

**[HLURB ADMINISTRATIVE ORDER NO. 01, S.
2018, March 23, 2018]**

**RESOLUTION NO. R-963, S. 2017, REVISED RULES OF
PROCEEDINGS BEFORE REGIONAL ARBITERS**

Adopted: 12 January 2018

Date Filed: 23 March 2018

Attached herewith is HLURB Board Resolution No. R-963, Series of 2017, Revised Rules of Proceedings Before Regional Arbiters, approved by the Board on 07 December 2017.

The said Board Resolution was published in The Philippine Star, today, 12 January 2018, and in accordance with the pertinent provisions of law, will take effect fifteen (15) days from its date of publication, on 27 January 2018.

Please be guided accordingly.

(SGD) LLOYD CHRISTOPHER A. LAO
Chief Executive Officer and Commissioner

Attachment:

**Board Resolution No. 963
Series of 2017**

PURSUANT TO Section 5 (c) and (j), Executive Order No. 648, Series of 1981, as amended by Executive Order No. 90, Series of 1986, and Executive Order No. 535, Series of 1979, as amended by Section 26 of Republic Act No. 8763, and Republic Act No. 9904, and in revision of Board Resolution No. 877, Series of 2011, the Board of Commissioners of the Housing and Land Use Regulatory Board hereby adopts and promulgates the following:

REVISED RULES OF PROCEEDINGS BEFORE REGIONAL ARBITERS

**Rule 1
PRELIMINARY PROVISIONS**

Section 1. **Title.** – This Rules shall be known as “The Revised Rules of Proceedings Before Regional Arbiters.”

Section 2. **Objectives.** – The objectives of this Rules are:

- 2.1 To protect and promote the constitutional right of persons to the speedy disposition of their cases;
- 2.2 To provide a simplified and inexpensive procedure for the resolution of cases;
- 2.3 To streamline the adjudicatory processes to provide immediate response to the grievances of the citizenry;
- 2.4 To introduce innovations and best practices for the benefit of the underprivileged.

Section 3. **Definition of Terms.** – For purposes of this Rule:

3.1 Actionable document refers to the document upon which the action or defense is based.

3.2 Affidavit refers to a written statement or declaration of facts that are sworn or affirmed to be true before a person authorized to administer the oath.

3.3 Arbiter refers to the officer authorized by law, rules and regulations to take hear and resolve disputes filed in accordance with this Rules. By designation, Arbiters may either be –

3.3.1 Regional Arbiter who exercises jurisdiction within the territorial boundaries of the Regional Field Office to which he/she is assigned, or

3.3.2 LSG Arbiters who exercises the same functions as the Regional Arbiter except that they are not bound by the confines of the territorial jurisdiction of any Regional Field Office and hears and decides cases only when the Regional Arbiter has recused or to assist in the disposition of cases pending before the Regional Field Offices.

3.4 Counterclaim refers to the retaliatory claim by a respondent against a complainant intending to off-set and/or reduce the amount of the complainant's original claim against the respondent.

3.5 Crossclaim refers to a claim made by a respondent against another respondent arising out of the transaction which is the subject matter of the complaint or counterclaim.

3.6 Election Contest refers to any controversy or dispute involving title or claim to any elective office in a homeowners association, the validation of initiatives, referendum or plebiscite, the validation of proxies, the manner and validity of elections, and the qualifications of voters and candidates, including the proclamation of winners and assumption to the office of directors, trustees or other officers elected by the members where the articles of incorporation or by-laws so provide.

3.7 Good cause refers to circumstances sufficient to justify the requested order or other action, as determined by the Arbiter.

3.8 Legal Services Group (LSG) refers to the division to the Central Office which functions as the legal arm of the HLURB tasked with rendering legal opinions, legal assistance to the public, conduct mediation proceedings and resolve cases where the Arbiter has recused.

3.9 Pleadings refers to written statements of the respective claims and defenses of the parties submitted for appropriate judgment. The pleadings allowed by this Rules are:

3.9.1 Complaint refers to the formal legal document that sets out the facts and legal reasons that the complainant believes are sufficient to support a claim against the respondent and the remedy or relief which is within the power of the Arbiter to grant.

3.9.2 Answer refers to the formal legal document that sets out the facts and legal reasons that the respondent believes are sufficient to support the defenses against the claims of the complainant.

3.9.3 Motion refers to a party's request, written or oral, formal or informal, to the Arbiter for an order or any other action.

3.9.4 Position Papers refers to pleadings submitted by the parties stating the case and facts, as supported by the evidence, and the issues and arguments in support of their cause/s of action or defense/s.

3.10 Parties refer to persons who have either instituted the proceedings or are required to defend against it, or any other party interested in the avails thereof and may be natural or juridical, with legal personality to sue and be sued. The parties to proceedings are:

3.10.1 Complainant refers to the party who initiated the action and includes a respondent who has filed a counter-complaint against the complainant insofar as such counterclaim is concerned.

