Implementation Of Buy Back Guarantee By The Bank Against The Developer As A Guarantee For Completion Bad Credit Problems

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Abstract
Purchase Back Guarantee is an agreement made by the bank and developer to provide collateral for the mortgage to the developer. Article 8 Paragraph (1) of Law Number 7 of 1992 concerning Banking as Amended by Law Number 10 of 1998 (Banking Law) stipulates that bank credit distribution must be based on confidence in the debtor, which in the provisions explaining this confidence refers to the existence of credit guarantee. In addition, Article 11 of the Banking Law regulates the provisions for providing guarantees by Bank Indonesia. However, these articles do not further regulate the collateral that can be provided for bank credit. This shows that this regulation is still rigid and many problems arise due to the implementation and execution of the Buy Back Guarantee. The aim of this study is to examine and analyze the validity of the implementation of the Buy Back Guarantee and efforts to resolve disputes. This study uses normative legal research methods with a legislative and decision approach. The study results show that the implementation of the Buy Back Guarantee is valid if it is carried out in accordance with applicable regulations and the agreements made relating to the implementation of the Buy Back Guarantee are valid and made before a Notary. Dispute resolution can be done through litigation and non-litigation. Litigation can be taken through the courts, and non-litigation can be done through Alternative Dispute Resolution, namely arbitration, negotiation or mediation.
I. Introduction

In pivot house financing, the collateral used is usually a Sales Purchase Agreement (PPJB) which has been approved and signed by the buyer and developer (Salsabila, 2020). Even though this PPJB is the basis for financing, every loan provided by banks, including KPR for purchasing a pivot house, still contains risks. This credit risk refers to the possibility that the customer (home buyer) fails to repay the bank in accordance with the terms and conditions in the credit agreement (Putri, 2010). This can be caused by various factors, such as the customer's financial difficulties or other problems related to the pivot house, such as construction delays or legal problems related to the property (Prayoga, 2023).

Therefore, banks must carry out a careful risk assessment before approving financing under PPJB to minimize potential losses. Credit risk is generally defined as the possibility of a customer failing to fulfill their payment obligations according to the agreement that has been made. In the context of Home Ownership Credit (KPR) facilities provided by banks to debtors, the risk of default is an important aspect that must be considered (Andriyani & Tanjung, 2018). To anticipate this risk, banks usually take security measures by binding collateral for the mortgage facilities provided. This guarantee can be in the form of a mortgage on the property purchased or another form of agreed guarantee. This guarantee binding aims to give the bank the legal right to take certain actions, such as executing the collateral, if there is a failure to pay by the debtor (Kosasih, 2009). This step is an important part of the credit risk management process carried out by banks to ensure the stability and continuity of their operations (Ramadhani, 2021).

Based on Article 8 paragraph (1) of Law no. 10 of 1998 concerning Banking, the use of collateral is the main way to reduce risk in providing credit. Article 11 of the same law emphasizes that guarantees are very important to maintain bank stability and resilience. For mortgages on pivot buildings that cannot be tied to a mortgage because they still use a master certificate from the developer,
an additional agreement is required. This agreement is made by the developer and submitted to the bank. The contents of the agreement include a guarantee from the developer in the event of default, or if the collateral object cannot be encumbered with mortgage rights because the certificate has not been issued and the Sale and Purchase Deed (AJB) cannot be made, and if the construction of the house is not completed within the specified time period (Undang-Undang, 1998).

The developer promises to buy back the collateral object financed by the bank. This additional agreement is known as a buy back agreement, or often called a 'buy back guarantee'. The term buy back guarantee means buy back guarantee in English. To date, there is no literature or reference that explains the first use of the term buy back guarantee to refer to a guarantee from the developer for credit received by consumers/debtors from banks in cooperation agreements providing home ownership credit facilities in Indonesia. Buy back guarantee is closely related to home ownership credit (Panaya, 2022).

This buy back guarantee agreement was entered into as a mitigation strategy and also as collateral, considering that the KPR object cannot be fully guaranteed legally because the process of installing collateral is not yet perfect. Before it developed in banking and leasing institutions, initially the term buy back guarantee was generally found in sales and purchase contracts. This contract can be written in a receipt/purchase note or in a verbal agreement between the seller and the buyer (Azzurba, 2020).

