - If judgment is rendered against the defendant, execution shall issue immediately upon motion, unless an appeal has been perfected and the defendant to stay the- execution files a sufficient supersedeas bond approved by the Municipal Trial Court and executed in favor of the plaintiff to pay the rents, damages and costs accruing down to the time of the judgment appealed from, and unless, during the pendency of the appeal, he deposits with the appellate court the amount of rent due from time to time under the contract, if any, as determined by the judgment of the Municipal Trial Court. In the absence of a contract, he shall deposit with the Regional Trial Court the reasonable value of the use and occupation of the premises for the preceding month or period at the rate determined by the judgment of the lower court on or before the tenth day of each succeeding month or period. The supersedeas bond shall be transmitted by the Municipal Trial Court, with other papers, to the clerk of the Regional Trial Court to which the action is appealed.
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> All amounts so paid to the appellate court shall be deposited with said court or authorized government depositary bank, and shall be held there until the final disposition of the appeal, unless the court, by agreement of the interested parties, or in the absence of reasonable grounds of opposition to a motion to withdraw, or for

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> justifiable grounds, shall decree otherwise. Should the defendant fail to make the payments above prescribed from time to lime during the pendency of the appeal, the appellate court, upon motion of the plaintiff and upon proof of such failure, shall order the execution of the judgment appealed from with respect to the restoration of possession, but such execution shall not be a bar to the appeal taking its course until the final disposition thereof on the merits."[33]
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A similar dearth of merit may be said of petitioners' contention that the CA erred in discounting the MTC's jurisdiction over the complaint instituted a quo. Designed to provide an expeditious means of protecting actual possession or the right to possession of the property involved,[34] ejectment cases concededly fall within the original and exclusive jurisdiction of first level courts[35] by express provision of Section 33 of Batas Pambansa Blg. 129, in relation to Section 1, Rule 70 of the 1997 Rules of Civil Procedure[36]Considering that the same is determined by the allegations pleaded in the complaint and the character of the relief sought,[37] the rule is equally settled that jurisdiction in ejectment cases cannot be made to depend upon the defences set up in the answer or pleadings filed by the defendant.[38]

However, our perusal of the record shows that the CA correctly ruled that the cause of action embodied in the original and amended complaint petitioners filed a quo was not a simple cause of action for unlawful detainer against respondents. Claiming that respondents offered to buy Lot 23 of the Lophcal Subdivision sometime in 1976 for the selling price of P80.00 per square meters, petitioners alleged, among other matters that, they accepted advance payments in the total sum of P8,093.00 from the former, on the condition that the transaction would only push through upon the parties execution of a written contract to sell; that aside from not making any further payments on the property, respondents have unjustifiably refused to heed their repeated demands for the execution of said contract to sell; that in view of their non-performance of the foregoing prestations, respondents were guilty of bad faith in constructing a house of strong materials on the Lot 23; and, that respondents stubborn refusal to heed the 20 March 1979 and 27 March 1982 demands to vacate respectively served by petitioner Clemencia Calara and her counsel left them no other recourse except to file the complaint for unlawful detainer from which the instant suit stemmed.[39]

In Francel Realty Corporation vs. Sycip,[40] the townhouse developer similarly filed a complaint for unlawful detainer against the buyer on the ground that the latter failed to pay the monthly amortizations stipulated in the parties' Contract to Sell. In his answer, the buyer alleged that he stopped payment of his monthly amortizations because the townhouse was defective and that he had already filed an action for unsound real estate business practice against the townhouse developer. While dismissing the complaint on the ground that jurisdiction over the case properly pertained to the HLURB, however, the MTC granted the buyer's counterclaims for moral and exemplary damages as well as attorney's fees. With the RTC's affirmance of the decision, the townhouse developer filed a petition for review with the CA which upheld the grant of damages on the ground that the MTC had jurisdiction over the complaint for unlawful detainer. In reversing the CA's decision, this Court ruled as follows:

> Petitioner's complaint is for unlawful detainer. While generally speaking such action falls within the original and exclusive jurisdiction of the MTC, the determination of the ground for ejectment requires a consideration of the rights of a buyer on installment basis of real property. Indeed private respondent claims that he has a right under P.D. No. 957, § 23 to stop paying monthly amortizations after giving due notice to the owner or developer of his decision to do so because of petitioner's alleged failure to develop the subdivision or condominium project according to the approved plans and within the time for complying with the same. The case thus involves a determination of the rights and obligations of parties in a sale of real estate under P.D. No. 957. Private respondent has in fact filed a complaint against petitioner for unsound real estate business practice

