

EMILIANO S. SAMSON, PETITIONER, VS. SPOUSES JOSE AND GUILLERMINA GABOR, TANAY RURAL BANK, INC., AND REGISTER OF DEEDS OF MORONG, RIZAL, RESPONDENTS.

G.R. No. 182970. July 23, 2014

Ponente: PERALTA, J.

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PERALTA, J.:

Before the Court is a petition for review on certiorari under Rule 45 of the Rules of Court seeking to reverse and set aside the Order[1] dated August 18, 2006 of the Regional Trial Court (RTC) of Pasig City in Civil Case No. 70750 and Decision[2] dated May 9, 2008 of the Court of Appeals (CA) in CA-G.R. CV No. 88335.

The antecedents of the case are as follows:

Respondent spouses Jose and Guillermina Gabor are the registered owners of a parcel of land with an area of Sixty-One Thousand Eighty-Five (61,085) square meters, more or less, situated at Barrio Mapunso, Tanay, Rizal Province, and covered by Transfer Certificate of Title (TCT) No. M-25565 issued by the Register of Deeds of Morong.[3]

On November 14, 1985, the Spouses Gabor executed a Deed of Assignment transferring Twenty Thousand Six Hundred Thirty-One (20,631) square meters undivided portion of the aforementioned parcel of land in favor of petitioner Emiliano S. Samson as attorney's fees in payment for the services rendered by the latter for the former.

On October 22, 1987, petitioner Samson executed a Deed of Assignment transferring the same undivided portion in favor of Ma. Remedios P. Ramos. Upon learning of the sale, respondent spouses filed an action for legal redemption with the RTC of Tanay, Rizal. Immediately thereafter, petitioner Samson and Ramos executed an Agreement of Rescission revoking the transfer of the undivided portion.[4] On July 25, 1989, the RTC dismissed the suit for legal redemption. On appeal, however, the CA, in CA-G.R. CV No. 25530, reversed the decision of the RTC and upheld the Spouses Gabor's right of legal redemption. No further appeals were pursued.

Instead, during the pendency of CA-G.R. CV No. 25530, petitioner Samson filed an action for Partition of Real Property and Damages[5] against respondent spouses with the RTC of Morong, Rizal, which dismissed the same on the ground that the finality of CA-G.R. CV No. 25530 effectively barred the action for partition.[6] Agreeing with the RTC, the CA, in CA-G.R. CV No. 38373,[7] upheld the lower court's decision, in the following wise:

The appeal is not meritorious. In view of the final and executory decision in CA-G.R. No. 25530 upholding the right of defendants-appellees to exercise their right of legal redemption over the 20,631 square meters involved, plaintiff-appellant is devoid of any legal right or personality to ask for partition of [the] subject property formerly owned in common. Having assigned his undivided share therein to Ma. Remedios P. Ramos, plaintiff-appellant ceased to be a co-owner. By exercising their right of legal redemption, which this Court upheld by final judgment, defendants-appellees now own the entire area covered by TCT No. M-25565.

The subsequent execution of the Agreement of Rescission by plaintiff-appellant and Ma. Remedios P. Ramos

did not divest defendants-appellees of the right of legal redemption vested in them upon the consummation of the assignment plaintiff-appellant made to Ma. Remedios P. Ramos. x x x

When the pending appeal in CA-G.R. No. CV 25530 was decided and judgment therein became final and executory, the lower court had to follow what was adjudged by this Court, and while plaintiff-appellant was not a party in the said Civil Case No. 125-T and CA-G.R. CV No. 25530, plaintiff-appellant is bound by the judgment therein because he was fully aware of the pendency of such cases. As a matter of fact, he testified in Civil Case No. 125-T. Therefore, the Agreement of Rescission he later entered into with Ma. Remedios P. Ramos during the pendency of the said case, did not deprive defendants-appellees of their right of legal redemption. The supposed re-acquisition by plaintiff-appellant of his undivided share in question, having been effected pendente lite, the same was subject to the outcome of the case.[8]

Petitioner Samson then appealed to this Court via petition for review on certiorari, but the same was dismissed in a minute resolution[9] dated June 8, 1994 for failure to submit an affidavit of service. This court further denied Samson's motion for reconsideration with finality in its Resolution[10] dated July 25, 1994 for having no compelling reason to warrant the reconsideration sought.