One marketing strategy is usually to provide a guarantee that the seller will buy back goods that have been purchased by consumers if after use they are damaged or cannot be used properly within the time period according to the guarantee. If such conditions occur, the buyer can demand a guarantee from the seller to buy back the goods that have been guaranteed with a buy back guarantee. Subsequently, the buy back guarantee developed into a business strategy for business actors who needed an injection of business capital from the community without borrowing from the bank (Salsabila, 2020). As an
illustration, for example, a PT. After that, in the 6th year, this unit will be bought back by the developer PT. X at the same price as the initial purchase price. Apart from that, investors will enjoy profit sharing of 75% for 5 years (15% per year), and these profits will be transferred to the investor's account every month (Ruselia, 2023).

In the 5th year (61st month) the investor's money will be returned 100%, so that in the 6th year the total return of PT. X to investors is 175%. In the business world, this program is usually known as the buy back guarantee program. Looking at the illustration above, it can be concluded that the buy back guarantee has several benefits for both business actors and the public as investors. The advantage for business actors from a practical perspective is obtaining funds which will be used to increase the number of apartment unit ownership (Bariadi, 2018).

In terms of capital efficiency, if in the course of their business the business actor needs additional capital, the business actor does not need to apply for a loan from the bank but simply invites the public to invest using a profit sharing system (Siregar, 2023). Apart from that, the buy back guarantee program will prevent business actors from being exposed to the credit interest system in banking, given the uncertain economic conditions both nationally and globally, it is very unlikely that interest in banking will not increase at any time. This will of course prevent business actors from economic risks (Kharisma, 2015).

For the community, the buy back guarantee program is enough to provide a cool breeze for the investment climate. Buy back guarantee is an alternative investment from community portfolios, with a fairly short investment period (3-5 years) and very good investment growth (capital gain) (Putra et al., 2024). This type of investment is very suitable for investors who really prioritize the value of security or certainty/guarantee of investment in the property sector, and also investors who already have a goal of allocating their funds in the next 6 years. Usually developer companies/property companies that provide buy back guarantee programs are bona fide companies with stable financial conditions.
The legal issues in buy back guarantees are even more interesting to study, when buy back guarantees are not only a seller’s guarantee for the goods being bought and sold or a strategy for business people to increase capital, but change their function to guarantee the repayment of debts from debtors to creditors which are increasingly being used in the practice of banking institutions and financing institutions. This will of course have implications for the basic legality of the arrangement, the legal relationship between debtors, creditors and third parties as well as the legal protection for all parties in the buy back guarantee agreement (Halim et al., 2021).

In banking, not all types of credit can use buy back guarantees, usually used for Home Ownership Credit (KPR), Apartment Ownership Credit (KPA) and Construction Credit. Apart from that, there are several special conditions when the bank requires a buy back guarantee in addition to binding material collateral. This special condition is when the bank after the credit agreement is unable to carry out the Sale and Purchase Deed (AJB) process and the collateral binding process such as the Mortgage Encumbrance Deed (APHT) and Fiduciary Guarantee Deed (Sumadi, 2020). For more details, it can be illustrated through the following image:

Customer A will buy a house from PT. Y as a developer company through Home Ownership Credit (KPR) financing to Bank X. Bank PT. Y (developer). In this case, the bank will be faced with a difficult position, based on the results of the credit analysis, the customer is a potential credit customer who is worthy of financing, but the credit cannot yet be disbursed because of collateral constraints which are still in the process of being resolved on the master certificate and which takes 3-6 months (Iqbal Arraniri et al., 2022).

On the one hand, developers also immediately need funds from credit debtors to continue the process of building houses purchased by credit debtors. However, on the other hand, banks are also required to implement the principle of prudence (prudential banking) in their business activities so that legal risk
and credit risk are always the main consideration in the credit disbursement process. Therefore, to overcome the legal vacuum that originates from the credit collateral problem, the bank entered into a buy back guarantee agreement with a third party (developer) to guarantee the repayment of the debt contained in Customer A's credit agreement to Bank X. In principle, the buy back guarantee agreement states that PT. Y will buy back the housing unit purchased by Customer A, if customer A's KPR credit at Bank However, this Buy Back Agreement is not regulated in the Civil Code but is only a custom that is often carried out between banks and developers and is always carried out in private agreements and has weaknesses in its implementation (Kharisma, 2015).

