

SOLID HOMES, INC., PETITIONER, VS. TERESITA PAYAWAL AND COURT OF APPEALS, RESPONDENTS.

G.R. No. 84811. August 29, 1989

Ponente: CRUZ, J.

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CRUZ, J.:

We are asked to reverse a decision of the Court of Appeals sustaining the jurisdiction of the Regional Trial Court of Quezon City over a complaint filed by a buyer, the herein private respondent, against the petitioner, for delivery of title to a subdivision lot. The position of the petitioner, the defendant in that action, is that the decision of the trial court is null and void ab initio because the case should have been heard and decided by what is now called the Housing and Land Use Regulatory Board.

The complaint was filed on August 31, 1982, by Teresita Payawal against Solid Homes, Inc. before the Regional Trial Court of Quezon City and docketed as Civil Case No. Q-36119. The plaintiff alleged that the defendant contracted to sell to her a subdivision lot in Marikina on June 9, 1975, for the agreed price of P28,080.00, and that by September 10, 1981, she had already paid the defendant the total amount of P38,949.87 in monthly installments and interests. Solid Homes subsequently executed a deed of sale over the land but failed to deliver the corresponding certificate of title despite her repeated demands because, as it appeared later, the defendant had mortgaged the property in bad faith to a financing company. The plaintiff asked for delivery of the title to the lot or, alternatively, the return of all the amounts paid by her plus interest. She also claimed moral and exemplary damages, attorney's fees and the costs of the suit.

Solid Homes moved to dismiss the complaint on the ground that the court had no jurisdiction, this being vested in the National Housing Authority under PD No. 957. The motion was denied. The defendant repleaded the objection in its answer, citing Section 3 of the said decree providing that "the National Housing Authority shall have exclusive jurisdiction to regulate the real estate trade and business in accordance with the provisions of this Decree." After trial, judgment was rendered in favor of the plaintiff and the defendant was ordered to deliver to her the title to the land or, failing this, to refund to her the sum of P38,949.87 plus interest from 1975 and until the full amount was paid. She was also awarded P5,000.00 moral damages, P5,000.00 exemplary damages, P10,000.00 attorney's fees, and the costs of the suit.[1]

Solid Homes appealed but the decision was affirmed by the respondent court,[2] which also berated the appellant for its obvious efforts to evade a legitimate obligation, including its dilatory tactics during the trial. The petitioner was also reproved for its "gall" in collecting the further amount of P1,238.47 from the plaintiff purportedly for realty taxes and registration expenses despite its inability to deliver the title to the land.

In holding that the trial court had jurisdiction, the respondent court referred to Section 41 of PD No. 957 itself providing that:

SEC. 41. Other remedies. - The rights and remedies provided in this Decree shall be in addition to any and all other rights and remedies that may be available under existing laws.

and declared that "its clear and unambiguous tenor undermine (d) the (petitioner's) pretension that the court a quo was bereft of jurisdiction." The decision also dismissed the contrary opinion of the Secretary of Justice as impinging on the authority of the courts of justice.

While we are disturbed by the findings of fact of the trial court and the respondent court on the dubious conduct of the petitioner, we nevertheless must sustain it on the jurisdictional issue.

The applicable law is PD No. 957, as amended by PD No. 1344, entitled "Empowering the National Housing Authority to Issue Writs of Execution in the Enforcement of Its Decisions Under Presidential Decree No. 957." Section 1 of the latter decree provides as follows:

SECTION 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 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. (Emphasis supplied.)

The language of this section, especially the underscored portions, leaves no room for doubt that "exclusive jurisdiction" over the case between the petitioner and the private respondent is vested not in the Regional Trial Court but in the National Housing Authority.[3]

The private respondent contends that the applicable law is BP No. 129, which confers on regional trial courts jurisdiction to hear and decide cases mentioned in its Section 19, reading in part as follows:

SEC. 19. Jurisdiction in civil cases. - Regional Trial Courts shall exercise exclusive original jurisdiction:

(1) In all civil actions in which the subject of the litigation is incapable of pecuniary estimation;

(2) In all civil actions which involve the title to, or possession of, real property, or any interest therein, except actions for forcible entry into and unlawful detainer of lands or buildings, original jurisdiction over which is conferred upon Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts;

x x x

(8) In all other cases in which the demand, exclusive of interest and cost or the value of the property in controversy, amounts to more than twenty thousand pesos (P20,000.00).

It stresses, additionally, that BP No. 129 should control as the later enactment, having been promulgated in 1981, after PD No. 957 was issued in 1975 and PD No. 1344 in 1978.

This construction must yield to the familiar canon that in case of conflict between a general law and a special law, the latter must prevail regardless of the dates of their enactment. Thus, it has been held that -

The fact that one law is special and the other general creates a presumption that the special act is to be considered as remaining an exception of the general act, one as a general law of the land and the other as the law of the particular case.[4]

x x x

The circumstance that the special law is passed before or after the general act does not change the principle.

Where the special law is later, it will be regarded as an exception to, or a qualification of, the prior general act; and where the general act is later, the special statute will be construed as remaining an exception to its terms, unless repealed expressly or by necessary implication.[5]

It is obvious that the general law in this case is BP No. 129 and PD No. 1344 the special law.