On April 4, 2006, petitioner Samson filed a Complaint[11] before the RTC of Pasig City for Recovery of Property or its Value against respondent spouses, Tanay Rural Bank, Inc., and the Register of Deeds of Morong, Rizal, claiming that he had been paying his one-third (1/3) share of realty taxes covering the subject portion of land for the years 2002 to 2004. In 2005, however, his payment was rejected by the Municipal Treasurer of Tanay, Rizal, at such time he discovered that respondent spouses had already mortgaged the entire property in favor of respondent Bank back in November 2002.

On August 18, 2006, the RTC of Pasig City dismissed the complaint on the grounds of improper venue, res judicata, and that the complaint states no cause of action.[12] It held that the suit is a real action which should be filed in the RTC of Morong, Rizal, where the property subject of the case is situated. Moreover, the lower court pointed out that as early as 1991, herein petitioner had already filed a Complaint for Partition of Real Property and Damages involving the same subject property against the same parties, which complaint was already dismissed by this Court with finality. Thus, the principle of res judicata applies. Finally, the trial court held that petitioner's complaint states no cause of action against herein respondent Bank as it does not allege any details as to the liability or any violation of petitioner's rights.

Claiming that the lower court erred in dismissing his complaint, petitioner Samson filed an appeal with the CA, which likewise dismissed the same for having been improperly brought before it. The appellate court ruled in its Decision[13] dated May 9, 2008 that since petitioner's appeal raised only issues purely of law, it should be dismissed outright.

Undaunted, petitioner filed the instant petition invoking the following arguments:

I.

THE COURT OF APPEALS HAS JURISDICTION OVER PETITIONER'S APPEAL FROM THE ORDER OF THE REGIONAL TRIAL COURT OF PASIG CITY.

II.

SINCE THE PETITIONER'S COMPLAINT IS BOTH REAL AND PERSONAL, IT WAS PROPERLY FILED WITH THE REGIONAL TRIAL COURT OF PASIG CITY.

III.

PETITIONER'S COMPLAINT STATES A CAUSE OF ACTION.

IV.

PETITIONER'S COMPLAINT IS NOT BARRED BY RES JUDICATA.

The petition lacks merit.

We agree with the CA's decision to dismiss petitioner's appeal, pursuant to Section 2, Rule 50 of the 1997 Rules of Civil Procedure which mandates the dismissal of an appeal that raises only questions of law.[14] The appeal of petitioner, as correctly held by the CA, essentially raised issues purely of law.

Time and again, this Court has distinguished cases involving pure questions of law from those of pure questions of fact in the following manner:

A question of fact exists when a doubt or difference arises as to the truth or falsity of alleged facts. If the query requires a re-evaluation of the credibility of witnesses or the existence or relevance of surrounding circumstances and their relation to each other, the issue in that query is factual. On the other hand, there is a question of law when the doubt or difference arises as to what the law is on certain state of facts and which does not call for an existence of the probative value of the evidence presented by the parties-litigants. In a case involving a question of law, the resolution of the issue rests solely on what the law provides on the given set of circumstances. Ordinarily, the determination of whether an appeal involves only questions of law or both questions of law and fact is best left to the appellate court. All doubts as to the correctness of the conclusions of the appellate court will be resolved in favor of the CA unless it commits an error or commits a grave abuse of discretion.[15]

In the instant case, petitioner appealed the Order of the trial court which dismissed his complaint for improper venue, lack of cause of action, and res judicata.[16] Dismissals based on these grounds do not involve a review of the facts of the case but merely the application of the law, specifically in this case, Rule 16 of the Revised Rules of Civil Procedure. The issue to be resolved is limited to whether or not said rule was properly applied, which will only involve a review of the complaint, the motions to dismiss, and the trial court's order of dismissal, but not the probative value of the evidence submitted nor the truthfulness or falsity of the facts. Considering, therefore, that the subject appeal raised only questions of law, the CA committed no error in dismissing the same.

We, likewise, agree with the decision of the RTC of Pasig City dismissing petitioner's complaint on the ground that the same should have been filed in the RTC of Morong, Rizal, where the property subject of this case is situated. Petitioner claims that as shown by the caption of his complaint which reads "For Recovery of Property or its Value," his cause of action is in the alternative, both real and personal. As such, his action may be commenced and tried where the petitioner resides or where any of the respondents resides, at the election of the petitioner.[17]

Petitioner's argument is misplaced. In *Latorre v. Latorre*,[18] we ruled that:

Sections 1 and 2, Rule 4 of the 1997 Rules of Civil Procedure provide an answer to the issue of venue. Actions affecting title to or possession of real property or an interest therein (real actions) shall be commenced and tried in the proper court that has territorial jurisdiction over the area where the real property is situated. On the other hand, all other actions (personal actions) shall be commenced and tried in the proper courts where the plaintiff or any of the principal plaintiffs resides or where the defendant or any of the principal defendants resides. x x x.

