

**NESTOR SANDOVAL, PETITIONER, VS. HON. DOROTEO CAÑEBA,
PRESIDING JUDGE, RTC, MANILA, BRANCH 20, DEPUTY SHERIFF OF
MANILA (RTC, MANILA, BRANCH 20), AND ESTATE DEVELOPERS
& INVESTO...**

G.R. No. 90503. September 27, 1990

Ponente: GANCAYCO, J.

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GANCAYCO, J.:

The issue in this petition is whether or not the ordinary courts have jurisdiction over the collection of unpaid installments regarding a subdivision lot.

On August 20, 1987 private respondent filed a complaint in the Regional Trial Court (RTC) of Manila for the collection of unpaid installments regarding a subdivision lot, pursuant to a promissory note, plus interest. On January 29, 1988 the trial court rendered a decision.

It appears that petitioner was declared in default so much so that after receiving the evidence of private respondent, the trial court rendered its decision on January 19, 1988, the dispositive portion of which reads as follows:

"WHEREFORE, on the allegations and the prayer of the complaint and the evidence adduced in support therefor, judgment is hereby rendered, ordering the defendant to pay plaintiff the following:

1. The sum of P73,867.42 plus interest and other charges commencing from January 1, 1988 until fully paid;
2. Such sum which shall not be less than P2,000.00 or 25% of the amount of delinquency whichever is greater, as and for attorney's fees.
3. Costs against the defendant.

SO ORDERED."[1]

On September 28, 1988 the trial court issued an order directing the issuance of a writ of execution to enforce its decision that had become final and executory.

On September 30, 1988 petitioner filed a motion to vacate judgment and to dismiss the complaint on the ground that the lower court has no jurisdiction over the subject matter and that its decision is null and void. A motion for reconsideration of the writ of execution was also filed by petitioner. An opposition to both motions was filed by private respondent to which a reply was filed by petitioner.

On February 17, 1989 the trial court denied the motion to vacate the judgment on the ground that it is now beyond the jurisdiction of the Court to do so. It directed the issuance of a writ of execution anew.

Hence the herein petition wherein it is alleged that the trial court committed a grave abuse of discretion as follows:

"5.1. The respondent Judge gravely abused his discretion and acted without jurisdiction in taking cognizance of the complaint before him notwithstanding that exclusive and original jurisdiction over the subject-matter thereof is vested with the Housing and Land Use Regulatory Board (NLRB) pursuant to PD 957.

5.2. The respondent Judge gravely abused his discretion and acted without jurisdiction in refusing to vacate his judgment rendered without jurisdiction and in issuing a writ of execution to implement his abovesaid void judgment."[2]

The petition is impressed with merit.

Under Section 1 of Presidential Decree No. 957 the National Housing Authority (NHA) was given the exclusive jurisdiction to hear and decide certain cases 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, particularly, the second portion thereof, leaves no room for doubt that exclusive jurisdiction over the case between the petitioner and private respondent is vested not on the RTC but on the NHA. The NHA was re-named Human Settlements Regulatory Commission and thereafter it was re-named as the Housing and Land Use Regulatory Board (HLURB).[3]

Undeniably the sum of money sought to be collected by private respondent from petitioner represented unpaid installments of a subdivision lot which the petitioner purchased. Petitioner alleges that he suspended payments thereof because of the failure of the developer to develop the subdivision pursuant to their agreement.

In *Antipolo Realty Corporation vs. National Housing Authority*,[4] the suit which was filed with the NHA, likewise involved non-payment of installments over a subdivision lot, wherein this Court held that the NHA has exclusive authority to hear and decide the case.

In *Solid Homes, Inc. vs. Teresita Payawal*,[5] this Court ruled that upon the issuance of Presidential Decree No. 957, the trial court may no longer assume jurisdiction over the cases enumerated in Section 1 of Presidential Decree No. 397. We even stated therein that the Housing and Land Use Regulatory Board has the authority to award damages in the exercise of this exclusive power conferred upon it by Presidential Decree No. 1344.

In *Estate Developers and Investors Corporation vs. Antonio Sarte and Erlinda Sarte*, G.R. No. 93646, which is a case substantially similar to the instant case, in a resolution of August 13, 1990 this Court upheld the exclusive jurisdiction of the HLURB over the collection suit.

Considering that the trial court has no jurisdiction under the circumstances obtaining in this case, the decision it rendered is null and void ab initio. It is as if no decision was rendered by the trial court at all.

When as in this case the attention of the trial court is drawn to its lack of competence and authority to act on the case, certainly the trial court has a duty to vacate the judgment by declaring the same to be null and void ab initio.

This is as it should be. Inasmuch as the questioned judgment is null and void, it is, as above observed, as if no

decision had been rendered by the trial court. It cannot become final and executory, much less can it be enforced by a writ of execution.

The trial court, rather than reiterating the issuance of a writ of execution in this case, which it did, should have recalled and cancelled the writ of execution of the judgment.

WHEREFORE, the petition is GRANTED. The questioned decision of the trial court dated January 29, 1988 is hereby declared null and void for lack of jurisdiction. No pronouncement as to costs.

SO ORDERED.

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

[1] Page 35, Rollo.

[2] Page 7, Rollo.

[3] Executive Order No. 648, February 7, 1981 and Executive Order No. 90, December 17, 1976.

[4] 153 SCRA, 399 (1987).

[5] G.R. No. 84811, August 29, 1989.

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