

ATTY. ENRIQUETO F. TEJADA, PETITIONER, VS. HOMESTEAD PROPERTY CORPORATION AND TACLIN V. BANEZ, RESPONDENTS.

G.R. No. 79622. September 29, 1989

Ponente: GANCAYCO, J.

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GANCAYCO, J.:

Presented to Us for determination in this case is the issue of the proper forum over an action for the refund of reservation fee for the purchase of real property and damages.

The facts are not disputed.

Private respondent Taclin V. Bañez offered to sell to petitioner Enriqueto F. Tejada a 200 square meter lot owned by respondent corporation. Private respondent suggested that petitioner pay a reservation fee of P20,000.00, which would form part of the consideration in case they reach a final agreement of sale and which amount was to be returned to the petitioner should the parties fail to reach an agreement.

Petitioner paid the reservation fee of P20,000.00 on March 25, 1986 with the tentative agreement that the said lot would cost P1,150.00 per square meter, or a total price of P230,000.00. A 24% downpayment in the amount of P55,200.00 was to be paid by petitioner. The balance of P174,800.00 will be payable monthly within 1 or 2 years, depending upon the terms of the agreement. However, when the terms were unilaterally altered by respondent corporation by increasing the proposed amortization payments, petitioner refused to go through with the proposed purchase and he asked the private respondents to return the P20,000.00 reservation payment. Respondents refused to return the amount.

On September 26, 1986 petitioner filed a complaint for the collection of a sum of money with damages against respondents with Branch 165 of the Regional Trial Court of Pasig, docketed therein as Civil Case No. 53886. Petitioner alleged that defendants refused to return the P20,000.00 for no justifiable reason despite verbal and written demands. Petitioner further contended that such refusal to refund the amount constitutes malicious and wanton breach of legal duty that makes them liable to pay moral damages.

Respondents filed a motion to dismiss on December 9, 1986 disputing the jurisdiction of the Regional Trial Court and claiming that jurisdiction lies with the Human Settlements Regulatory Commission (HSRC). The trial court denied the motion in its Order dated January 7, 1987.[1] Respondents' motion for reconsideration was denied by the trial court.[2]

Not contented therewith, private respondents brought the case to the Court of Appeals on a petition for certiorari claiming that the trial court committed a grave abuse of discretion in denying the motion to dismiss. In a Decision dated August 10, 1987, the appellate court ruled that the jurisdiction over the controverted case is with the Human Settlements Regulatory Commission (HSRC) (now the Housing and Land Use Regulatory Board [HLRB]).[3]

Hence, the instant petition wherein petitioner argues that inasmuch as there is no perfected contract of sale between the parties, the claim for recovery of the reservation fee properly falls within the jurisdiction of the

regular courts and not that of the HSRC.

Section 1 of the Presidential Decree No. 1344 dated April 2, 1978 provides as follows:

"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 shall have exclusive jurisdiction to hear and decide 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 buyers 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, broker or salesman." (underscoring supplied.)

On February 7, 1981, by virtue of Executive Order No. 648, the regulatory functions of the National Housing Authority (NHA) were transferred to the HSRC. Section 8 thereof, amend others, provides as follows:

"SECTION 8. Transfer of Functions. - The regulatory functions of the National Housing Authority pursuant to Presidential Decree Nos. 957, 1216, 1344 and other related laws are hereby transferred to the Commission (Human Settlements Regulatory Commission). x x x. Among these regulatory functions are

x x x x x x x x x x

11. Hear and decide cases of unsound real estate business practices; claims involving refund filed against project owners, developers, dealers, brokers, or salesmen; and cases of specific performance."

Pursuant to Executive Order No. 90 dated December 17, 1986, the functions of the HSRC were transferred to the Housing and Land Use Regulatory Board (HLRB).

There can be no doubt that under Presidential Decree No. 1344, the NHA has exclusive jurisdiction to hear and decide claims involving refund and other claims filed by a subdivision lot or condominium unit buyer against the project owner, etc. There is no such qualification in said provision of law that makes a distinction between a perfected sale and one that has yet to be perfected. The word "buyer" in the law should be understood to be anyone who purchases anything for money.[4] Under the circumstances of this case, one who offers to buy is as much a buyer as one who buys by virtue of a perfected contract of sale.

Moreover, upon the promulgation of Executive Order No. 90, it is therein provided that the HLRB has exclusive jurisdiction over claims involving refund filed against project owners, developers, and dealers, among others. The former provision that the claim be made by a buyer has been eliminated. Thus, any previous doubt as to who may file the claim has been eliminated. Now, any claim for refund whether by a buyer or other party in any other capacity is definitely within the exclusive jurisdiction of the HLRB.

The Court agrees with the observation of the respondent appellate court that when an administrative agency or body is conferred quasi-judicial functions, all controversies relating to the subject matter pertaining to its specialization are deemed to be included within the jurisdiction of said administrative agency or body. Split jurisdiction is not favored.

Since in this case the action for refund of reservation fee arose from a proposed purchase of a subdivision lot obviously the HLRB has exclusive jurisdiction over the case.

WHEREFORE, the petition is DISMISSED for lack of merit, without costs.

SO ORDERED.

Narvasa, (Chairman), Cruz, Griño-Aquino, and Medialdea, JJ., concur.

[1] Page 31, Rollo.

[2] Page 32, Rollo.

[3] Fifth Division, penned by Associate Justice Celso L. Magsino, and concurred in by Justices Jose A.R. Melo and Esteban M. Lising.

[4] Webster's Unabridged Dictionary, 2nd Edition, page 248.

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