The argument that the trial court could also assume jurisdiction because of Section 41 of PD No. 957, earlier quoted, is also unacceptable. We do not read that provision as vesting concurrent jurisdiction on the Regional Trial Court and the Board over the complaint mentioned in PD No. 1344 if only because grants of power are not to be lightly inferred or merely implied. The only purpose of this section, as we see it, is to reserve to the aggrieved party such other remedies as may be provided by existing law, like a prosecution for the act complained of under the Revised Penal Code.[6]

On the competence of the Board to award damages, we find that this is part of the exclusive power conferred upon it by PD No. 1344 to hear and decide "claims involving refund and any other claims filed by subdivision lot or condominium unit buyers against the project owner, developer, dealer, broker or salesman." It was therefore erroneous for the respondent to brush aside the well-taken opinion of the Secretary of Justice that ?

Such claim for damages which the subdivision/condominium buyer may have against the owner, developer, dealer or salesman, being a necessary consequence of an adjudication of liability for non-performance of contractual or statutory obligation, may be deemed necessarily included in the phrase "claims involving refund and any other claims" used in the aforequoted subparagraph C of Section 1 of PD No. 1344. The phrase "any other claims" is, we believe, sufficiently broad to include any and all claims which are incidental to or a necessary consequence of the claims/cases specifically included in the grant of jurisdiction to the National Housing Authority under the subject provisions.

The same may be said with respect to claims for attorney's fees which are recoverable either by agreement of the parties or pursuant to Art. 2208 of the Civil Code (1) when exemplary damages are awarded and (2) where the defendant acted in gross and evident bad faith in refusing to satisfy the plaintiff's plainly valid, just and demandable claim.

x x x

Besides, a strict construction of the subject provisions of PD No. 1344 which would deny the HSRC the authority to adjudicate claims for damages and for damages and for attorney's fees would result in multiplicity of suits in that the subdivision/condominium buyer who wins a case in the HSRC and who is thereby deemed entitled to claim damages and attorney's fees, would be forced to litigate in the regular courts for the purpose, a situation which is obviously not in the contemplation of the law. (Emphasis supplied.)[7]

As a result of the growing complexity of the modern society, it has become necessary to create more and more administrative bodies to help in the regulation of its ramified activities. Specialized in the particular fields assigned to them, they can deal with the problems thereof with more expertise and dispatch than can be expected from the legislature or the courts of justice. This is the reason for the increasing vesture of quasi-legislative and quasi-judicial powers in what is now not unreasonably called the fourth department of the government.

Statutes conferring powers on their administrative agencies must be liberally construed to enable them to discharge their assigned duties in accordance with the legislative purpose.[8] Following this policy in *Antipolo Realty Corporation v. National Housing Authority*,[9] the Court sustained the competence of the respondent administrative body, in the exercise of the exclusive jurisdiction vested in it by PD No. 957 and PD No. 1344, to determine the rights of the parties under a contract to sell a subdivision lot.

It remains to state that, contrary to the contention of the petitioner, the case of *Tropical Homes v. National*

Housing Authority[10] is not in point. We upheld in that case the constitutionality of the procedure for appeal provided for in PD No. 1344, but we did not rule there that the National Housing Authority and not the Regional Trial Court had exclusive jurisdiction over the cases enumerated in Section 1 of the said decree. That is what we are doing now.

It is settled that any decision rendered without jurisdiction is a total nullity and may be struck down at any time, even on appeal before this Court.[11] The only exception is where the party raising the issue is barred by estoppel,[12] which does not appear in the case before us. On the contrary, the issue was raised as early as in the motion to dismiss filed in the trial court by the petitioner, which continued to plead it in its answer and, later, on appeal to the respondent court. We have no choice, therefore, notwithstanding the delay this decision will entail, to nullify the proceedings in the trial court for lack of jurisdiction.

WHEREFORE, the challenged decision of the respondent court is REVERSED and the decision of the Regional Trial Court of Quezon City in Civil Case No. Q-36119 is SET ASIDE, without prejudice to the filing of the appropriate complaint before the Housing and Land Use Regulatory Board. No costs.

SO ORDERED.

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

[1] Rollo, pp. 6 & 14.

[2] Tensuan, J., ponente, with Nocon and Kalalo, JJ., concurring.

[3] Under E.O. No. 648 dated Feb. 7, 1981, the regulatory functions conferred on the National Housing Authority under P.D. Nos. 957, 1216, 1344 and other related laws were transferred to the Human Settlements Regulatory Commission, which was renamed Housing and Land Use Regulatory Board by E.O. No. 90 dated Dec. 17, 1986.

[4] Manila Railroad Co. v. Rafferty, 40 Phil. 224 (1919); Butuan Sawmill, Inc. v. City of Butuan, 16 SCRA 758; Bagatsing v. Ramirez, 74 SCRA 306.

[5] 59 C.J., 1056-1058.

[6] Article 316.

[7] Min. of Justice Op. No. 271, s. 1982.

[8] Cooper River Convalescent Ctr., Inc. v. Dougherty, 356 A. 2d 55, 1975.

[9] 153 SCRA 399.

[10] 152 SCRA 54.

[11] Trinidad v. Yatco, 1 SCRA 866; Corominas, Jr. v. Labor Standards Commission, 2 SCRA 721; Sebastian v. Gerardo, 2 SCRA 763; Buena v. Sapnay, 6 SCRA 706.

[12] Tijam v. Sibonghanoy, 23 SCRA 29; Philippine National Bank v. IAC, 143 SCRA 299; Tan Boon Bee & Company, Inc. v. Judge Jarencio, G.R. No. 41337, June 30, 1988.

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