Banks are obliged to strictly regulate the principle of prudence as the basis for banks in conducting their business. This is regulated in Article 2 of Law Number 7 of 1992 concerning Banking, as amended by Law Number 10 of 1998 (hereinafter referred to as the Banking Law). In particular, the regulation of guarantees is one of the prudential principles of banks as stipulated in the explanatory provisions of Article 8 paragraph (1) of the Banking Law that guarantees are an important factor in preventing the risk of problems in lending, including in KPR for developers and Article 11 of the Banking Law as well (Anadi, 2019). contains regulations regarding the provision of credit guarantees by Bank Indonesia, which in the explanatory section of Article 11 of the Banking Law regulates that guarantees in credit distribution (including KPR for developers) are an effort to maintain the health and increase the bank's resilience. However, the provisions of these articles have not yet regulated further regarding the types of collateral that can be provided in credit agreements, which indicates that there are still unclear norms in the provisions of Article 8 paragraph (1) and Article 11 of the Banking Law (Azzurba, 2020).

The notary always insists on presenting the debtor because the debtor has signed the sale and purchase deed and the certificate has changed its name to the debtor's name, so that in the end the developer who carries out the contents of the repurchase agreement is unable to repossess it, in this case he is unable to
change the name of the certificate back to the developer’s name and if The developer is not willing to carry out the contents of the repurchase agreement, so the bank continues to experience bad credit (Gunawan, 2024).

There are several provisions in the buy back guarantee agreement that violate the principle of balance between the bank and the developer. Thus, in the event that there is a dispute regarding a land and/or house sale and purchase agreement with the right to repurchase and the original agreement is a debt and receivable agreement, the debtor can easily request that the land and/or house sale and purchase agreement with the right to repurchase be declared void or invalid (Wijaya & Sukranatha, 2018).

Currently, both in conventional banks and sharia banks such as Bank Syariah Indonesia, it can be said that almost all cooperation agreements providing home ownership credit facilities between developers and banks always regulate or agree on a buy back guarantee. Even in his journal, Yandri Radhi Anadi explained that according to the Branch Manager Area of Bank Syariah Mandiri Malang Branch, that without a buy back guarantee from the developer as guarantor, the bank would not disburse the debtor’s KPR facility to the developer's account, because this absolutely had to be fulfilled and was terms in the credit approval memo from the credit committee team (Maradita, 2014). KPR disbursement without a buy back guarantee is a violation of the standard procedures for binding banking guarantees at Bank Syariah Mandiri Malang Branch. If there is no guarantee, it is feared that many problems will arise, including bad credit (Sanjaya et al., 2016).

The results of this research are very important because they examine in more depth what types of engagements arise so that we can understand the responsibilities of each party in legal relations arising from credit agreements as the main agreement and buy back guarantee agreements. Apart from that, this research is also important, to answer related to KPR for developers, there is an additional agreement (accessoir) which regulates guarantees for debts of debtors to the bank by the developer, which is called a buy back guarantee.
agreement viewed from the perspective of Islamic law which of course with a justice and benefit approach (Dominika, 2017). Therefore, it is important to carry out in-depth research regarding the validity of the buy back guarantee agreement as collateral in the KPR for each party involved in it (Panaya, 2022).

2. Research Method

In preparing this journal, a type of normative legal research was applied using literature review (Hasibuan et al., 2022). There are types of approaches applied, namely the statutory approach, legal concept analysis, and case approach. The data sources applied are in the form of primary and secondary legal materials (Hasibuan et al., 2023). Primary legal materials consist of laws and regulations related to banking and home ownership loans, as well as secondary legal materials which include books, literature and legal journals related to the topic discussed. The research uses a qualitative approach method. The data explained is then described in the form of words or language in a special scientific context (Darmalaksana, 2020).

