

**UNITED OVERSEAS BANK PHILS. (FORMERLY WESTMONT BANK),  
PETITIONER, VS. ROSEMOORE MINING & DEVELOPMENT CORP.  
AND DRA. LOURDES PASCUAL, RESPONDENTS.**

*G.R. Nos. 159669 & 163521. March 12, 2007*

Ponente: TINGA, J.

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**TINGA, J.:**

We resolve these two consolidated cases, which though with distinct courts of origin, pertain to issues stemming from the same loan transaction.

The antecedent facts follow.

Respondent Rosemoor Mining and Development Corporation (Rosemoor), a Philippine mining corporation with offices at Quezon City, applied for and was granted by petitioner Westmont Bank[1] (Bank) a credit facility in the total amount of P80 million consisting of P50,000,000.00 as long term loan and P30,000,000.00 as revolving credit line.[2]

To secure the credit facility, a lone real estate mortgage agreement was executed by Rosemoor and Dr. Lourdes Pascual (Dr. Pascual), Rosemoor's president, as mortgagors in favor of the Bank as mortgagee in the City of Manila.[3] The agreement, however, covered six (6) parcels of land located in San Miguel, Bulacan[4] (Bulacan properties), all registered under the name of Rosemoor,[5] and two (2) parcels of land[6] situated in Gapan, Nueva Ecija (Nueva Ecija properties), owned and registered under the name of Dr. Pascual.[7]

Rosemoor subsequently opened with the Bank four (4) irrevocable Letters of Credit (LCs) totaling US\$1,943,508.11.[8] To cover payments by the Bank under the LCs, Rosemoor proceeded to draw against its credit facility and thereafter executed promissory notes amounting collectively to P49,862,682.50.[9] Two (2) other promissory notes were also executed by Rosemoor in the amounts of P10,000,000.00 and P3,500,000.00, respectively, to be drawn from its revolving credit line.[10]

Rosemoor defaulted in the payment of its various drawings under the LCs and promissory notes. In view of the default, the Bank caused the extra-judicial foreclosure of the Nueva Ecija properties on 22 May 1998 and the Bulacan properties on 10 August 1998. The Bank was the highest bidder on both occasions.[11]

On 8 October 1999, the Bank caused the annotation of the Notarial Certificate of Sale covering the Nueva Ecija properties on the certificates of title concerned. Later, on 16 March 2001, the Notarial Certificate of Sale covering the Bulacan properties was annotated on the certificates of title of said properties.[12]

The foregoing facts led to Rosemoor's filing of separate complaints against the Bank, one before the Regional Trial Court of Manila (Manila RTC) and the other before the Regional Trial Court of Malolos, Bulacan (Malolos RTC).

The Manila Case (G.R. No. 163521)

On 5 August 1998, Rosemoor and Dr. Pascual filed a Complaint, originally captioned as one for "Damages, Accounting and Release of Balance of Loan and Machinery and for Injunction" before the Manila RTC.[13] Impleaded as defendants were the Bank and Notary Public Jose Sineneng, whose office was used to foreclose the mortgage.[14] The complaint was twice amended, the caption eventually reflecting an action for "Accounting, Specific Performance and Damages." [15] Through the amendments, Pascual was dropped as a plaintiff while several officers of the Bank were included as defendants.[16]

The Bank moved for the dismissal of the original and amended complaints on the ground that the venue had been improperly laid.[17] The motion was denied by the trial court through an Omnibus Resolution dated 24 January 2000.[18]

Rosemoor's prayer in the Second Amended Complaint, which was filed in November of 1999, reads as follows:

WHEREFORE, plaintiff Rosemoor Mining & Development Corporation respectfully prays that, after trial of the issues, this court promulgate judgment -