> with the HLURB.
>
> This is, therefore, not a simple case for unlawful detainer arising from the failure of the lessee to pay the rents, comply with the conditions of a lease agreement or vacate the premises after the expiration of the lease. Since the determinative question is exclusively cognizable by the HLURB, the question of the right of petitioner must be determined by the agency.
>
> Petitioner's cause of action against private respondent should instead be filed as a counterclaim in HLURB Case No. REM-07-9004-80 in accordance with Rule 6, § 6 of the Rules of Court which is of suppletory application to the 1.987 HLURB Rules of Procedure per § 3 of the same. In the case of Estate Developers and Investors Corporation v. Antonio Sarte and Erlinda Sarte the developer filed a complaint to collect the balance of the price of a lot bought on installment basis, but its complaint was dismissed by the Regional Trial Court for lack of jurisdiction. It appealed the order to this Court. In dismissing the appeal, we held:
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> The action here is not a simple action to collect on a promissory note; it is a complaint to collect amortization payments arising from or in connection with a sale of a subdivision lot under PD. Nos. 957 and 1344, and accordingly falls within the exclusive original jurisdiction of the HLURB to regulate the real estate trade and industry, and to hear and decide cases of unsound real estate business practices. Although the case involving Antonio Sarte is still pending resolution before the HLURB Arbiter, and there is as yet no order from the HLURB authorizing suspension of payments on account of the failure of plaintiff developer to make good its warranties, there is no question to Our mind that the matter of collecting amortizations for the sale of the subdivision lot is necessarily tied up to the complaint against the plaintiff and it affects the rights and correlative duties of the buyer of a subdivision lot as regulated by NHA pursuant to P.D. 957 as amended. It must accordingly fall within the exclusive original jurisdiction of the said Board, and We find that the motion to dismiss was properly granted on the ground that the regular court has no jurisdiction to take cognizance of the complaint."

In the case at bench, respondents similarly claimed in their answer that they stopped payments on Lot 23 in view of petitioners' failure to develop Lophcal (Calara) Subdivision. Prior to the commencement of the case for unlawful detainer before the MTC, respondent Jesus Francisco, along with other lot buyers at said subdivision, also filed a letter-complaint for violations of P.D. 957 which was docketed before HSRC as HSRC Case No. REM-060482-1043. In her answer to the complaint, petitioner Clemencia Calara alleged that the subdivision was not covered by P.D. 957 and that she was about to file complaints for ejectment against said buyers.[41] Even before the issues could be joined in the complaint for unlawful detainer petitioners filed against respondents, however, the record shows that a decision dated 4 June 1985 was rendered in HSRC Case No. REM-060482, holding petitioner Clemencia Calara liable for violation of P.D. 957, upon the following findings and conclusions:

> The ocular inspection of the subject subdivision conducted by this Commission on 16 August 1982 confirmed complainants' allegations of non-development. It is, however, imperative that the issue on whether or not (the) subject subdivision is covered by P.D. 957 be resolved.
>
> Section 2, paragraph (d) of P.D. 957 defines 'Subdivision Project' as a tract or a parcel of land registered under Act No. 496 which is partitioned primarily for residential purposes into individual lots with or without improvements thereon and offered to the public for sale, in cash or in installment terms. It shall include all residential, commercial, industrial and recreational areas, as well as open spaces, and other community and public areas in the project.'
>
> It has been established from the evidence presented that all the elements of a subdivision project are present in this case. The land involved which is located at Bo. Anos, Los Banos. Laguna had been subdivided into 44 individual lots evidently for residential purposes as evidenced by the photocopy of the development plan of the said subdivision. Also, there had been an offering of the individual lots to the public for sale in installment basis as shown by the contract of sale executed by respondent in favor of complainants herein. Moreover, the

> lots, as contained in the contracts to sell, are registered under Act 496.
>
> The foregoing circumstances clearly show that the land involved is a subdivision project the operation of which is subject to supervision and regulation by this Commission.[42]

Given the foregoing factual and procedural antecedents and the absence of showing that petitioner Clemencia Calara perfected an appeal from the foregoing decision, We find that the CA correctly ruled that the case petitioners filed before the MTC fell within the jurisdiction of the HLURB which, as a reconfiguration of the HSRC,[43] retained said office's regulatory and adjudicatory functions under Section 8 of E.O. 648. "When an administrative agency is conferred quasi-judicial functions, it has been ruled that all controversies relating to the subject matter pertaining to its specialization are deemed to be included within its jurisdiction" since "split jurisdiction is not favored."[46] This holds particularly true of the case at bench where, despite petitioner Clemencia Calara's failure to appeal the aforequoted decision of the HSRC, petitioners' pursuit of their complaint for unlawful detainer against respondents was accompanied by a defiance of said office's order to develop subdivision which had, in the meantime, been renamed as the San Isidro Village.[47]