3. Results and Discussion

Legal Arrangements for Buy Back Guarantee as Collateral for Home Ownership Credit for Developers

The existence of risks contained in bank credit, including in KPR for developers, is the basis for regulating credit guarantees by banks, namely in the explanatory provisions of Article 8 paragraph (1) and the provisions of Article 11 of the Banking Law. This is one of the ways that banks can distribute credit and financing based on sharia principles so as not to harm the bank and also the interests of debtor customers, as regulated in Article 29 Paragraph (3) of the Banking Law. Regulations regarding collateral for credit are an important factor
in avoiding the risk of credit problems as regulated in the bank’s prudential principle, namely Collateral in the 5C formula. As previously explained, guarantees are divided into two, namely personal guarantees and material guarantees which differ in the object used as collateral. Material collateral is the object of collateral in the form of objects belonging to the debtor, while individual collateral is characterized by the presence of a third party who is willing to become guarantor (borgh) for the debtor’s debt (Lestari & Landra, 2019).

In KPR for developers, an additional agreement (accessory) can be regulated to the main agreement, namely the KPR agreement. This additional agreement is a guarantee agreement between the bank (creditor) and the developer (guarantor) with a guarantee for the repayment of the debtor’s debt to the bank, which is called a Buy Back Guarantee agreement. A Buy Back Guarantee Agreement can occur because of the existence of a legal debt relationship between the bank and the debtor customer. A debt legal relationship is an agreement that occurs between one party and another party and the object of the agreement is generally money. Buy Back Guarantee is a term that comes from English which is translated into Indonesian to mean a guarantee to buy back or the right to buy back (Puspita, 2018).

The regulation regarding the right to repurchase is contained in the provisions of Article 1519 of the Civil Code, which regulates that the seller has the right to take back goods that have been sold to consumers with reimbursement of the original price to the consumer. In this case, the developer, who acts as a guarantor (borgh) for the repayment of the debtor’s debt to the bank, has the right to take back the debtor’s house which has been previously sold and is responsible for paying off all of the debtor’s debt to the bank, provided that at that time the developer has not completed the
construction. The debtor's house, or the developer has not submitted original documents related to the Land Rights Certificate, and other important documents relating to house ownership to the bank (Syafiqah & Sigit, 2023).

Thus, if in the conditions described above, the debtor defaults by not paying off his debt to the bank, then the developer is obliged to guarantee the repayment of the debtor's debt to the bank. According to Subekti's opinion and the provisions of Article 1238 of the Civil Code, default can be in the form of the debtor not paying off the loan at all, paying off the loan but not on time, paying off the loan but not in accordance with what was agreed, or doing something that according to the agreement is not permitted to be done (Dini, 2014).

In the Buy Back Guarantee, the guarantee is carried out by the developer on the basis of the right to "buy back" as regulated in Article 1519 of the Civil Code. "Buying back" as defined in the Buy Back Guarantee is the repayment of the credit debtor's debt to the bank accompanied by the withdrawal of the debtor's housing unit which had previously been sold to him by the developer. In this way, the developer is deemed to have repurchased the debtor's housing unit by paying a sum of money which the developer uses to pay off the debtor's debt to the bank (Nasution, 2017).

From this explanation, the Buy Back Guarantee agreement can be classified as material collateral, specifically as collateral for immovable objects, with the object of collateral being the debtor's house. In this Buy Back Guarantee agreement, there is an assignment of power of attorney over the debtor's debt guarantee to the bank by the developer. In the event that the debtor's collateral is an immovable object, namely the debtor's house unit, then this is termed the existence of a power of attorney to impose mortgage rights made in the form of a Power of Attorney to Grant Mortgage Rights (SKMHT) by a Notary and PPAT official which binds the debtor and developer (Gunawan, 2024).

SKMHT is a letter or deed made by a Notary and PPAT official, which contains the granting of power of attorney from the Collateral Owner (the Power of Attorney) to the Power of Attorney to represent the Power of Attorney in granting
Mortgage Rights to creditors over the land/collateral belonging to the Power of Attorney. In this case, the Authorizer, namely the debtor, binds himself to the Authorized Person (guarantor), namely the developer, through the existence of an SKMHT related to the repayment of the debtor’s credit debt to the bank. Thus, through SKMHT this is the basis for the developer to act as a guarantor for the repayment of the debtor's debt to the bank.