In this jurisdiction, we adhere to the principle that the nature of an action is determined by the allegations in the Complaint itself, rather than by its title or heading. It is also a settled rule that what determines the venue of a case is the primary objective for the filing of the case. x x x[19]

While the complaint of the petitioner was denominated as one for "Recovery of Property or its Value," all of his

claims are actually anchored on his claim of ownership over the one-third (1/3) portion of the subject property. In his complaint, petitioner sought the return of the portion of the subject property or its value on the basis of his co-ownership thereof. Necessarily, his alternative claim for the value of the property is still dependent on the determination of ownership, which is an action affecting title to or possession of real property or an interest therein. Clearly, petitioner's claim is a real action which should have been filed in the court where the property lies, which in this case, is the RTC of Morong, Rizal.

We further agree with the RTC of Pasig City when it dismissed petitioner's complaint on the ground that the same states no cause of action in the following wise:

The complaint states no cause of action as herein defendant was impleaded without stating any details of its liabilities nor any allegation of its violations to the plaintiff's rights. The only allegation of the rights violated are Articles 19, 20, and 21 of the Civil Code. More importantly, there are no allegations in the complaint that defendant TRB has violated the aforesaid laws. There is no detail on why the defendant TRB has been impleaded in the instant case.[20]

A perusal of the complaint would show that aside from the fact that respondent spouses had mortgaged the property subject herein to respondent bank, there is no other allegation of an act or omission on the part of respondent Bank in violation of a right of petitioner. In *Spouses Zepeda v. China Banking Corporation*,[21] We had occasion to discuss the definition of the term "cause of action," to wit:

A cause of action is a formal statement of the operative facts that give rise to a remedial right. The question of whether the complaint states a cause of action is determined by its averments regarding the acts committed by the defendant. Thus it "must contain a concise statement of the ultimate or essential facts constituting the plaintiff's cause of action." Failure to make a sufficient allegation of a cause of action in the complaint "warrants its dismissal."

As defined in Section 2, Rule 2 of the Rules of Court, a cause of action is the act or omission by which a party violates the right of another. Its essential elements are as follows:

1. A right in favor of the plaintiff by whatever means and under whatever law it arises or is created;
2. An obligation on the part of the named defendant to respect or not to violate such right; and
3. Act or omission on the part of such defendant in violation of the right of the plaintiff or constituting a breach of the obligation of the defendant to the plaintiff for which the latter may maintain an action for recovery of damages or other appropriate relief.

It is, thus, only upon the occurrence of the last element that a cause of action arises, giving the plaintiff the right to maintain an action in court for recovery of damages or other appropriate relief. In determining whether an initiatory pleading states a cause of action, "the test is as follows: admitting the truth of the facts alleged, can the court render a valid judgment in accordance with the prayer?" To be taken into account are only the material allegations in the complaint; extraneous facts and circumstances or other matters aliunde are not considered. The court may consider in addition to the complaint the appended annexes or documents, other pleadings of the plaintiff, or admissions in the records.[22]

As already mentioned, there is nothing in the complaint herein which states specific overt acts to show that respondent Bank acted in disregard of the petitioner's rights. Nowhere in the complaint was it alleged that respondent Bank had knowledge nor could have known with the exercise of due diligence that respondent spouses had acted illegally, in order to commit a wrong against the petitioner. Petitioner should have at least specified the details of his cause of action against respondent Bank. The complaint of petitioner in *Nacua-Jao v. China Banking Corporation*,[23] sheds light on the specific allegations which must at least be stated to constitute a statement of

cause of action, to wit:

We are unable to subscribe to the foregoing view of the CA. Even a cursory reading of the Complaint readily reveals a clear statement of the cause of action of petitioner. The Complaint reads:

“x x x x x x x x

3. That plaintiff is the lawful owner of Lot No. 561 and its improvements xxx covered by Title No. T-525552 issued in her name xxx.

x x x x x x x x

9. That sometime this year, plaintiff was only shocked to learn that a falsified and fraudulent Deed of Absolute Sale executed on January 19, 1996 was presented to the Register of Deeds xxx in order to cause the cancellation of plaintiff's title x x x.

