

## THIRD DIVISION

[ G.R. No. 183843, January 19, 2011 ]

**GOLDEN ARCHES DEVELOPMENT CORPORATION, PETITIONER,  
VS. ST. FRANCIS SQUARE HOLDINGS, INC., RESPONDENT.**

### DECISION

**CARPIO MORALES, J.:**

In June 1991, Golden Arches Development Corporation (petitioner) entered into a lease contract over a property owned by Prince City Realty, Inc. located at the corner of Julia Vargas Avenue and Bank Drive, Ortigas Center, Mandaluyong City.

The lease contract commenced on June 27, 1991 and was to terminate on February 27, 2008. On November 2, 2006, however, petitioner informed St. Francis Square Holdings, Inc. (respondent), successor-in-interest of ASB Holdings, Inc. by which Prince Realty, Inc. eventually became known, of its intention to discontinue the lease.

Amicable negotiations between the parties having failed, respondent filed on May 4, 2007 an action for breach of contract and damages against petitioner before the Regional Trial Court (RTC) of Mandaluyong.

Petitioner filed a Motion to Dismiss for lack of cause of action and improper venue. It claimed that respondent maintained its principal address in Makati as records of the Securities and Exchange Commission (SEC) in 2007 show, viz: Cover Sheet of Amended Articles of Incorporation<sup>[1]</sup> (wherein it is stated that the business address of ASB Holdings Inc. is at Makati), Company Relationship Information Sheet, and Director's Certificate dated February 3, 2007 stating that ASB Holdings, Inc., with principal address at Makati, had amended its Articles of Incorporation by renaming it (ASB Holdings, Inc.) to St. Francis Square Holdings, Inc., respondent herein, hence, the complaint should have been filed in Makati. By filing the complaint in Mandaluyong, petitioner concluded that respondent violated Section 2, Rule 4 of the Rules of Court which provides:

*Sec. 2. Venue of personal actions.* - All other actions may be commenced and tried where the plaintiff or any of the principal plaintiff resides, or where the defendant or any of the principal defendant resides, or in the case of a non-resident defendant where he may be found, at the election of the plaintiff. (underscoring supplied)

Opposing the Motion to Dismiss, respondent claimed that it had closed down its office in Makati effective December 31, 2005 as it now holds office in Mandaluyong City of which petitioner is aware.