**Implementation of Buy Back Guarantee by Banks for Developers as Guarantee for Resolving Bad Credit Problems**

Banks are financial institutions that have the main function of collecting and distributing funds to the community. As stated in Article 1 Number 2 of the Banking Law, banks have the main function of collecting public funds in the form of savings and channeling public funds in the form of credit. Credit by banks has the aim of, among other things, providing loans of a certain amount of money to debtor customers and then making repayment in installments (Lestari & Landra, 2019).

The term credit itself basically comes from the Latin word "Credere" which means trust. This indicates that credit can be distributed based on the creditor's trust in the debtor to be able to fulfill his promises as stated in the credit agreement. Based on the term and use, credit is divided into three types, namely investment credit, working capital credit and consumption credit. Home Ownership Credit (KPR), is classified as consumption credit (Panaya, 2022).

KPR is one of the facilities offered by banks to make it easier for people with low and middle purchasing power to buy a house. KPR is regulated in the Regulation of the Minister of Public Works and Public Housing of the Republic of Indonesia Number 21/PRT/M/2016 concerning Ease and/or Assistance in
Acquiring Homes for Low-Income Communities, as one of the government's programs in providing facilities to support housing financing. This program is better known as the Housing Financing Liquidity Facility program (Elfrida, 2017).

KPR intended for developers has an important meaning in supporting the developer's business and is a mainstay for consumers to be able to own a home easily and quickly. Based on the opinion of developers in the Indonesian Real Estate Association (REI), credit growth in the housing sector in 2017 remained in the top position. This shows that people's needs for home ownership credit remain high. This increase in housing credit growth is evidenced by the distribution of property loans (KPR and KPA) which experienced a rapid increase within one month in 2017 (Ashsiddiqqy et al., 2018).

In this regard, the existence of regulations regarding bank prudential principles is an important factor in maintaining bank health. As stipulated in Article 2 of the Banking Law, banks are obliged to apply the principle of prudence in carrying out their business activities, one of which is in providing home ownership loans to developers. This regulation aims to maintain the existence of banks in their function as credit distributors in order to prevent bank errors that lead to bad credit (Aiga Putri, 2020).

Bank prudential principles are formulated in the 4P and 5C formulas, which in relation to KPR for developers include:

1. Personality, meaning that the bank is obliged to know/search for complete personal data from the developer.
2. Purpose, meaning that the bank is obliged to know that the purpose of the KPR for developers is really to finance housing for developer consumers (debtor customers).
3. Prospect, the bank is obliged to pay attention to the future expectations (prospect) of the developer's business if a loan is given.

4. Payment, in this case the bank is required to know the developer's ability to pay off the loan in a certain amount and within a predetermined time period (Setiawan, 2019).

Meanwhile, the 5C formula includes:

1. Character, meaning that the bank must be able to assess that the developer has good character or business history.

2. Capacity, means the developer's ability to manage their business activities in order to provide confidence to the bank regarding credit repayment.

3. Capital, is related to the capital owned by the developer, to ensure that the distribution of capital in the business is running effectively, so that it is appropriate to be given a loan.

4. Collateral, means a guarantee that functions as a means of safeguarding against risks that occur at a later date after KPR distribution.

5. Condition of Economy, is the economic condition of a region or country which is related to the development and smooth running of the developer's business (Puji, 2018).

Guarantee as one of the bank's prudential principles, apart from being based on the 4P and 5C formula, is also regulated in the explanatory provisions of Article 8 paragraph (1) of the Banking Law that guarantee is an important factor in preventing the risk of problems occurring in credit distribution, including in KPR for developers. Meanwhile, Article 11 of the Banking Law also contains regulations regarding the provision of credit guarantees by Bank Indonesia. It is further regulated in the explanatory section of Article 11 of the Banking Law,
which regulates that guarantees in lending (including KPR for developers) are an effort to maintain health and increase bank resilience, related to the risk of failure or congestion in credit repayment. However, the provisions of these articles have not yet regulated further regarding the types of collateral that can be provided in credit agreements (Gendis Grasela Indriyati, 2019).