10. That consequently, TCT No. T-525552 xxx was illegally cancelled and replaced by TCT No. T-602202 in the name of defendant Gan spouses x x x.

x x x x x x x x

12. That Lot No. 561, now covered by TCT No. T-602202 (Annex "H") in the name of defendant Gan spouses is presently mortgaged to defendant China Banking Corporation in the amount of P1,600,000.00; the mortgage is annotated at the back of Annex "H" and the annotation is marked as Annex "H-1"; all the proceeds thereof went to defendant Gan Spouses.

13. That on knowing the falsification and the illegal cancellation of her title, plaintiff wrote defendant Jackson Gan and defendant China Banking Corporation protesting against the unlawful transactions that not only involved Lot No. 561 at Ternate, Cavite but also Lot No. 9, Blk. 89 at Parañaque, Metro Manila; machine copies of the letter-protests are hereto attached as Annexes "I" and "J", respectively, and made integral parts hereof;

x x x x x x x x

15. That from the foregoing, therefore, it is very evident that defendants had connived and conspired to effect the so-called sale and mortgage of Lot No. 561 and the transfer of the title thereof to Gan spouses' name. (Emphasis ours)

x x x x

It appears that the aforementioned properties were unlawfully and criminally mortgaged to your Bank by one Jackson Gan xxx who forged or caused to be forged and/or falsified or caused to be falsified two (2) separate instruments of sale in his favor, covering the aforesaid properties making it appear that the said instruments were signed by our client when in truth and in fact were not.”

In sum, the Complaint recites that (1) petitioner was the registered owner of the subject property; (2) she was defrauded of her rights to the property when title thereto was transferred in the name of Spouses Gan based on a forged deed of sale; and (3) she was further defrauded of her rights to the property when respondent accepted the same as security for the payment of a loan acquired by Spouses Gan even when the latter's title to the property is void. x x x[24]

In contrast, the most that petitioner's complaint herein stated was Articles 19, 20, and 21 of the Civil Code and that “he found out that in November 2002, defendants Gabor mortgaged the whole property x x x in favor of the defendant bank.”[25] Said bare allegation is insufficient to establish any right or cause of action in favor of the petitioner.

Going now to the fourth and final argument, petitioner insists that his current action for Recovery of Property or its Value is not barred by res judicata. He claims that not all the elements of the principle of res judicata are present in this case, since the decision of this Court in the prior partition case was not a judgment on the merits but due to sheer technicality and that the cause of action in the prior case is partition while the cause of action herein is for recovery of property.[26]

We disagree. In order for res judicata to bar the institution of a subsequent action, the following requisites must concur: (1) the judgment sought to bar the new action must be final; (2) the decision must have been rendered by a court having jurisdiction over the subject matter and the parties; (3) the disposition of the case must be a judgment on the merits; and (4) there must be as between the first and second action, identity of parties, subject matter, causes of action as are present in the civil cases below. The foundation principle upon which the doctrine of res judicata rests is that parties ought not to be permitted to litigate the same issue more than once; that when a right or fact has been judicially tried and determined by a court of competent jurisdiction, so long as it remains unreversed, it should be conclusive upon the parties and those in privity with them in law or estate.[27]

In *Selga v. Brar*,[28] we held that:

Res judicata means "a matter adjudged; a thing judicially acted upon or decided; a thing or matter settled by judgment." It lays the rule that an existing final judgment or decree rendered on the merits, without fraud or collusion, by a court of competent jurisdiction, upon any matter within its jurisdiction, is conclusive of the rights of the parties or their privies, in all other actions or suits in the same or any other judicial tribunal of concurrent jurisdiction on the points and matters in issue in the first suit.

It must be remembered that it is to the interest of the public that there should be an end to litigation by the parties over a subject fully and fairly adjudicated. The doctrine of res judicata is a rule that pervades every well-regulated system of jurisprudence and is founded upon two grounds embodied in various maxims of the common law, namely: (1) public policy and necessity, which dictates that it would be in the interest of the State that there should be an end to litigation – *republicae ut sit litium*; and (2) the hardship on the individual that he should be vexed twice for the same cause – *nemo debet bis vexari pro una et eadem causa*. A contrary doctrine would subject public peace and quiet to the will and neglect of individuals and prefer the gratification of the litigious disposition on the part of suitors to the preservation of public tranquility and happiness.