- Directing Westmont to render an accounting of the loan account of Rosemoor under the Long Term Loan Facility and the Revolving Credit Line at least up to the dates of foreclosure of Rosemoor's mortgaged properties on May 22, 1998 and August 18, 1998, showing among others (a) the sums of money paid by Rosemoor or otherwise debited from its deposit account in payment of the loans it had obtained from Westmont to cover the cost of the machinery to be imported under the Unpaid LCs and under LC No. 97-058 for the tiling plant, as well as for working capital, and (b) all interests, penalties and charges imposed on the loans pertaining to the Unpaid LCs and LC No. 97-058 and for which Westmont had foreclosed Rosemoor's and Dra. Pascual's real estate mortgage; (c) the amount of import and customs duties, demurrage, storage and other fees which Rosemoor had paid or which was otherwise debited from Rosemoor's deposit account, in connection with the importation of the tiling plant and as a consequence of the non-release thereof by Westmont;
- Ordering all the defendants jointly and severally to pay to Rosemoor, by way of actual damages, the dollar equivalent of the amounts in (1) (a), (b) and (c) at the exchange rate prevailing at the time of the opening of the LCs;
- Ordering defendants jointly and severally to pay to Rosemoor actual damages for operational losses suffered by Rosemoor due to its failure to use the tiling plant which Westmont had refused to release to Rosemoor, in such amount as may be proven at the trial;
- Directing the defendants jointly and severally to pay, by way of correction for the public good, exemplary damages in the amount of P 500,000.00 each;
- Ordering defendants jointly and severally to indemnify Rosemoor in the sum of P350,000.00, representing attorney's fees and litigation expenses incurred by Rosemoor for the protection and enforcement of its rights and interests.

Plaintiff prays for further and other relief as may be just and equitable under the circumstances. [19]

On 15 August 2002, the Bank filed another motion to dismiss the Second Amended Complaint on the ground of forum-shopping since, according to it, Rosemoor had filed another petition earlier on 11 March 2002 before the Malolos RTC.[20] The Bank contended that as between the action before the Manila RTC and the petition before the Malolos RTC, there is identity of parties, rights asserted, and reliefs prayed for, the relief being founded on the same set of facts. The Bank further claimed that any judgment that may be rendered in either case will amount to res judicata in the other case.[21] Still, the Manila RTC denied the motion to dismiss.[22] It also denied the Bank's motion for reconsideration of the order of denial.[23]

The Bank challenged the Manila RTC's denial of the Bank's second motion to dismiss before the Court of Appeals, through a petition for certiorari. The appellate court dismissed the petition in a Decision dated 26 February 2004.[24] The Bank filed a motion for reconsideration which, however, was denied through a Resolution dated 30 April 2004.[25]

In the Petition for Review on Certiorari in G.R. No. 163521, the Bank argues that the Court of Appeals erred in holding that no forum-shopping attended the actions brought by Rosemoor.[26]

The Malolos Case (G.R. No. 159669)

After the complaint with the Manila RTC had been lodged, on 11 March 2002, Rosemoor and Dr. Pascual filed another action against the Bank, this time before the Malolos RTC. Impleaded together with the Bank as respondent was the Register of Deeds for the Province of Bulacan in the Petition for Injunction with Damages, with Urgent Prayer for Temporary Restraining Order and/or Preliminary Injunction.[27]

In the Malolos case, Rosemoor and Dr. Pascual alleged that the redemption period for the Bulacan properties would expire on 16 March 2002. They claimed that the threatened consolidation of titles by the Bank is illegal, stressing that the foreclosure of the real estate mortgage by the Bank was fraudulent and without basis,[28] as the Bank had made them sign two blank forms of Real Estate Mortgage and several promissory notes also in blank forms. It appeared later, according to Rosemoor and Dr. Pascual, that the two Real Estate Mortgage blank forms were made as security for two loans, one for P80 million and the other for P48 million, when the total approved loan was only for P80 million. The Bank later released only the amount of P10 million out of the P30 million revolving credit line, to the prejudice of Rosemoor, they added.[29]

The Petition's prayer reads as follows:

WHEREFORE, premises considered, it is most respectfully prayed that this Honorable Court -