Based on the type, guarantees can be divided into two, namely individual guarantees which are regulated in Article 1820 of the Civil Code and material guarantees which are regulated in Article 1131 of the Civil Code. Article 1820 of the Civil Code regulates debt guarantors, namely the existence of a third party who acts as a guarantor for the debtor's repayment, which is an individual guarantee. Likewise, material guarantees can also be divided into two types, namely guarantees for movable objects or what is also called fiduciary guarantees and guarantees for immovable objects which are called mortgage rights. As stated in the provisions of Article 1131 of the Civil Code, all objects, both movable and immovable, whether existing or not yet existing, can be used as collateral for the debtor's individual obligations. In KPR for developers, collateral plays an important role in avoiding the risk of problematic credit in the future, if the debtor customer defaults. The guarantees provided in KPR for developers are generally in the form of material guarantees, especially guarantees for immovable objects. The debtor customer's housing unit which is related to the mortgage agreement is one example of collateral for immovable objects that the debtor customer can provide to the bank (Sholikhah & Pradana, 2018).

**Efforts to Resolve Bad Credit Problems in Implementing the Buy Back Guarantee**
In the previous description, it was explained that there are many problems regarding the Buy Back Guarantee between debtors, banks and developers. This can be prevented by doing the following things:

a. During the PPJB between the developer and the buyer, a Buy Back Guarantee clause is included and the consequences if the buyer for any reason is unable to pay or fails to carry out his obligations to the Bank, then the house will be taken over by the developer by buying it back from the Bank, as well as sanctions and consequences others agreed by the developer and buyer. For example, if the buyer is negligent, the down payment and installments that have been paid will be forfeited, and the buyer must vacate the house and return it to the developer.

b. The bank notifies the debtor and asks the debtor to submit a statement that he is willing to take over his house by the developer if the debtor defaults or experiences bad credit.

c. The debtor is included in the signing of the Buy Back Guarantee Agreement/Deed made by the developer to the bank as proof that the debtor is aware of the existence of the Buy Back Guarantee (Hermansyah, 2014).

By doing these things, the potential for debtor rejection in terms of handing over the Buy Back Guarantee object will be smaller because the debtor is already bound to the Bank through a Credit Agreement and providing collateral for the House, as well as a statement letter that has been signed by the debtor. Apart from that, the evidence possessed by the developer and the Bank in executing the Buy Back Guarantee object is stronger, so that if there is a lawsuit or dispute regarding this matter, the strength of the evidence is very clear and strong before the law. If a dispute occurs, it can be resolved through litigation and non-litigation (Randy, 2022). The litigation route is through the
courts and settlement through non-litigation is carried out using methods outside the court or using alternative dispute resolution institutions. Several options for resolving disputes through non-litigation are as follows:

**Arbitrage**

Arbitration is the resolution of disputes through discretion. Arbitration is different from court in that the court uses a permanent court or standing court, while arbitration uses a tribunal forum which was formed specifically for this activity. Arbitration is regulated in Article 5 of Law no. 30 of 1999 concerning Arbitration and Alternative Dispute Resolution states that: "Disputes that can be resolved through arbitration are only disputes in the field of trade and rights which according to law and statutory regulations are fully controlled by the parties to the dispute (Husain Asmara DM., 2018).

In disputes that occur regarding the implementation of the subrogation deed or the implementation of the Buy Back Guarantee, both parties can resolve it at the Indonesian National Arbitration Board (BANI). The Indonesian National Arbitration Board (BANI) is an institutional arbitration institution within the national scope which aims to provide resolution of disputes that arise regarding trade, industrial and financial issues, both national and international, fairly and quickly (Kaisupy & Maing, 2021).

Settlement of disputes that occur between developers and debtors can be carried out based on an arbitration agreement made in writing by the parties to the dispute. The arbitration agreement regulated in Article 1 point 3 of the Arbitration and Alternative Dispute Resolution Law is an agreement in the form of an arbitration clause contained in a written agreement made by the parties before a dispute arises or a separate arbitration agreement made by the parties after a dispute arises. The arbitration agreement must be made in
writing. The existence of a written agreement agreed to by the parties eliminates the parties' right to submit dispute resolution or differences of opinion contained in the agreement to the State court (Mahmudah, Fitri Nur, 2018).

