

MULTINATIONAL VILLAGE HOMEOWNERS ASSOCIATION, INC., PETITIONER, VS. COURT OF APPEALS AND MULTINATIONAL REALTY AND DEVELOPMENT CORPORATION, RESPONDENTS.

G.R. No. 98023. October 17, 1991

Ponente: CRUZ, J.

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CRUZ, J.:

The subject of this controversy is a stretch of road connecting the Multinational Village in Parañaque, Metro Manila, with the Ninoy Aquino Avenue. The use of this road is disputed between the Multinational Village Homeowners' Association, Inc., the herein petitioner, and private respondent Multinational Realty and Development Corporation.

The issue arose when the Corporation filed a complaint on March 15, 1989, against the Association and the G-Man Security Agency in the Regional Trial Court of Makati for "Enforcement of Rights of Property Ownership, Injunction with Temporary Restraining Order and Damages." The Corporation alleged that, as owner, it had allowed the Association to use the road and set up thereon a guardhouse manned by the Agency, but the defendants were now preventing the plaintiff from using the road for transporting construction materials needed to develop its other lots adjacent to the Village. The plaintiff prayed that it be placed in peaceful possession of the said road with full exercise and enforcement of the attributes and rights of ownership plus damages, attorney's fees and costs.

On April 4, 1989, Judge Job B. Madayag, after hearing, granted the writs of preliminary prohibitory and mandatory injunctions prohibiting the defendants from preventing the plaintiff from using the road and ordering them to remove the guardhouse and transfer it inside the Village. The defendants filed their answer on April 13, 1989, and on July 20, 1989, a motion to dismiss on the grounds of lack of jurisdiction and *litis pendentia*. This motion was denied on October 3, 1989. The Association went to the Court of Appeals on *certiorari* with a prayer for preliminary injunction, which was also denied in a decision dated January 29, 1991.[1] The Association then came to this Court to question that decision.

Specifically, the petitioner alleges that the complaint of the Corporation comes under the jurisdiction of the Housing and Land Use Regulatory Board under PD 957, as amended; that there is a pending administrative case between the parties before the said agency that barred the filing of the civil case; and that the civil case is a form of forum-shopping. The private respondent has submitted its comment, and the Court is now ready to decide.

We deal first with the question of jurisdiction.

The position of the petitioner is that the subject-matter of Civil Case No. 89-3446 comes under the jurisdiction of the HLURB conformably to PD 957, providing 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.

Parenthetically, exclusive jurisdiction over these cases was originally vested in the National Housing Authority but was transferred by EO 648 dated February 7, 1981, to the Human Settlements Regulatory Commission, which was renamed Housing and Land Use Regulatory Board by EO 90 on December 17, 1986.

A study of the above-quoted section shows that the contention of the Association is untenable. It disregards the fact that the Corporation has directly asserted a claim of ownership over the subject property, which is why it filed its complaint not with the HLURB but with the regional trial court. The mere contention by the defendant that the road is subject to the exclusive use of the Village will not remove the case from the jurisdiction of the trial court and transfer it to the administrative agency. It is elementary that jurisdiction is determined by the allegations in the complaint, not the allegations in the answer. As we have held often enough -

Jurisdiction over the subject-matter is determined upon the allegations made in the complaint, irrespective of whether the plaintiff is entitled or not entitled to recover upon the claim asserted therein - a matter resolved only after and as a result of the trial. Neither can the jurisdiction of the court be made to depend upon the defenses made by the defendant in his answer or motion to dismiss. If such were the rule, the question of jurisdiction would depend almost entirely upon the defendant.[2]

Significantly, the Association has admitted in its answer to the complaint of the Corporation that the latter is the owner of the disputed road. The Association insists, however, that the said road forms part of the Village and is reserved by agreement with the Corporation for the exclusive use of the residents. True or not, that argument may be - as it has been - asserted as a defense to resist the demands of the Corporation. But such a submission surely cannot have the effect of transferring the controversy to the HLURB as the complaint is not among the cases subject to its exclusive jurisdiction under Section 1 of P.D. 957 as amended. The matter is clearly resolvable by the courts of justice under the provisions of the Civil Code.

Invocation by the petitioner of *Solid Homes, Inc. v. Payawal*[3] does not advance its cause. That case involved a complaint for the delivery of title to a subdivision lot and clearly came under the exclusive jurisdiction of the HLURB pursuant to the above-quoted Section 1 of PD 957.

The administrative case referred to by the petitioner is the complaint it filed with the HLURB against the private respondent on May 28, 1987, for the latter's alleged failure to provide the facilities, improvements and constructions in the Village as promised in its brochures and advertisements. The decision of the Board was apparently satisfactory to the Corporation, which moved for its immediate implementation, but was opposed by the Association, which moved for its reconsideration. Reconsideration having been denied, the Association filed a second motion for reconsideration, which was also denied. The Association then appealed to the Office of the President, where the case is still pending.[4]

The submission that the civil case is barred by the pending appeal of the administrative decision to the Office of the President is unacceptable. The requisites of *litis pendentia* are the following:

- a. Identity of parties, or at least such as representing the same interests in both actions.

- b. Identity of rights asserted and relief prayed for, the relief being founded on the same facts.
- c. The identity in the two cases should be such that the judgment that may be rendered in one would, regardless of which party is successful, amount to res adjudicata in the other.[5]

It must be noted in the first place that there is no clear identity of subject-matter in the administrative and civil cases. The HLURB decision now under appeal referred only to "the road lots and the sites for parks, playgrounds and recreational uses that (were) still vacant for preparation and/or levelling,"[6] without definitely specifying if it included the disputed road. No less importantly, it cannot be said that the causes of action in the two cases are identical. The administrative case is an action filed by the Association for the specific performance by the Corporation of its legal obligations whereas the civil case is an action for the enforcement of a claimed property right of the Corporation against the Association. The wrongful act of the Association alleged in the civil action commenced in 1989 could not have been litigated in the earlier administrative action, which was filed against the Corporation in 1987.

Finally, the charge of forum-shopping must also be rejected, in light of the considerations above discussed. As we held in *Villanueva v. Adre*:^[7]

There is forum-shopping whenever, as a result of an adverse opinion in one forum, a party seeks a favorable opinion (other than by appeal or certiorari) in another, and the principle applies not only with respect to suits filed in the courts while an administrative proceeding is pending, in order to defeat administrative processes and in anticipation of an unfavorable administrative ruling and a favorable court ruling.

It is noted that the private respondent found the decree in the administrative case acceptable and has not seen fit to ask for its modification or reversal. The Association has not shown that the Corporation apprehends an adverse opinion in the appeal now before the Office of the President and seeks at this time "to defeat administrative processes" with "a favorable court ruling." In fact, the action commenced by the Corporation in the regional trial court was precipitated by the refusal of the Association to allow the use of the road in question by the complainant. The Corporation would not have filed its complaint at all had it not been denied access to the said road.

We are satisfied that the complaint filed by the Corporation against the Association comes under the jurisdiction of the Regional Trial Court of Makati and is not barred by the earlier administrative case filed by the Association against the Corporation before the HLURB. The two actions can stand and proceed separately and each may be decided either by the judicial tribunal or the administrative agency in the exercise of their respective jurisdictions.

WHEREFORE, the petition is DENIED, with costs against the petitioner. It is so ordered.

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

[1] Rollo, p. 94.

[2] *Magay v. Estiandan*, 69 SCRA 456.

[3] 177 SCRA 72.

[4] Rollo, p. 104.

[5] *Olayvar v. Olayvar*, 98 Phil. 52.

[6] Rollo, p. 62.

[7] 172 SCRA 876.

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