- Issue ex-parte a temporary restraining order before the matter could be heard on notice to restrain and enjoin respondent BANK from proceeding with its threatened consolidation of its titles over the subject properties of petitioner Rosemoor in San Miguel, Bulacan covered by TCT Nos. 42132; 42133; 42134; 42135; 42136 and RT 34569 (T-222448) on March 16, 2002 or at any time thereafter; that the respondent Register of Deeds for the Province of Bulacan be enjoined and restrained from registering any document(s) submitted and/or to be submitted by respondent BANK consolidating its titles over the above-named properties of petitioner Rosemoor in San Miguel, Bulacan; and likewise, that the Register of Deeds for the province of Bulacan be restrained and enjoined from canceling the titles of Rosemoor over its properties, namely, TCT Nos. 42132; 42133; 42134; 42135; 42136 and RT 34569 (T-222448);
- That after due notice, a writ of preliminary injunction be issued upon the posting of a bond in such amount as may be fixed by this Court;
- That after due hearing and trial, judgment be rendered in favor of petitioners and against respondent BANK -
- Permanently enjoining respondent BANK from proceeding with the consolidation of its titles to the subject properties of Rosemoor covered by TCT Nos. 42132; 42133; 42134; 42135; 42136 and RT 34569 (T-222448); and permanently restraining respondent Register of Deeds for the Province of Bulacan from registering any document(s) submitted and/or to be submitted by respondent BANK consolidating its titles over the above-named properties of petitioner Rosemoor in San Miguel, Bulacan; and likewise, that the Register of Deeds for the province of Bulacan be restrained and enjoined from cancelling the titles of Rosemoor over its properties, namely, TCT Nos. 42132; 42133; 42134; 42135; 42136 and RT 34569 (T-222448);
- Declaring the foreclosures of Real Estate Mortgages on the properties of petitioners Rosemoor and Dra.

Pascual to be null and void;

- Recognizing the ownership in fee simple of the petitioners over their properties above-mentioned;
- Awarding to petitioners the damages prayed for, including attorney's fees and costs and expenses of litigation.

Petitioners pray for such other reliefs and remedies as may be deemed just and equitable in the premises.[30]

As it did before the Manila RTC, the Bank filed a motion to dismiss on 26 March 2002 on the ground that Rosemoor had engaged in forum-shopping, advertent to the pending Manila case.[31] The Bank further alleged that Dr. Pascual has no cause of action since the properties registered in her name are located in Nueva Ecija. The Malolos RTC denied the motion to dismiss in an Order dated 13 May 2002.[32] In the same Order, the Malolos RTC directed the Bank to file its answer to the petition within five (5) days from notice.[33]

Despite receipt of the Order on 21 May 2002, the Bank opted not to file its answer as it filed instead a motion for reconsideration on 5 June 2002.[34] Meanwhile, Rosemoor and Dr. Pascual moved to declare the Bank in default for its failure to timely file its answer.[35] On 10 September 2002, the Malolos RTC issued an order denying the Bank's motion for reconsideration for lack of merit and at the same time declaring the Bank in default for failure to file its answer.[36]

Hence, the Bank filed a second petition for certiorari before the Court of Appeals, where it assailed the Orders dated 13 May 2002 and 10 September 2002 of the Malolos RTC. During the pendency of this petition for certiorari, the Malolos RTC decided the Malolos case on the merits in favor of Rosemoor.[37] The decision in the Malolos case was also appealed to the Court of Appeals.[38] Based on these developments, the appellate court considered the prayer for preliminary injunction as moot and academic and proceeded with the resolution of the petition, by then docketed as CA-G.R. SP No.73358, on the merits. The appellate court dismissed the petition in a Decision dated 20 June 2003.[39] Undaunted, the Bank filed the petition in G.R. No. 159669 before this Court.

The two petitions before this Court have been consolidated. We find one common issue in G.R. No. 159669 and G.R. No. 163521 - whether Rosemoor committed forum-shopping in filing the two cases against the Bank. The other issues for resolution were raised in G.R. No. 159669, pertaining as they do to the orders issued by the Malolos RTC. These issues are whether the action to invalidate the foreclosure sale was properly laid with the Malolos RTC even as regards the Nueva Ecija properties; whether it was proper for the Malolos RTC to declare the Bank in default; and whether it was proper for the Malolos RTC to deny the Bank's motion to dismiss through a minute resolution.[40]

### Forum-Shopping

The central issue in these consolidated cases is whether Rosemoor committed forum-shopping in filing the Malolos case during the pendency of the Manila case.

