

SECOND DIVISION

[G.R. No. 171525, July 23, 2010]

**ST. CATHERINE REALTY CORPORATION AND LAND KING REALTY
DEVELOPMENT CORPORATION, PETITIONERS, VS. FERDINAND
Y. PINEDA AND DOLORES S. LACUATA, RESPONDENTS.**

D E C I S I O N

CARPIO, J.:

The Case

Before the Court is a petition for review^[1] assailing the 29 December 2005 Decision^[2] and 14 February 2006 Resolution^[3] of the Court of Appeals in CA-G.R. SP No. 82909.

The Antecedent Facts

On 5 March 1991, Ferdinand Y. Pineda (Pineda) bought a parcel of land from George Lizares (Lizares) which was part of a 19.42 hectare property known as Lot No. 2012 registered under Transfer Certificate of Title (TCT) No. 3533. On even date, Dolores S. Lacuata (Lacuata) bought from Lizares 1.83 hectares of land known as Lot No. 2013 registered under TCT No. 3531. At the time of the sale, the properties were still under the name of Encarnacion Lizares (Encarnacion) from whom Lizares acquired them, prompting Pineda and Lacuata (respondents) to record adverse claims on the titles.

On 26 July 1994, respondents filed an action for specific performance against Lizares and his wife Francesca Musni before the Regional Trial Court of San Fernando, Pampanga, Branch 45 (RTC Branch 45). The case was docketed as Civil Case No. 10265. Respondents prayed for the surrender and cancellation of TCT Nos. 3531 and 3533 and for the issuance of new copies to allow the registration of the sale in favor of Lacuata on TCT No. 3531 and the segregation of the parcel of land bought by Pineda from TCT No. 3533. Respondents were joined in their complaint by their counsel, Atty. Ernesto Pineda (Atty. Pineda), who also bought from Lizares a portion of a five-hectare land covered by TCT No. 3522. Atty. Pineda filed a notice of *lis pendens* over the lots covered by TCT Nos. 3522, 3531 and 3533, as well as other lots over which he claimed attorney's lien.

It appears that the lots covered by TCT Nos. 3531 and 3533 were placed under the land reform program and were parceled out to agricultural tenants through emancipation patents issued in 1993. In February 1994, prior to the filing of Civil Case No. 10265, Lizares filed an action before the Provincial Agrarian Reform Adjudicator (PARAD) for the annulment of the inclusion of his lands under Presidential Decree No. 27.^[4] In April 1995, Lizares filed three more complaints for the cancellation of the emancipation patents issued in favor of the agricultural

tenants. PARAD dismissed the complaints. In 1997, the Department of Agrarian Reform Adjudication Board (DARAB) affirmed the PARAD's decision.

The recipients of the emancipation patents, which at that time had become the registered owners of the land subject of the complaint, filed a Motion for Leave to Intervene as Party Defendants, with Motion to Dismiss and Cancellation of Lis Pendens, in Civil Case No. 10265. In an Order^[5] dated 5 May 1997, the RTC Branch 45 dismissed Civil Case No. 10265 without prejudice. The RTC Branch 45 ruled that the prayer for the cancellation of the TCTs in the name of Encarnacion was rendered moot but the plaintiffs could file a criminal action or an action for damages against Lizares. The RTC Branch 45 opined that when the lots were brought under the Land Reform Program, they could no longer be sold and the sale to respondents was null and void. Respondents, as well as Atty. Pineda, appealed from the decision in Civil Case No. 10265 before the Court of Appeals. The case was docketed as CA-G.R. CV No. 56769. In a Resolution dated 8 March 2000,^[6] the Court of Appeals dismissed the appeal. In a Resolution dated 17 May 2000,^[7] the Court of Appeals denied the motion for reconsideration for late filing. A petition for review, docketed as G.R. No. 143492, was filed before this Court. This Court denied the petition on 21 August 2000^[8] for failure of petitioners to give an explanation on why service of copies of the petition on respondents was not done personally. This Court denied the motion for reconsideration on 25 June 2001.^[9]

Meanwhile, Lizares filed a petition for review from the DARAB's decision before the Court of Appeals. The case was docketed as CA-G.R. SP No. 47502. On 29 November 2000,^[10] the Court of Appeals dismissed the petition and affirmed the DARAB's decision. On 26 June 2001,^[11] the Court of Appeals denied the motion for reconsideration. Lizares, representing the estate of Encarnacion, file a petition for review^[12] before this Court, docketed as G.R. No. 148777. The case was still pending upon the filing of CA-G.R. SP No. 82909.