Res judicata has two concepts. The first is bar by prior judgment under Rule 39, Section 47(b), and the second is conclusiveness of judgment under Rule 39, Section 47(c). These concepts differ as to the extent of the effect of a judgment or final order as follows:

SEC. 47. Effect of judgments or final orders. - The effect of a judgment or final order rendered by a court of the Philippines, having jurisdiction to pronounce the judgment or final order, may be as follows:

x x x x

(b) In other cases, the judgment or final order is, with respect to the matter directly adjudged or as to any other matter that could have been raised in relation thereto, conclusive between the parties and their successors-in-interest by title subsequent to the commencement of the action or special proceeding, litigating for the same thing and under the same title and in the same capacity; and

(c) In any other litigation between the same parties or their successors in interest, that only is deemed to have been adjudged in a former judgment or final order which appears upon its face to have been so adjudged, or which was actually and necessarily included therein or necessary thereto.

Jurisprudence taught us well that res judicata under the first concept or as a bar against the prosecution of a second action exists when there is identity of parties, subject matter and cause of action in the first and second

actions. The judgment in the first action is final as to the claim or demand in controversy, including the parties and those in privity with them, not only as to every matter which was offered and received to sustain or defeat the claim or demand, but as to any other admissible matter which might have been offered for that purpose and of all matters that could have been adjudged in that case. In contrast, *res judicata* under the second concept or estoppel by judgment exists when there is identity of parties and subject matter but the causes of action are completely distinct. The first judgment is conclusive only as to those matters actually and directly controverted and determined and not as to matters merely involved herein.[29]

Guided by the above discussion, We observe that the case at hand satisfies the essential requisites of *res judicata* under the first concept. With respect to the first three (3) requisites, We find that the judgment sought to bar the instant case was a judgment on the merits by a court having jurisdiction over the subject matter and the parties, which properly obtained its finality. As the records reveal, the decision to dismiss petitioner's earlier complaint for Partition of Real Property and Damages[30] was rendered by the RTC of Morong, Rizal, having jurisdiction over the subject matter and the parties, after a consideration of the evidence or stipulations submitted by the parties at the trial of the case. Said judgment was rendered based on the evidence and witnesses presented by the parties who were given ample opportunity to be heard as well as a valid judgment by the CA, in the separate legal redemption case upholding spouses Gabor's right of legal redemption, which became final and executory upon the expiration of the period of appealing the same, the parties pursuing no further appeal.

In the same way, petitioner's complaint for partition likewise obtained finality when it was dismissed by this Court of last resort. Petitioner contends that his Petition for Review on Certiorari was dismissed in a minute resolution[31] dated June 8, 1994 for failure to submit an affidavit of service, a sheer technicality, which is not a judgment on the merits. He failed to mention, however, that this Court further denied his motion for reconsideration with finality in its Resolution[32] dated July 25, 1994 for having no compelling reason to warrant the reconsideration sought. Thus, while this Court initially dismissed petitioner's appeal on a mere technicality, it had sufficient opportunity to reverse its dismissal on motion for reconsideration if it found that any error or injustice has been committed. It, however, did not and in fact even affirmed the dismissal by further denying petitioner's motion for reconsideration. There is no question, therefore, that the dismissal of petitioner's partition case is final and executory.

Anent the fourth and final requisite, it is undisputed that there exists an identity of the parties and subject matter between the prior action for partition and the instant subsequent action for recovery of property, the same being filed by herein petitioner against the same spouses Gabor over the same portion of land in Tanay, Rizal. The fact that respondents Bank and Register of Deeds were only impleaded in the subsequent case is of no moment since absolute identity of parties is not required; mere substantial identity of parties, or a community of interests between the party in the first case and the party in the subsequent case, shall suffice.[33]

Petitioner, however, contends that the causes of action in both cases differ inasmuch as in the prior case, the cause of action is partition while in the case at hand, the cause of action is the recovery of property or its value.[34]

Petitioner is mistaken. In *Philippine National Bank v. Gateway Property Holdings, Inc.*,[35] we have laid down certain guidelines in determining whether there is identity of causes of action in the following manner:

The crux of the controversy in the instant case is whether there is an identity of causes of action in Civil Case Nos. TM-1022 and TM-1108.