The essence of forum-shopping is the filing of multiple suits involving the same parties for the same cause of action, either simultaneously or successively, for the purpose of obtaining a favorable judgment.[41] The elements of forum-shopping are: (a) identity of parties, or at least such parties as represent the same interests in both actions; (b) identity of rights asserted and reliefs prayed for, the reliefs being founded on the same facts; and (c) the identity with respect to the two preceding particulars in the two cases is such that any judgment rendered in the pending cases, regardless of which party is successful, amount to res judicata in the other case.[42]

As to the existence of identity of parties, several bank officers and employees impleaded in the Amended Complaint in the Manila case were not included in the Malolos case. These bank officers and employees were sued in Manila in their personal capacity. A finding of negligence or bad faith in their participation in the

preparation and execution of the loan agreement would render them personally liable. Dr. Pascual, on the other hand, was included as petitioner only in the Malolos case because it involved properties registered in her name. As correctly pointed out by the Court of Appeals, Dr. Pascual is a real party-in-interest in the Malolos case because she stood to benefit or suffer from the judgment in the suit. Dr. Pascual, however, was not included as plaintiff in the Manila case because her interest therein was not personal but merely in her capacity as officer of Rosemoor.

As regards the identity of rights asserted and reliefs prayed for, the main contention of Rosemoor in the Manila case is that the Bank had failed to deliver the full amount of the loan, as a consequence of which Rosemoor demanded the remittance of the unreleased portion of the loan and payment of damages consequent thereto.[43] In contrast, the Malolos case was filed for the purpose of restraining the Bank from proceeding with the consolidation of the titles over the foreclosed Bulacan properties because the loan secured by the mortgage had not yet become due and demandable.[44] While the right asserted in the Manila case is to receive the proceeds of the loan, the right sought in the Malolos case is to restrain the foreclosure of the properties mortgaged to secure a loan that was not yet due.

Moreover, the Malolos case is an action to annul the foreclosure sale that is necessarily an action affecting the title of the property sold.[45] It is therefore a real action which should be commenced and

tried in the province where the property or part thereof lies.[46] The Manila case, on the other hand, is a personal action[47] involving as it does the enforcement of a contract between Rosemoor, whose office is in Quezon City, and the Bank, whose principal office is in Binondo, Manila.[48] Personal actions may be commenced and tried where the plaintiff or any of the principal plaintiffs resides, or where the defendants or any of the principal defendants resides, at the election of the plaintiff.[49]

It was subsequent to the filing of the Manila case that Rosemoor and Dr. Pascual saw the need to secure a writ of injunction because the consolidation of the titles to the mortgaged properties in favor of the Bank was in the offing. But then, this action can only be commenced where the properties, or a portion thereof, is located. Otherwise, the petition for injunction would be dismissed for improper venue. Rosemoor, therefore, was warranted in filing the Malolos case and cannot in turn be accused of forum-shopping.

Clearly, with the foregoing premises, it cannot be said that respondents committed forum-shopping.

Action to nullify foreclosure sale of mortgaged properties in Bulacan and Nueva Ecija before the Malolos RTC

The Bank challenges the Malolos RTC's jurisdiction over the action to nullify the foreclosure sale of the Nueva Ecija properties along with the Bulacan properties. This question is actually a question of venue and not of jurisdiction,[50] which if improperly laid, could lead to the dismissal of the case.[51]

The rule on venue of real actions is provided in Section 1, Rule 4 of the 1997 Rules of Civil Procedure, which reads in part:

Section 1. Venue of Real Actions. Actions affecting title to or possession of real property, or interest therein, shall be commenced and tried in the proper court which has jurisdiction over the area wherein the real property involved, or a portion thereof, is situated.

x x x

The venue of the action for the nullification of the foreclosure sale is properly laid with the Malolos RTC although two of the properties together with the Bulacan properties are situated in Nueva Ecija. Following the above-quoted provision of the Rules of Court, the venue of real actions affecting properties found in different

provinces is determined by the singularity or plurality of the transactions involving said parcels of land. Where said parcels are the object of one and the same transaction, the venue is in the court of any of the provinces wherein a parcel of land is situated.[52]

Ironically, the Bank itself correctly summarized the applicable jurisprudential rule in one of the pleadings before the Court.[53] Yet the Bank itself has provided the noose on which it would be hung. Resorting to deliberate misrepresentation, the Bank stated in the same pleading that "the Bulacan and Nueva Ecija [p]roperties were not the subject of one single real estate mortgage contract." [54]

In the present case, there is only one proceeding sought to be nullified and that is the extra-judicial mortgage foreclosure sale. And there is only one initial transaction which served as the basis of the foreclosure sale and that is the mortgage contract. Indeed, Rosemoor, through Dr. Pascual, executed a lone mortgage contract where it undertook to "mortgage the land/real property situated in Bulacan and Nueva Ecija," with the list of mortgaged properties annexed thereto revealing six (6) properties in Bulacan and two (2) properties in Nueva Ecija subject of the mortgage.

