

Title:

Frank Colmenar vs. Apollo A. Colmenar, et al.

Facts:

Petitioner Frank Colmenar, a legitimate son of the late Francisco Jesus Colmenar, filed a complaint against Apollo A. Colmenar, Jeannie Colmenar Mendoza, Victoria Jet Colmenar, and several corporations over the nullity of deeds of extrajudicial settlements, deeds of sale, cancellation of titles, and damages resulting from transactions involving his late father's estate. The complaint averred that the individual respondents executed extrajudicial settlements that excluded Frank Colmenar from his lawfully inherited property, resulting in a series of property sales to the respondent corporations without his knowledge and consent. The Regional Trial Court (RTC) Trece Martires, Cavite, dismissed the complaint on grounds that it failed to state a cause of action against the corporations. Frank Colmenar, consequently, filed for review on certiorari with the Supreme Court.

Issues:

1. Whether the 2019 Amendments to the Revised Rules on Civil Procedure should have been applied to resolve the affirmative defenses raised by respondent corporations.
2. Whether the trial court committed reversible error by dismissing the complaint on the grounds of failure to state a cause of action against the respondent corporations.

Court's Decision:

The Supreme Court found the application of the 2019 Amendments inappropriate as their application was no longer feasible and that the RTC's motu proprio action on the affirmative defenses was beyond the 30-day period mandated by the Amendments. Furthermore, the Court held that the complaint did state a cause of action against the respondent corporations, as it alleged Frank Colmenar was deprived of property legally due to him and that the subsequent buyers from the respondents had no valid titles due to the flawed extrajudicial settlement. The Court reversed the RTC's decision and reinstated the complaint against Philippine Estates Corporation, Crisanta Realty Development Corporation, Amaia Land Corporation, and Property Company of Friends, directing the trial court to proceed with the case.

Doctrine:

- The 2019 Amendments to the Revised Rules of Civil Procedure shall apply to all pending cases, except when their application is not feasible or would work injustice.
- Failure to state a cause of action and lack of cause of action are separate grounds for

dismissal. A complaint states a cause of action if it avers the existence of the three essential elements of a cause of action: legal right of the plaintiff, correlative obligation of the defendant, and act or omission of the defendant in violation of said legal right.

- The purchaser cannot acquire better title than the seller, and good faith is disputable and can be overcome by evidence to the contrary.

Historical Background:

The RTC initially dismissed the complaint against the respondent corporations, applying the 2019 Amendments to the Revised Rules on Civil Procedure. The case represents a judicial discourse on the interpretation and application of procedural amendments in ongoing litigations, highlighting the balance between strict adherence to procedural rules and ensuring the dispensation of justice. The Supreme Court's reversal of the RTC's decision based on correct procedural application and the substantive merit of the complaint underscores the role of the judiciary in upholding the rights of parties within the bounds of procedural fairness and substantial justice.