3.10.2 Respondent refers to the party against whom the complainant has been filed, and includes a complainant against whom a respondent has filed a counterclaim and/or a cross-complainant who has filed a cross-complaint against a co-respondent.

3.11 Verification refers to the written oath taken by a party before a person authorized to administer the oath establishing the truth, accuracy, validity and authenticity of the allegations of facts and documents.

Section 4. **Construction and Applicability.** – This Rules shall be liberally construed towards the accomplishment of its objectives and shall apply to all proceedings where jurisdiction is vested on the Arbiters, except to the orders of the Regional Field Officer in the exercise of regulatory jurisdiction which are directly appealable to the Board of Commissioners.

The 2011 Housing and Land Use Regulatory Board Rules of Procedure and the Rules of Court shall have suppletory application insofar as these have not been specifically repealed or are not inconsistent with this Rules.

Rule 2

REGIONAL ARBITERS

Section 5. **General jurisdiction.** – Arbiters have exclusive jurisdiction over disputes involving laws being implemented by the Housing and Land Use Regulatory Board and such other cases as may be provided by law unless specifically vested in another tribunal.

Section 6. **Specific Jurisdiction.** –

6.1 *Jurisdiction over real estate developments.* The Arbiters shall exercise exclusive and original jurisdiction to hear and decide cases involving subdivisions, condominiums, memorial parks and similar real estate developments, as follows:

6.1.1 Claims for refund, complaints against unsound real estate business practices and other actions for specific performance of contractual and statutory obligations filed by subdivision lot or condominium unit buyer against the project owner, developer, dealer, broker or salesman; and other complaints for violation of Presidential Decree No. 957 and other related laws;

6.1.2 Suits filed in opposition to an application for certificate of registration and license to sell, development permits for condominium projects, clearance to mortgage, or the revocation or cancellation thereof, and locational clearances, certifications or permits, when issued by the Housing and Land Use Regulatory Board;

6.1.3 Suits filed by the project owner or developer or the duly registered homeowners association of the project pertaining to the open spaces or common areas of the subdivision or condominium, except those where third parties are involved; and,

6.1.4 Disputes involving easements within or among subdivisions projects.

6.2 *Jurisdiction over homeowners and homeowners associations.* The Arbiters shall exercise exclusive jurisdiction to hear and decide cases involving homeowners associations, as follows:

6.2.1 Suits filed in opposition to an application for, or the revocation of, certificate of registration of homeowners associations;

6.2.2 Intra-association disputes or controversies arising out of the relations between and among members of homeowners associations; between any or all of them and the homeowners association of which they are members, including federations and other umbrella organizations of homeowners associations;

6.2.3 Inter-association disputes or controversies arising out of the relations between and among two or more homeowners associations or condominium corporations, federations or other umbrella organizations of homeowners associations;

6.2.4 Disputes or controversies between the association and the homeowners or other beneficial users relating to the exercise of their respective rights, duties and obligations;

6.2.5 Disputes between the homeowners association and the State, insofar as its registration or right to exist and those which are intrinsically connected with the regulation of homeowners associations.

Section 7. **Powers.** – For the effective exercise of jurisdiction, the Arbiter shall have the following powers:

7.1 To hear and decide cases cognizable by HLURB consistent with this Rules;

7.2 To issue cease and desist orders or writs of preliminary injunction, whether prohibitory or mandatory, in all cases in which it has jurisdiction;

7.3 To punish for contempt, both direct and indirect, in accordance with the pertinent provisions of, and penalties prescribed by, the Rules of Court;

7.4 To issue subpoena duces tecum and summon witnesses to appear in any proceedings and in appropriate cases order search and seizure or cause the search and seizure of all documents, papers, files and records as well as books of accounts of any entity or person under investigation as may be necessary for the proper disposition of the cases before it;

7.5 To impose fines and/or penalties for violation of the laws, rules and regulations, orders, decisions and/or rulings;

7.6 To suspend, or revoke, after proper notice and hearing, the certificate of registration and/or license to sell upon any of the grounds as provided by law, including –

7.6.1 Fraud in procuring its certificate of registration;

7.6.2 Serious misrepresentation as to what the legal entity can do or is doing to the great prejudice of or damage to the general public;

7.6.3 Refusal to comply or defiance of any lawful order of the HLURB restraining commission of acts which would amount to a grave violation of its registration;

7.7 To exercise such other powers as implied, necessary or incidental to the carrying out the express powers granted to the Board or to achieve the objectives and purposes of the exercise of jurisdiction.

Section 8. **Inhibition of the Arbiter.** – The Arbiter may recuse from resolving the dispute under the following:

8.1 *Grounds.*