**Negotiation**

Negotiation is the process of achieving mutual satisfaction through discussion and bargaining, deliberation to reach an agreement. The parties come face to face and thoroughly discuss the problems they face in a cooperative and open manner. Negotiation through direct discussion or deliberation between the disputing parties whose results are accepted by the parties. To discuss differences that arise between debtors and developers regarding the implementation of the subrogation deed, this is done through deliberation to reach consensus with the aim of achieving a win-win solution. So, whether the dispute can be resolved or not really depends on the wishes of both parties who have good faith in the problem (Pratama, 2023).

In implementing a subrogation deed where a dispute occurs between the developer and the debtor, negotiations can be carried out to discuss ownership of the house. The debtor remains firm in his reasons for asking for a down payment for the purchase of the house and credit installments to be paid to the bank. On the other hand, the developer also expressed his opinion that the developer already has a subrogation deed and has authority over the house. In carrying out negotiations, the developer and debtor have prepared negotiations regarding the dispute between the two parties. Next, prepare a strategy to convey the intended offer and the goals of the developer and debtor in order to achieve the offer optimally. After reaching the intended offer, both parties agree to the negotiations and make a commitment (Mahendra, Afriza & Juliana Nasution, 2022).
Mediation

Mediation is intervention in a dispute by a third party (mediator) who is acceptable, impartial and neutral and helps the disputing parties reach a voluntary agreement on the disputed issue. Mediation is almost the same as negotiation, but in mediation there is a mediator who mediates between the debtor and the developer (Resmini & Sakban, 2018).

The mediator acts as a facilitator. This shows that the mediator's job is only to assist the disputing parties in resolving problems and does not have the authority to make decisions. The mediator's position is to help the parties reach an agreement that can only be decided by the parties to the dispute. The mediator does not have the authority to force, but is obliged to bring together the disputing parties. The mediator must be able to create conducive conditions that can guarantee the creation of a compromise between the disputing parties to obtain mutually beneficial results (Almuniroh, 2022).

Dispute resolution through litigation can be done through the courts. The developer or debtor can file a lawsuit with the local District Court to resolve the dispute. However, most dispute resolution through court will take quite a long time to resolve. If one of the parties is not satisfied with the decision issued by the District Court, they can submit an appeal to the High Court so that the dispute can be evaluated and decided again. If you are still not satisfied with the appeal decision, the party who feels aggrieved can file an appeal to the Supreme Court. Furthermore, the final effort that can be taken is to submit a request for judicial review to the Supreme Court, but with certain requirements that must be met in order for the request for judicial review to be approved (Nurcahyo, 2017).

From the description above, it can be seen that litigation through the courts
takes quite a long time, it can even take years to obtain a decision that has permanent legal force. Dispute resolution through litigation also requires quite a bit of money. However, for the most part, this is the route chosen by people in resolving disputes, because generally people only know that dispute resolution is through the courts.

4. Conclusion

Based on the previous discussion, two conclusions can be drawn as follows:

1. The validity of the Buy Back Guarantee as collateral in KPR for developers can be seen from the guarantee of repayment of the debtor's debt to the bank by the developer and followed by the repossession of the debtor's house, which is based on the right to buy back in Article 1519 of the Civil Code and the power to grant mortgage rights from the debtor against the developer for the collateral object in the form of the debtor's house (immovable object) through a Power of Attorney to Grant Mortgage Rights made by a Notary and PPAT official and is binding on the debtor and developer.

2. The implementation of the Buy Back Guarantee is valid if it has been previously agreed and is also supported by the making of a subrogation deed. So that problems or disputes do not arise, it is best to include a Back Guarantee Guarantee clause in the PPJB and a statement letter from the debtor to agree to the implementation of the Buy Back Guarantee in the event of default or the debtor is negligent in carrying out his obligations. If a dispute occurs, it can be resolved through litigation through the courts and non-litigation through alternative dispute resolution such as arbitration, negotiation and meditation.

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