

SPECIAL SIXTH DIVISION

[CA-G.R. SP No. 131467, April 25, 2014]

FIL-ESTATE PROPERTIES, INC., PETITIONER, VS. ARMANDO P. ANCHETA, RESPONDENT.

D E C I S I O N

ABDULWAHID, J.:

Assailed in this Petition for Review under Rule 43 of the 1997 Rules of Civil Procedure are the following issuances of the Office of the President: 1) the Decision^[1] dated April 24, 2013, affirming *in toto* the Decision of the Housing and Land Use Regulatory Board (HLURB) in HLURB Case No. REM-A-100128-01210; and 2) the Resolution^[2] dated August 1, 2013, denying the motion for reconsideration thereof.

The undisputed facts show that on September 30, 1999, petitioner Fil-Estate Properties, Inc. (Fil-State) sold under a Contract to Sell,^[3] a residential lot described as Lot 3, Block 63, with an area of 175 square meters, situated at Plaridel Heights Residential Estates, Plaridel, Bulacan, to spouses Armando and Marissa Ancheta (spouses Ancheta), with a contract price of P481,250.00. Upon full payment of the contract price, a Deed of Absolute Sale^[4] was executed in their favor.

On February 28, 2008, spouses Ancheta made a Formal Request^[5] for the turnover of the certificate of title of their purchased subdivision lot, but petitioner refused and failed to deliver it. This prompted respondent Armando Ancheta to file with the HLURB a Complaint^[6] for specific performance and/or refund with damages against petitioner Fil-Estate. He prayed that Fil-Estate immediately release the title of the purchased lot or return the payment of P481,250.00 with twenty-one percent (21%) interest per *annum*, computed from the time the purchase price was fully paid until the date of payment plus moral and exemplary damages in the amount of P100,000.00, and attorney's fees in the amount of P50,000.00.

In its Answer,^[7] petitioner asseverated that the complaint has no cause of action since there was no compliance with the other monetary obligation, such as payment of real property taxes, transfer fees and other expenses as prerequisite for the delivery of title, as provided for in the Deed of Sale. As counterclaim, petitioner claimed for attorney's fees in the amount of P200,000.00.

On December 18, 2009, HLURB Arbiter Gina A. Antonio rendered a Decision^[8] in favor of respondent, ordering petitioner to deliver the title of the purchased property to respondent, ratiocinating that the Deed of Sale was executed to that effect and there is no dispute that respondent fully paid the contract price for the subject property. There was no demand on the part of petitioner for respondent to pay the corresponding transfer fees and other expenses before it can deliver the title to him.

The Arbiter likewise ordered petitioner to pay respondent moral damages for its failure to comply with its obligation under Article 1170 of the Civil Code, and to pay attorney's fees for petitioner's unjustified refusal to deliver the title to respondent for which reason the latter was compelled to litigate and incur expenses to protect his interest. The dispositive portion of the judgment reads, as follows:

WHEREFORE, premises considered, judgment is hereby rendered in favor of complainant (respondent) and against respondent (petitioner), ordering the latter as follows:

To immediately deliver to the complainant the transfer certificate of title covering Lot No. 3, Block 63, Plaridel Heights Residential Estates, Plaridel, Bulacan, within thirty (30) days from finality of the decision; or to refund to complainant the amount of Php481,250.00 with 12% interest per annum computed September 30, 1999 until fully paid in case respondent's failure to deliver the certificate of title within the aforesaid period;

To pay complainant the amount of Php20,000.00 as moral damages, and the amount of Php20,000.00 as exemplary damages;

To pay complainant the amount of Php30,000.00 as attorney's fees; and

To pay the cost of suit.

SO ORDERED.

Aggrieved, petitioner appealed the decision to the HLURB Board of Commissioners, but the appeal was denied and the December 8, 2009 Decision^[9] was in turn affirmed.

Petitioner further appealed to the Office of the President, but its appeal was denied in the assailed Decision^[10] dated April 24, 2013. Likewise, its motion for reconsideration was denied in the assailed August 1, 2013 Resolution^[11].

Aggrieved petitioner filed before us this petition for review, raising the following assignment of errors, to wit:^[12]

I. THE OP ERRED IN NOT REVERSING THE HLURB'S DECISION ORDERING THE DELIVERY OF THE TITLE OVER THE SUBJECT PROPERTY, OR IN THE ALTERNATIVE, ORDERING THE REFUND OF THE PAYMENTS MADE BY RESPONDENT CONSIDERING THAT THE COMPLAINT WAS PREMATURELY FILED AND FOR LACK OF CAUSE OF ACTION; and

II. THE OP ERRED IN NOT REVERSING THE HLURB'S AWARD OF MORAL DAMAGES, EXEMPLARY DAMAGES, ATTORNEY'S FEES, AND COST OF SUIT IN FAVOR OF RESPONDENT AND IMPOSITION OF ADMINISTRATIVE FINE AGAINST PETITIONER.

Petitioner maintains that respondent has no cause of action against it because it committed no act or omission violative of his right. Respondent has not complied with his other monetary obligation, such as payment of real estate taxes, transfer fees, and other expenses necessary for the delivery of the title, as provided for in the Deed of Sale.^[13]

The petition is bereft of merit.

The facts of the case are clear that respondent, for his part has fully complied with his obligation by paying in full the total price of the lot as stipulated in the contract to sell and accordingly, the Deed of the lot for the Deed of Sale executed in his favor. Consequently, petitioner is under obligation to deliver the title of the subject lot to respondent.

Relative to the payment of taxes and assessments, the parties agreed in the Deed of Sale, as follows:^[14]

TAXES AND ASSESSMENTS. The VENDEE further agrees to pay the following:

a. Taxes and Assessments:

Upon full payment of the purchase price by the VENDEE, whether or not there has been a transfer of actual physical possession, all real estate taxes shall already be for the account of the VENDEE regardless of the execution and delivery of the Deed of Sale. It is understood that real estate taxes on the subject property prior to the full payment thereof shall be for the account of the VENDOR, unless the VENDEE has acquired actual physical possession and occupancy and beneficial use of the property prior to the full payment thereof pursuant to an express stipulation under the Contract to Sell, signed, executed, and delivered by the VENDEE prior to the execution of this Deed, in which event, real estate taxes and other assessments on the property shall be for the account of the VENDEE commencing on the date of the actual physical possession or occupancy or beneficial uses of the property.

Documentary stamp tax, value-added tax, transfer tax, and other related taxes and expenses due and payable in connection with the transfer of title of the property herein sold; and

Other fees provided in the Deed of Restrictions such as, but not limited to maintenance, garbage, and security fees and expenses for water service, sewerage, cable television, telephone and electrical connections and like utilities. (Italics ours)

From the foregoing stipulations, nothing can be deduced that the failure of the respondent as vendee to pay the documentation transfer and/or titling expenses is considered as a valid ground for non-delivery of the title to him. What the Deed of Sale merely provides, is that these fees shall be for the account of the vendee. It must be noted that the subject taxes and fees are not part of the contract price and the delivery of title is not dependent upon the payment thereof.