The mere relationship of the parties as a subdivision developer/owner and subdivision lot buyer does not, concededly, vest the HLURB automatic jurisdiction over a case. In the cases of Roxas vs. Court of Appeals [48] and Filar Development Corporation vs. Sps. Villar,[49] this Court upheld the MTC's jurisdiction over the complaint for ejectment commenced by the subdivision developer on account of the buyer's failure to pay the installments stipulated in the party's contract to sell. In said cases, however, the buyers had no justifiable ground to stop payment of the stipulated installments and/or any of the causes of action cognizable by the HLURB under Section 1[50] of P.D. 1344.[51] In not applying the ruling in Francel Realty Corporation vs. Sycip,[52] moreover, the Court likewise took appropriate note of the fact that the buyers in said cases have not commenced an action for unsound real estate businesses practices against the subdivision developers. Here, respondents have not only instituted a complaint for violation of P.D. 957 against petitioner Clemencia Calara but had also already obtained a definitive ruling on the latter's failure to fully develop the subdivision which they cited as justification for not making further payments on Lot No. 23 of the Lophcal (Calara) Subdivision.

In addition to respondents' failure to make further payments on Lot 23, petitioners have, of course, made much of the supposed fact that no contract of sale was perfected between the parties in view of the former's supposed refusal to execute the requisite Contract to Sell.[53] In this regard, petitioner calls our attention to the 18 October 2001 decision rendered by the CA's then Special Eighth Division in CA-G.R. SP No. 58498, the petition filed by Gaudencio Navarro for the review of the 7 March 2000 decision of Branch 35 Of the RTC of Calamba which, in turn, affirmed the 26 October 1999 decision rendered by the MTC of Los Banos in favor of petitioners in Civil Case No. 994.[54] In said 18 October 2001 decision, the CA upheld the jurisdiction of the MTC over the complaint for ejectment similarly filed by petitioners against Gaudencio Navarro and discounted the existence of a perfected contract of sale between the parties for lack of concrete showing of "specific terms and conditions on the manner of payment" of the stipulated consideration for the lot purchased by said buyer.[55] For failure of Gaudencio Navarro to file a petition for review of said decision in CA-G.R. SP No. 58498, the corresponding Entry of Judgment was issued by the CA on 8 November 2001.[56]

As a consensual contract, however, it cannot be gainsaid that sale is perfected by mere consent,[57] which is manifested by a meeting of the minds as to the offer and acceptance thereof on the subject matter, price and terms of payment of the price.[58] That these essential requisites are present in the oral contract of sale between the parties may be readily gleaned from paragraph 3 of petitioners' own amended complaint which distinctly identified the Lot 23 of the Lophcal (Calara) Subdivision as the subject matter thereof and the price of P80.00 per square meter as the agreed consideration for its total area of 250 square meters.[59] Unlike their contract with

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Gaudencio Navarro, moreover, petitioners appear to have further agreed on the terms of payment of the price for the lot purchased by respondents. Having allowed the latter to build a house on said lot after accepting their initial payments in the aggregate sum of P7,948.00,[60] petitioner Clemencia Calara significantly specified the terms of payment agreed upon by the parties in the following 20 March 1979 demand letter she sent respondent Teresita Francisco,[61] to wit:

> "Mangyari na sumulat uli ako sa iyo tungkol sa pagtanggi mong sumang-ayon at lumagda sa Kasunduan sa Pagbibil(i) ng Lote sa kabila ng iyong pakiusap mo noon sa akin na magpapagawa ka muna ng bahay bago ka lalagda sa sinasabing kasunduan. Sa hindi malamang dahilan ng matapos na ang iyong ipinagagawang bahay at kasunod na rin dito ang pag-aakupa ninyo nilo, ay bigla ka na lang tnmangging lumagda sa kasunduan at kasunod na rin ang pagtanggi mong magbayad ng kaukuiang buwanang-hulog sa ninanais mong bilihing lote,
>
> Sa pagkakataong ito ay muli kong ipina-aalala sa iyo na simula't mula pa ay alam mo na babayaran mo ang hinahangad mong bilihing lote sa paraang buwanang hulugan (equal monthly installment) sa halagang P361.00 sa hob ng anim na pung (60) buwan pagkatapos na mabayaran ang kaukuiang labin limang (15%) por ciento ng kabuoang halaga ng lote bilang unang bayad o downpayment.
>
> Dahil sa hindi mo pagtupad ng iyong tungkulin sa amin ay ikinalulungkot kong ipa-alam sa inyo na alisin mo ang iyong bahay sa lupang tinitirikan nito sa loob ng tatlumpung (30) araw pasimula sa pagkatanggap mo ng liham na ito, at gayon din ay umalis kayo at iwanan ang sinasabing lot ang walang pasubali."[62]