This apparent deliberate misrepresentation cannot simply pass without action. The real estate mortgage form supplied to Rosemoor is the Bank's standard pre-printed form. Yet the Bank perpetrated the misrepresentation. Blame must be placed on its doorstep. But as the Bank's pleading was obviously prepared by its counsel, the latter should also share the blame. A lawyer shall not do any falsehood, nor consent to the doing of any in court; nor shall he mislead, or allow the Court to be misled by any artifice.[55] Both the Bank's president and counsel should be made to explain why they should not be sanctioned for contempt of court.

#### Propriety of Default Order

The Court of Appeals did not touch upon the soundness or unsoundness of the order of default although it is one of the orders assailed by the Bank. However, the silence of the appellate court on the issue does not improve the legal situation of the Bank.

To recall, the Bank filed a motion to dismiss the Malolos case. The Malolos RTC denied the motion in an Order dated 13 May 2002.[56] In the same Order, the Malolos RTC directed the Bank to file

its answer to the petition within five (5) days from the receipt of the Order.[57] The Bank received a copy of the Order on 21 May 2002. Instead of filing an answer, the Bank filed a motion for reconsideration but only on 5 June 2002.[58]

The motion for reconsideration[59] could not have tolled the running of the period to answer for two reasons. One, it was filed late, nine (9) days after the due date of the answer. Two, it was a mere rehash of the motion to dismiss; hence, pro forma in nature. Thus, the Malolos RTC did not err in declaring the Bank in default.

#### Deviation from the Prescribed Content of an Order Denying a Motion to Dismiss

Finally, the Bank questions the Malolos RTC's Order dated 13 May 2002 denying its motion to dismiss on the ground that it is contrary to law and jurisprudence because it had failed to apprise the Bank of the legal basis for the denial.

The Bank adverts to the content requirement of an order denying a motion to dismiss prescribed by Sec. 3, Rule 16 of the Rules of Court. The Court in *Lu Ym v. Nabua*[60] made a thorough discussion on the matter, to quote:

Sec. 3, Rule 16 of the Rules provides:

Sec. 3. Resolution of motion.-After the hearing, the court may dismiss the action or claim, deny the motion or

order the amendment of the pleading.

The court shall not defer the resolution of the motion for the reason that the ground relied upon is not indubitable.

In every case, the resolution shall state clearly and distinctly the reasons therefor.

x x x x

Further, it is now specifically required that the resolution on the motion shall clearly and distinctly state the reasons therefor. This proscribes the common practice of perfunctorily dismissing the motion for "lack of merit." Such cavalier dispositions can often pose difficulty and misunderstanding on the part of the aggrieved party in taking recourse therefrom and likewise on the higher court called upon to resolve the same, usually on certiorari.[61]

The questioned order of the trial court denying the motion to dismiss with a mere statement that there are justiciable questions which require a full blown trial falls short of the requirement of Rule 16 set forth above. Owing to the terseness of its expressed justification, the challenged order ironically suffers from undefined breadth which is a hallmark of imprecision. With its unspecific and amorphous thrust, the issuance is inappropriate to the grounds detailed in the motion to dismiss.

While the requirement to state clearly and distinctly the reasons for the trial court's resolatory order under Sec. 3, Rule 16 of the Rules does call for a liberal interpretation, especially since jurisprudence dictates that it is decisions on cases submitted for

decision that are subject to the stringent requirement of specificity of rulings under Sec. 1, Rule 36[62] of the Rules, the trial court's order in this case leaves too much to the imagination. (Emphasis supplied.)[63]

The assailed order disposed of the motion to dismiss in this wise:

x x x x

After a careful scrutiny of the grounds cited in the Motion to Dismiss and the arguments en contra contained in the Opposition thereto and finding the Motion to Dismiss to be not well taken as grounds cited are not applicable to the case at bar, the Court hereby DENIES the instant Motion to Dismiss.

x x x x[64]

Clearly, the subject order falls short of the content requirement as expounded in *Lu Ym v. Nabua*. Despite the aberration, however, the Bank was not misled, though it could have encountered difficulties or inconvenience because of it. Comprehending, as it did, that the Malolos RTC did not share its position that Rosemoor had engaged in forum-shopping, it went to great lengths to impress upon the Court of

Appeals that there was indeed forum-shopping on Rosemoor's part. But the appellate court did not likewise agree with the Bank as it soundly debunked the forum-shopping charge. In fact, the same forum-shopping argument has been fully ventilated before the Court but we are utterly unimpressed as we made short shrift of the argument earlier on. In the ultimate analysis, therefore, the trial court's blunder may be overlooked as it proved to be harmless.

