

****Title:**** Rosete et al. vs. Court of Appeals and Lim et al.

****Facts:****

The genesis of this legal quandary unfolded on August 12, 1994, when private respondents Juliano Lim and Lilia Lim entered into a Contract to Buy and Sell with the AFP Retirement and Separation Benefits System (AFP-RSBS), procuring parcels of land in Occidental Mindoro for Six Million Pesos (PHP 6,000,000.00). Oscar Mapalo, claiming to have brokered this deal, later secured an authority to sell these properties, offering them to Alfredo P. Rosete for Twenty Five Million Pesos (PHP 25,000,000.00). Subsequently, on October 11, 1995, Lim, via their legal counsel, transferred their contract rights to Rosete through a Deed of Assignment with a revised consideration of Twenty Five Million Pesos, partly settling an outstanding balance to AFP-RSBS and the rest through a postdated check to the Lims.

Mapalo, not halting there, acquired Rosete's interest and sold the said properties to Espreme Realty Development Corporation for PHP 150,000,000.00—an endeavor that left Espreme Realty with an outstanding balance, inciting legal actions against its representative for non-payment. Amid these transactions, the Lims unsuccessfully attempted to cash a postdated check from the Rosetes, prompting them to consider the Deed of Assignment null and demand liquidated damages.

In response to the annulment of their titles due to the aforementioned series of deals and non-payments, the Lims filed a complaint for Annulment and Specific Performance with Damages against the Rosetes, AFP-RSBS, Espreme Realty, the Bank of the Philippine Islands, and the Register of Deeds of Mindoro Occidental. The Rosetes moved to dismiss this complaint citing lack of jurisdiction and improper venue, which the Regional Trial Court of Quezon City denied, stating the jurisdictional venue stipulated in the original contract bounds the Rosetes as assignees. This decision was upheld by the Court of Appeals.

****Issues:****

1. Whether the trial court had jurisdiction and the venue was properly laid.
2. Whether the complaint states a sufficient cause of action.
3. Whether the special civil action for certiorari under Rule 65 is proper in lieu of a direct appeal.

****Court's Decision:****

The Supreme Court dismissed the petition, reinforcing the appellate court's stance. It clarified that the Rosetes, being closely tied to the original Contract to Buy and Sell either as an assignee or through association, are bound by its provisions, including the stipulated venue. Importantly, the Court also emphasized that certiorari is not a substitute for a lost appeal and that the Rosetes improperly utilized Rule 65 of the 1997 Rules of Civil Procedure when a direct appeal under Rule 45 was the appropriate course of action.

****Doctrine:****

- ****Stipulation of Venue:**** The Supreme Court reiterated the doctrine that parties are allowed to determine the venue of actions arising from their contracts. Such stipulations bind assignees and parties privy to the original contract.
- ****Special Civil Action vs. Direct Appeal:**** The Supreme Court clarified the misuse of Rule 65 for certiorari as an erroneous substitute for a missed appeal under Rule 45, reinforcing the exclusive and non-alternative nature of these remedies.

****Class Notes:****

- ****Jurisdiction & Venue:**** Jurisdiction concerns the court's authority to decide a case, while venue pertains to the geographical location where the case should be heard. Parties can agree on a specific venue for their disputes which becomes binding to their assigns or successors.
- ****Assumption of Contract:**** Assignees of a contract embrace not only its benefits but also its burdens, including litigation stipulations.
- ****Rule 65 vs. Rule 45:**** Rule 65 (certiorari) serves for cases with no appeal nor any plain, speedy, and adequate remedy in law, distinctly not a substitute for a lost appeal which is properly sought through Rule 45.

****Historical Background:****

This case mirrors evolving complexities in property transactions, highlighting the interplay between contractual freedom, legal procedures, and jurisprudential clarifications on jurisdiction, venue, and proper recourse for aggrieved parties. It underscores the significance of precision in contractual agreements and the implications of assignment and succession in rights and obligations under Philippine law.