Contracts shall be obligatory, in whatever form they may have been entered into, provided all the essential requisites for their validity are present.[63] Given the proven justification for respondents' stoppage of further payments on Lot 23, We find that respondents' alleged refusal to execute said contract only gives rise to a cause of action for specific performance pursuant to Articles 1357[64] and 1357[65] of the Civil Code of the Philippines. Insofar as it concerns the sale of subdivision lots, jurisdiction over such a case is vested with the HLURB under Section 8 (11) of E.O. 648. In the second Francel Realty Corporation vs. Sycip[66] case which dealt with the complaint for reconveyance and damages subsequently filed by the subdivision developer, this Court ruled that "the HLURB is not deprived of jurisdiction to hear and decide a case merely on the basis that it has been initiated by the developer and not by the buyer."

Finally, it bears emphasizing that more than 33 years have already elapsed from the time that petitioners and respondents agreed on the sale of Lot 23 of the Lophcal (Calara) Subdivision sometime in 1976. In the intervening period, the parties have not only filed their respective complaints before the HLURB and the MTC but had already performed acts and acquired rights, the myriad consequences of which could not possibly be squarely addressed in the case for unlawful detainer where possession is unlawfully witliheld after the expiration or termination of the right to hold possession under any contract, express or implied.[67] As the sole regulatory body for housing and land development,[68] the HLURB has jurisdiction over petitioners' cause against respondents and is clearly the best forum for the determination of all the issues relevant thereto.

WHEREFORE, premises considered, the petition is DENIED for lack of merit.

SO ORDERED.

Corona, C.J., (Chairperson), Velasco, Jr., Leonardo-De Castro and Del Castillo, JJ., concur.

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[1] Records, CA-G.R. SP No. 61243, pp. 454-460.

[2] Records, Civil Case No. 993, Vol. I, pp. 11-12.

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[3] The Subdivision and Condominium Buyers' Protective Decree.

[4] Rollo, p. 125.

[5] Records, Civil Case No. 993, Vol. I, pp. 194-196.

[6]Id. at 1-6.

[7] Id. at 25.

[8] Id. at 102-107.

[9] Id. at 35-39.

[10] The Judiciary Reorganization Act of 1980.

[11] Records, Civil Case No. 993, Vol. I, pp. 40-46.

[12] Id. at 72-74.

[13] Id. at 74.

[14] Id. at 57.

[15] Id. at 58-63.

[16] Id. at 112-116.

[17] Id. at 326-342.

[18] Id. at 342.

[19] Id. at 487-492.

[20] Records, Civil Case No. 993. Vol. II, p. 54.

[21] Records, CA-G.R. No. 61243, pp. 447-448.

[22] Id. at 454-460.

[23] Id. at 458-459.

[24] Id. at 5 19-520.

[25] Rollo, p 7.

[26] Id. at 7-10; 261-264.

[27] Id. at 61-63.

[28] Caltex (Philippines) Inc. v. Court of Appeals, G.R. No. 97753, 10 August 1992. 212 SCRA 448, 462.

[29] Records, Civil Case No. 993, Vol. I, at 341.

[30] Almoceravs. Ong. G.R. No. 170479, 18 February 2008, 546 SCRA 164, 178.

[31] San Pedro vs. Court of Appeals, G.R. No. 114300. 4 August 1994,235 SCRA 145, 148.

[32] Candida vs. Camacho, 424 Phil. 291, 300 (2002).

[33] Italics supplied.

[34] Tubiano v. Razo, 390 Phil. 863, 868 (2000).

[35] Corpuz v. Court of Appeals, G.R. No. 117005. 19 June 1997, 274 SCRA 275, 279.

[36] Section 1. Who may institute proceedings, and when. - Subject to the provisions of the next succeeding section, a person deprived of the possession of any land or building by force, intimidation, threat, strategy or stealth, or a lessor, vendor, vendee, or other person against whom the possession of any land or building is unlawfully withheld after the expiration or termination of the right to hold possession, by virtue of a contract, express or implied, or the legal representatives or assigns of any such lessor, vendor, vendee, or other person may at anytime within one (1) year after such unlawful deprivation or withholding of possession, bring an action in the proper Municipal Trial Court against the person or persons unlawfully withholding or depriving possession, or any person or persons claiming under them, for the restitution of such possession, together with damages and costs.