WHEREFORE, considering the foregoing, the Decision of the Court of Appeals in G.R. 163521 dated 26 February 2004 and in G.R No. 159669 dated 20 June 2003 are AFFIRMED. Costs against petitioner. Petitioner, United Overseas Bank, Phils. and its counsel, Siguion Reyna Montecillo & Ongsiako Law Offices, are given ten (10) days from notice to EXPLAIN why they should not be held in contempt of court for making a misrepresentation before the Court as adverted to in this Decision.

**SO ORDERED.**

Quisumbing, (Chairperson), Carpio, Carpio Morales, and Velasco, Jr., JJ., concur.

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[1] Now United Overseas Bank Philippines.

[2] Rollo, (G.R. No. 159669), p. 73.

[3] Id. at 159-161; Real Estate Mortgage.

[4] Covered by Transfer Certificate of Title Nos. 42132, 42133, 42134, 42135, 42136 and 34569.

[5] Rollo, (G.R. No. 159669), p. 73

[6] Covered by Transfer Certificate of Title Nos. NT- 12627 and NT-12628.

[7] Rollo, (G.R. No. 163521), p. 14.

[8] Id. at 15 and 271.

[9] Id. at 15 and 273.

[10] Id.

[11] Rollo, (G.R. No. 159669), p. 73.

[12] Rollo, (G.R. No. 163521), p. 15.

[13] Id. at 221-235.

[14] Id. at 62.

[15] Id. at 2660286.

[16] Impleaded as defendants in the Second Amended Complaint were Florido Casuela, Avelina Dela Cruz, Proserfina Cruz, and Rolando Castro. Casuela was included as a former Vice President of the Bank while Dela Cruz, Cruz, and Castro were impleaded as incumbent Vice President, Manager, and Senior Officer, respectively, of the Bank. See Rollo, (G.R. No. 163521), pp. 267-268.

[17] Id. at 237-242; Urgent Motion to Dismiss.

[18] Id. at 327-328.

[19] Id. at 283-284.

[20] Id. at 63; CA Decision.

[21] Id. at 65.

[22] Id. at 404. See also p. 65.

The pertinent portion of the Order reads:

There is no forum shopping.

There is forum shopping when in two or more cases pending there is identity of (a) parties, (b) rights or causes of action and (c) relief sought, (*Buan v. Lopez*, 145 SCRA 34). These requisites are not present in the *Bulacan* case, the action is for Injunction with damages, while the case before this Court is for Accounting, Specific

Performance and Damages. Thus, the case of *Denville Maritime, Inc. v. Commission on Audit*, 175 SCRA 701 cited[,] by the defendants does not apply.

WHEREFORE, the Motion to Dismiss is DENIED for lack of merit.

**SO ORDERED.**

[23] Id. at 65.

[24] Id. at 61-68, Decision of the Court of Appeals is dated 26 February 2004, penned by Associate Justice Rodrigo V. Cosico with the concurrence of Associate Justices Mariano C. Del Castillo and Vicente Q. Roxas.

[25] Id. at 70-71.

[26] Id. at 29.

[27] Rollo, (G.R. No. 159669), pp. 230-238.

[28] Id. at 74.

[29] Id.

[30] Id. at 236-237.

[31] Id. at 363.

[32] Id. at 75.

[33] Id.

[34] Id.; id. at 363.

[35] Id.

[36] Id.