The case before us originated from Civil Case No. 12194 filed on 8 January 2001 by respondents before the Regional Trial Court of San Fernando, Pampanga, Branch 44 (RTC Branch 44) against St. Catherine Realty Corporation (SCRC) and Land King Realty Development Corporation (LKRDC), the Registrar of Deeds of San Fernando, Pampanga, and Tomas Dizon for annulment of titles and damages. At the time of filing of Civil Case No. 12194, G.R. No. 143492 (originating from Civil Case No. 10265) was still pending before this Court and CA-G.R. SP No. 47502 was still pending before the Court of Appeals. Respondents alleged that the properties they purchased from Lizares were subdivided and transferred to subsequent buyers,^[13] the latest buyers being SCRC and LKRDC (petitioners) who were buyers in bad faith. Respondents alleged that the Registrar of Deeds failed to carry over their adverse claims annotated on TCT Nos. 3533 and 3531 in the subsequent titles. Petitioners filed a motion to dismiss on the ground that respondents submitted a false certification of forum shopping.

The Decision of the Trial Court

In an Order dated 29 August 2001,^[14] the RTC Branch 44 granted the motion to dismiss and dismissed the complaint. Respondents filed a motion for reconsideration. In an Order dated 31 July 2002,^[15] the RTC Branch 44 set aside

its 29 August 2001 Order and directed petitioners to file their answer to the complaint. It was petitioners' turn to move for reconsideration of the trial court's order, with motion for inhibition of Judge Patrocinio R. Corpuz (Judge Corpuz). In an Order dated 23 September 2002, Judge Corpuz inhibited himself from further hearing the case.

The case was re-raffled to the Regional Trial Court of San Fernando, Pampanga, Branch 47 (RTC Branch 47). In an Order dated 20 January 2004,^[16] the RTC Branch 47 denied the motion for reconsideration for lack of merit. Petitioners filed a petition for certiorari before the Court of Appeals assailing the 31 July 2002 Order of RTC Branch 44 and the 20 January 2004 Order of RTC Branch 47. The case was docketed as CA-G.R. SP No. 82909.

The Decision of the Court of Appeals

In its 29 December 2005 Decision, the Court of Appeals dismissed the petition. The Court of Appeals ruled that while the certification against forum shopping did not mention about any other prior case, the complaint mentioned Civil Case No. 10265. The Court of Appeals ruled that if the purpose of the certification against forum shopping was to put a court on guard against the possibility of forum shopping, the purpose had been accomplished with the advertence to and discussion about Civil Case No. 10265 in the complaint. As regards CA-G.R. SP No. 47502, the Court of Appeals ruled that it was filed by Lizares and there was no showing that respondents were aware of the DARAB cases.

The Court of Appeals ruled that for *litis pendencia* to bar a second action, the following requisites must be present: (1) identity of parties or at least such as representing the same interest in both actions; (2) identity of rights and reliefs; and (3) identity of actions such that the judgment in one will amount to res judicata in the other. The Court of Appeals ruled that there was no identity of parties in CA-G.R. SP No. 47502 and in Civil Case No. 12194. The Court of Appeals also ruled that there was also no *litis pendencia* in Civil Case No. 12194 and in Civil Case No. 10265 because the subject matters were different.

Petitioners filed a motion for reconsideration. In its 14 February 2006 Resolution, the Court of Appeals denied the motion.

Hence, the petition before this Court.

The Issue

The issue in this case is whether respondents were guilty of forum shopping.

The Ruling of this Court

The petition has merit.

Forum shopping is the institution of two or more suits in different courts, either simultaneously or successively, in order to ask the courts to rule on the same or related causes or to grant the same or substantially the same reliefs.^[17] It is an act of malpractice that is prohibited and condemned because it trifles with the courts