[37] Sudaria v. Quiambao, G.R. No. 164305, 20 November 2007, 537 SCRA 689, 696.

[38] Larano v. Calendacion, G.R. No. 158231, 19 June 2007, 525 SCRA 57, 65.

[39] Records, Civil Case No. 993, Vol. 1, pp. 1-6; 102-107.

[40] 322 Phil. 138 (1996).

[41] Records, Civil Case No. 993, Vol. I, pp. 194-196.

[42] Id. at 73.

[43] Executive Order No. 90.

[44] Section 8. Transfer of Functions. - The regulatory functions of the National Housing Authority pursuant to Presidential Decrees No. 957, 1216, 1344 and other related laws are hereby transferred to the Commission, together with such applicable personnel, appropriation, records, equipment and property necessary for the enforcement and implementation of such functions. Among these regulatory functions are: (1) Regulation of the real estate trade and business; (2) Registration of subdivision lots and condominium projects; (3) Issuance of license to sell subdivision lots and condominium units in the registered units; (4) Approval of performance bond and the suspension of license to sell; (5) Registration of dealers, brokers and salesmen engaged in the business of selling subdivision lots or condominium units; (6) Revocation of registration of dealers, brokers and salesmen; (7) Approval or mortgage on any subdivision lot or condominium unit made by the owner or developer; (8) Granting of permits for the alteration of plans and the extension of period for completion of subdivision or condominium projects; (9) Approval of the conversion to other purposes of roads and open spaces found within the project which have been donated to the city or municipality concerned; (10) Regulation of the relationship between lessors and lessees; and (11) Hear and decide cases on unsound real estate business practices; claims involving refund filed against project owners, developers, dealers, brokers or salesmen and cases of specific performance.

[45] REORGANIZING THE HUMAN SETTLEMENTS REGULATORY COMMISSION.

[46] Badillo vs. Court of Appeals, G.R. No. 13 1903. 26 June 2008, 555 SCRA 435. 448. citing Peña vs. GSIS, 502 SCRA 383, 402.

[47] Rollo, pp. 203-205.

[48] 439 Phil. 966 (2002).

[49] G.R. No. 158840, 27 October 2006, 505 SCRA 617.

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[50] Sec. 1. In the exercise of its function 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 shall have exclusive jurisdiction to hear and decide the cases of the following nature:

a. Unsound real estate business practices:

b. Claims involving refund and any other claims filed by subdivision lot or condominium unit buyer against the project owner, developer, dealer, broker or salesman; and

c. Cases involving specific performance of contractual and statutory obligations filed by buyers of subdivision lot or condominium unit against the owner, developer, dealer, broker or salesman.

[51] EMPOWERING THE NATIONAL HOUSING AUTHORITY TO ISSUE WRIT OF EXECUTION IN THE ENFORCEMENT OF ITS DECISION UNDER PRESIDENTIAL DECREE NO. 957, 2 April 1978.

[52] Supra note 40.

[53] Rollo, pp. 13-16.

[54] Supra note 7.

[55] Rollo, pp. 114-123.

[56] Id. at 124.

[57] Amado v. Salvador, G.R. No. 171401, 13 December 2007, 540 SCRA 161, 173.

[58] Spouses Castillo v. Spouses Reyes, G.R. No. 170917. 28 November 2007, 539 SCRA 193. 197.

[59] Records, Civil Case No. 993, Vol. 1, p. 102.

[60] Id. at 76-79, Exhibits "2" to "11".

[61] Id. at 7, Exhibit "A".

[62] Italics supplied.

[63] Art. 1356, Civil Code of the Philippines.

[64] ART. 1357. If the law requires a document or other special forms, as in the acts of contracts enumerated in the following article, the contracting parties may compel each other to observe that form, once the contract has been perfected. This right may be exercised simultaneously with the action upon the contract.

[65] ART. 1358. The following must appear in a public document:

(1) Acts and contracts which have for their object the creation, transmission, modification or extinguishment of immovable property; sales of real property or of an interest therein arc governed by articles 1403, Mo. 2 and 1405.

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[66] G.R. No. 154684, 8 September 2005, 469 SCRA 424, 435.

[67] Estrella v. Robles, Jr., G.R. No. 171029, 22 November 2007, 538 SCRA 60. 69.

[68] Badillo v. Court of Appeals, supra note 46 at 444.

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