[37] Id. at 367; dispositive part of which reads:

WHEREFORE, premises considered, judgment is hereby rendered in favor of petitioners and against respondents, to wit:

- The Writ of Preliminary Injunction issued by this Court on 25 March 2002 is hereby made permanent;
- Declaring as null and void the Real Estate Mortgage executed by petitioner corporation in favor of respondent Bank (Exhibits "D" and "E") and the subsequent foreclosures of such mortgages;
- Ordering the respondent United Overseas Bank Philippines to pay unto petitioners as follows:
  - P2,000,000.00 as moral and exemplary damages unto Dra. Lourdes Pascual (P1,000,000.00 as moral damages; P1,000,000.00 as exemplary damages);
  - P13,000,000.00 unto petitioner Rosemoor Mining and Development Corporation as moral and exemplary damages (P3,000,000.00 as moral damages and P10,000,000.00 as exemplary damages); and
  - P100,000.00 unto petitioner as attorney's fees, plus cost of litigation.

SO ORDERED.

[38] Id. at 75 citing CA rollo, pp. 463-466.

[39] Id. at 72- 79; Penned by Associate Justice Romeo A. Brawner with the concurrence of Associate Justices Eliezer R. Delos Santos and Regalado E. Maambong.

[40] Rollo, (G.R. No. 163521), p. 584.

[41] Mondragon Leisure and Resorts Corporation v. United Coconut Planters Bank, G.R. No. 154187, 14 April 2004, 427 SCRA 585.

[42] Id. See also Valencia v. Court of Appeals, 331 Phil. 590, 603 (1996).

[43] Rollo, (G.R. No. 163521), pp. 283-284.

[44] Id. at 236-237.

[45] Fortune Motors, (Phils.), Inc. v. Court of Appeals G.R. No. 76431, 16 October 1989, 178 SCRA 564, 568-569.

[46] Rules of Court, Rule 4, Sec. 1.

[47] A personal action is one brought for the recovery of personal property or for the enforcement of some contract or for the recovery of damages for its breach, or the recovery of damages for the commission of an injury to the person or property. See Asset Privatization Trust v. Court of Appeals, 381 Phil. 530, 550 (2000) citing The Dial Corporation v. Soriano, G.R. No. L-82330, May 31, 1988, 161 SCRA 737, 742 citing Hernandez v. DBP, L-31095, June 18, 1976, 71 SCRA 290, 292.

[48] Rollo, (G.R. No. 159669), p. 159.

[49] Rules of Court, Rule 4, Sec. 2.

[50] Unimasters Conglomeration, Inc. v. Court of Appeals, 335 Phil. 415 (1997).

[51] Rules of Court, Rule 16, Sec. 1(c).

[52] Regalado, Remedial Law Compendium, Vol. 1 (1999 ed.), p. 105, citing El Hogar Filipino v. Seva, 57 Phil. 573 (1932).

[53] Rollo, (G.R. No. 159669), p. 597. Vide Petitioner's Memorandum. The Bank stated:

"Where the subject matter of the action involves various parcels of land situated in different provinces, the venue is determined by the singularity or plurality of the transactions involving said parcels of land. Thus, where said parcels are the objects of one and the same transaction, the venue was in the then CFI of any of the provinces wherein a parcel of land is situated" (Regalado, Remedial Law Compendium, Vol. 1, p. 105). As enunciated by the Supreme Court in El Hogar Filipino v. Seva (G.R. No. 36627, 19 November 1932), it is only "when various parcels of land or real property situated in different provinces, are included in one mortgage contract, (that) the Court of First Instance of the province wherein they are situated or a part thereof is situated, has jurisdiction to take cognizance of an action for the foreclosure of said mortgage, and the judgment therein rendered may be executed in all the other provinces wherever the mortgaged real property may be found."

[54] Id. at 596-597.

[55] Code of Professional Responsibility, Chapter III, Rule 10.01.

[56] Rollo (G.R. No. 159669), p. 75.

[57] Id.

[58] Id. at 363.

[59] Id. at 287-291.

[60] G.R. No. 161309, 23 February 2005, 452 SCRA 298.

[61] *Pefianco v. Moral*, 379 Phil. 468 (2000); *Intramuros Administration v. Contacto*, 450 Phil. 765 (2003).

[62] SECTION 1. Rendition of judgments and final orders.- A judgment or final order determining the merits of the case shall be in writing personally and directly prepared by the judge, stating clearly and distinctly the facts and the law on which it is based, signed by him, and filed with the clerk of the court.

[63] Id. at 307-307.

[64] *Rollo*, (G.R No. 159669), pp. 283-284; Order dated 13 May 2002; Penned by Presiding Judge Thelma R. Pinero Cruz.

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