

### Title: Sps. Renato & Angelina Lantin vs. Hon. Jane Aurora C. Lantion, et al.

### Facts:

Renato and Angelina Lantin (Petitioners) obtained multiple loans in pesos and dollars from Planters Development Bank (Respondent Bank) and executed real estate mortgages and promissory notes as security. Upon defaulting on payments, the Respondent Bank foreclosed the mortgaged properties, acquiring them at a public auction. The Petitioners filed a Complaint for Declaration of Nullity and/or Annulment of Sale and/or Mortgage, among other reliefs, in the Regional Trial Court (RTC) of Lipa City, Batangas, arguing the foreclosure was invalid as their mortgage agreements did not cover the dollar loans and that their peso loans were fully repaid. Respondents contested, highlighting a venue stipulation in the loan agreements specifying Metro Manila courts or any venue chosen by the Bank as the proper venue for disputes. Consequently, the trial court dismissed the case for improper venue, a decision affirmed upon reconsideration.

### Procedural Posture:

The case reached the Supreme Court through a petition for certiorari, challenging the RTC's dismissal based on improper venue. The Petitioners argued that the validity of the loan documents, including the venue stipulation, was at issue, claiming the stipulation did not exclusively limit venue as contemplated by the rules of procedure.

### Issues:

1. Did the trial court commit grave abuse of discretion in interpreting the venue stipulation in the loan documents as restrictive, thus barring the filing of the complaint in a venue outside Metro Manila?
2. Is the rule on exclusive venue applicable given the nature of the Petitioners' complaint, involving multiple causes of action not solely arising from the loan documents?

### Court's Decision:

The Supreme Court dismissed the petition, upholding the trial court's orders. It affirmed that the venue stipulation, articulated with restrictive and exclusive language, validly confined legal actions to a specific venue as intended by the parties. The Court reasoned that venue stipulations, when explicitly stated as exclusive, must be respected. The petitioners' challenge to the validity of the loan agreements did not invalidate the clear and unequivocal terms of the venue stipulation. The Court also noted that the stipulation applied because the causes of action arose out of or were connected with the loan documents.

### Doctrine:

A venue stipulation in a contract, expressly characterized as exclusive and accompanied by a waiver of any other venue, is binding and enforceable, restricting the filing of subsequent lawsuits to the designated venue.

### Class Notes:

- Exclusive venue stipulation:
  - Must be in writing and specify the venue restrictively.
  - In contracts, look for terms like “exclusively” and waivers of alternative venues.
  - Applied in cases where the cause of action is connected to the agreement containing the stipulation.
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- Legal Standards:
  - A party alleging an exclusive venue must demonstrate the stipulation’s exclusive nature through “restrictive and limiting language.”
  - Section 4(b) of Rule 4 of the 1997 Rules of Civil Procedure: Venue stipulations before action filing are valid and can limit where actions are filed.

### Historical Background:

The distinction between permissive and exclusive venue stipulations has longstanding implications in Philippine civil procedure. Courts rigorously interpret these stipulations to promote contractual autonomy while ensuring justice delivery isn’t unduly restricted. This case reiterates the judiciary’s careful consideration of contractual clauses against procedural rules, emphasizing the sanctity of agreements freely entered into by parties.