Section 2, Rule 2 of the Rules of Court defines a cause of action as "the act or omission by which a party violates a right of another." Section 3 of Rule 2 provides that "[a] party may not institute more than one suit for a single cause of action." Anent the act of splitting a single cause of action, Section 4 of Rule 2 explicitly states

that "[i]f two or more suits are instituted on the basis of the same cause of action, the filing of one or a judgment upon the merits in any one is available as a ground for the dismissal of the others."

Appropos, *Carlet v. Court of Appeals* states that:

As regards identity of causes of action, the test often used in determining whether causes of action are identical is to ascertain whether the same evidence which is necessary to sustain the second action would have been sufficient to authorize a recovery in the first, even if the forms or nature of the two actions be different. If the same facts or evidence would sustain both actions, the two actions are considered the same within the rule that the judgment in the former is a bar to the subsequent action; otherwise, it is not.[36]

Applying the above guideline to the instant case, while the two cases are captioned differently, petitioner cannot claim that there is no *res judicata* by simply changing the title of the action from "Complaint for Partition of Real Property and Damages" to a "Complaint for Recovery of Property or its Value." The records clearly reveal that the evidence submitted by the parties in both cases are identical. Petitioner, in claiming that he had either the right to partition or to recover the subject property, submitted the same Deed of Assignment[37] transferring in his favor the subject property as payment for his legal services as well as the same Agreement of Rescission of his earlier transfer of the subject property to Ms. Ramos. As previously mentioned, all of his claims in both actions are actually anchored on his claim of ownership over the one-third (1/3) portion of the subject property. If it be proven that he is not a co-owner of the subject portion, he will neither have the right to partition in the prior action nor will he have the right to recover the subject property or its value in the subsequent action. Hence, the ultimate question which the trial court had to resolve in both cases was whether or not petitioner is a co-owner of the subject property.

Contrary to petitioner's allegation that an action of partition is merely a possessory action which could not bar a subsequent action, the issue of ownership or co-ownership is necessarily resolved before the trial court may issue an order of partition, as we have held in *Reyes-De Leon v. Del Rosario*,[38] viz.:

The issue of ownership or co-ownership, to be more precise, must first be resolved in order to effect a partition of properties. This should be done in the action for partition itself. As held in the case of *Catapusan v. Court of Appeals*:

In actions for partition, the court cannot properly issue an order to divide the property, unless it first makes a determination as to the existence of co-ownership. The court must initially settle the issue of ownership, the first stage in an action for partition. Needless to state, an action for partition will not lie if the claimant has no rightful interest over the subject property. In fact, Section 1 of Rule 69 requires the party filing the action to state in his complaint the "nature and extent of his title" to the real estate. Until and unless the issue of ownership is definitely resolved, it would be premature to effect a partition of the properties. x x x.[39]

Considering, therefore, that the RTC of Morong had long before resolved the issue of co-ownership against petitioner in his complaint for Partition of Real Property, which was affirmed with finality by this Court, no less, petitioner's subsequent claim for Recovery of Property or its Value must likewise necessarily fail. To reiterate, even if the forms or nature of actions in both cases are different, since the issues raised essentially involve the claim of ownership over the subject property, there is identity of the causes of action.[40]

It is, therefore, clear from the discussion above that since all of the elements of *res judicata* are present, the instant suit for Recovery of Property or its Value is barred by said principle. As we have consistently held, a judgment which has acquired finality becomes immutable and unalterable, hence, may no longer be modified in any respect except to correct clerical errors or mistakes, all the issues between the parties being deemed resolved and laid to rest.[41] It is a fundamental principle in our judicial system that every litigation must end and terminate sometime and somewhere, and it is essential to an effective and efficient administration of justice that, once a judgment has

become final, the winning party be, not through a mere subterfuge, deprived of the fruits of the verdict.[42]

Exceptions to the immutability of final judgment are allowed only under the most extraordinary of circumstances.[43] Yet, when petitioner is given ample opportunity to be heard, unbridled access to the appellate courts, as well as unbiased judgments rendered after a consideration of evidence presented by the parties, as in the case at hand, We cannot recklessly reverse the findings of the courts below.

In view of the foregoing, we find no compelling reason to disturb the findings of the RTC of Pasig City and CA. The RTC of Pasig City correctly dismissed the complaint on the grounds of improper venue, res judicata, and that the complaint states no cause of action. The CA likewise correctly dismissed petitioner's appeal for raising only issues purely of law.

WHEREFORE, premises considered, the instant petition is DENIED. The Order dated August 18, 2006 of the Regional Trial Court of Pasig City in Civil Case No. 70750 and Decision dated May 9, 2008 of the Court of Appeals in CA-G.R. CV No. 88335 are hereby AFFIRMED.

SO ORDERED.

Velasco, Jr., (Chairperson), Villarama, Jr.,[*]Reyes,**] and Leonen, JJ., concur.

August 13, 2014

NOTICE OF JUDGMENT

Sirs/Mesdames:

Please take notice that on ____July 23, 2014____ a Decision, copy attached herewith, was rendered by the Supreme Court in the above-entitled case, the original of which was received by this Office on August 13, 2014 at 10:20 a.m.

Very truly yours,
(SGD)
WILFREDO V. LAPITAN
Division Clerk of Court

[*] Designated Acting Member, per Special Order No. 1691 dated May 22, 2014, in view of the vacancy in the Third Division.

[**] Designated Acting Member, in lieu of Associate Justice Jose Catral Mendoza, per Special Order No. 1735 dated July 21, 2014.

[1] Penned by Judge Franco T. Falcon; Annex "A" to Petition, rollo, pp. 30-34.

[2] Penned by Associate Justice Rosmari D. Carandang, with Associate Justices Portia Alino-Hormachuelos and Estela M. Perlas-Bernabe (now Associate Justice of the Supreme Court) concurring; Annex "B" to Petition, id. at 36-42.

[3] Id. at 36.

[4] Id. at 37.

[5] Id. at 110-115.

[6] Id. at 123.

[7] Id. at 121-129.

[8] Id. at 128-129. (Underscoring in the original)

[9] Id. at 84.

[10] Id. at 85.

[11] See Annex “C” of petition, id. at 44-49.

[12] Supra note 1.

[13] Supra note 2.

[14] Section 2, Rule 50 of the 1997 Rules of Civil Procedure provides:

Sec. 2. Dismissal of improper appeal to the Court of Appeals. - An appeal under Rule 41 taken from the Regional Trial Court to the Court of Appeals raising only questions of law shall be dismissed, issues purely of law not being reviewable by said court. x x x

An appeal erroneously taken to the Court of Appeals shall not be transferred to the appropriate court but shall be dismissed outright.

[15] First Bancorp, Inc. v. Court of Appeals, 525 Phil. 309, 326 (2006).

[16] Supra note 1.

[17] Rollo, p. 14.

[18] G.R. No. 183926, March 29, 2010, 617 SCRA 88.

[19] Latorre v. Latorre, supra, at 96-97. (Emphasis ours; citations omitted)

[20] Rollo, p. 31.

[21] 535 Phil. 133 (2006).

[22] Spouses Zepeda v. China Banking Corporation, supra, at 138-139. (Citations omitted; italics in the original)

[23] 535 Phil. 784 (2006).

[24] Nacua-Jao v. China Banking Corporation, supra, at 792-793. (Citations omitted; emphasis ours)

[25] Rollo, p. 47.

[26] Id. at 20-23.

[27] Dapar v. Biascan, 482 Phil. 385, 401-402 (2004).

[28] G.R. No. 175151, September 21, 2011, 658 SCRA 108.

[29] Selga v. Brar, supra, at 119-121. (Italics in the original; emphases omitted)

[30] Rollo, pp. 110-115.

[31] Id. at 84.

[32] Id. at 85.

[33] *Rovels Enterprises, Inc. v. Ocampo*, G.R. No. 136821, October 17, 2002, 391 SCRA 176, 189.

[34] *Rollo*, p. 20.

[35] G.R. No. 181485, February 15, 2012, 666 SCRA 251.

[36] *Philippine National Bank v. Gateway Property Holdings, Inc.*, *supra*, at 265. (Emphasis ours; citations omitted)

[37] *Rollo*, pp. 50-60.

[38] 479 Phil. 98 (2004).

[39] *Reyes-De Leon v. Del Rosario*, *supra*, at 107. (Emphasis ours)

[40] *Heirs of Marcelo Sotto v. Matilde S. Palicte*, G.R. No. 159691, June 13, 2013.

[41] *Ram's Studio and Photographic Equipment, Inc. v. Court of Appeals*, 400 Phil. 542, 550 (2000).

[42] *Selga v. Brar*, *supra* note 28, at 125.

[43] Id.

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