



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

PASIG PRINTING
CORPORATION,

G.R. No. 193592

Petitioner,

- versus -

ROCKLAND CONSTRUCTION
COMPANY, INC.,

Respondent.

X ----- X

REPUBLIC OF THE
PHILIPPINES, represented by the
PRESIDENTIAL COMMISSION
ON GOOD GOVERNMENT
(PCGG) and MID-PASIG LAND
DEVELOPMENT CORPORATION
(MPLDC),

G.R. No. 193610

Petitioner,

- versus -

ROCKLAND CONSTRUCTION
COMPANY, INC.,

Respondent.

X ----- X

MID-PASIG LAND
DEVELOPMENT CORPORATION,
(MPLDC),

G.R. No. 193686

Present:

Petitioner,

VELASCO, JR., J., *Chairperson*.
PERALTA,
ABAD,
MENDOZA, and
LEONEN, JJ.

- versus -

ROCKLAND CONSTRUCTION
COMPANY, INC.,

Promulgated:

Respondent.

February 5, 2014

X ----- X

Macapagal

11

RESOLUTION

MENDOZA, J.:

This resolves the motions for reconsideration filed by (1) Pasig Printing Corporation (*PPC*),¹ and the (2) Republic of the Philippines represented by the Presidential Commission on Good Government (*PCGG*) and Mid-Pasig Land Development Corporation (*MPLDC*),² collectively referred herein as movants, seeking reconsideration and/or clarification of the February 2, 2011 Resolution³ rendered by this Court in G.R. No. 193592 and G.R. No. 193610, dismissing the petitions for being moot and academic; and in G.R. No. 193686, declaring it closed and terminated as no petition had been filed within the requested extension time.

In the February 2, 2011 Resolution, the Court dismissed the movants' petition for review on certiorari, which assailed the May 11, 2010 Decision and the August 27, 2010 Resolution (*collectively, issuances*) of the Court of Appeals (*CA*) in CA-G.R. SP No. 101202, in light of its ruling in *Mid-Pasig Land Development Corporation v. Mario Tablante, et al.*⁴ (*Tablante*). The *CA* held that the issue of possession over the Payanig property or Home Depot property (*subject property*) had become moot and academic considering the expiration of the 3-year extended period of the contract of lease between *MPLDC* and Rockland Construction Company (*Rockland*).

The crux of this controversy is the issue of possession covering the subject property registered in the name of *MPLDC*. This had been the subject of three cases filed with the trial courts.

It all started when *MPLDC* leased the subject property to *ECRM Enterprises (ECRM)*. Subsequently, *ECRM* assigned all its rights in the contract of lease including the option to renew to *Rockland*. Later, *Rockland* erected a building on the area and subleased certain portions to *MC Home Depot*. In December of 2000, *MPLDC* demanded that *Rockland* vacate the property.

To pre-empt any action by *MPLDC*, on January 11, 2001, *Rockland* filed the *first* of the three cases – a civil case for specific performance docketed as Civil Case No. 68213, asking *MPLDC* to execute a 3-year extended contract of lease in its favor.

¹ *Rollo* (G.R. No. 193592), p. 311.

² *Id.* at 299.

³ *Id.* at 297.

⁴ G.R. No. 162924, February 4, 2010, 611SCRA 528.

To protect its interest, on August 22, 2001, MPLDC filed the *second* case, an unlawful detainer case, before the Metropolitan Trial Court of Pasig City (*MeTC*), where it was docketed as Civil Case No. 8788.

The specific performance case (Civil Case No. 68213) reached its way to the Court when MPLDC filed a petition questioning the CA affirmation of the RTC's denial of its motion to dismiss on account of the subsequent filing of the unlawful detainer case (Civil Case No. 8788) with the MeTC. Before the Court could rule on the merits of the petition with regard to the specific performance case, the separate unlawful detainer case was dismissed by the MeTC on April 29, 2002, reasoning out that the issue sought to be resolved was not one of possession, but an exercise of the option to renew a contract cognizable by the RTC.

On October 8, 2003, the Court granted MPLDC's petition, stating, among others, that the issues in the specific performance case should be addressed in the unlawful detainer proceedings before the MeTC, thus, the specific performance case was dismissed.

At this point, the CA decision in the unlawful detainer case was elevated to the Court as G.R. No. 162924, entitled *Mid-Pasig Land Development Corporation v. Mario Tablante (Tablante)*.

On February 4, 2010, in *Tablante*, the Court declared that a remand to the MeTC for the unlawful detainer case would have been proper if not for the circumstances which rendered the issue of possession moot and academic. Hence, the Court declared the case as closed and terminated. The Court disposed:

WHEREFORE, the petition is **GRANTED**. The assailed Resolution of the Court of Appeals are **REVERSED** and **SET ASIDE**. However, in view of the developments which have rendered the issue of the right of possession over the subject property moot and academic, the main case is hereby considered **CLOSED AND TERMINATED**.

No pronouncement as to costs.

SO ORDERED. ⁵

Despite its mootness as held in *Tablante*, the issue of possession again surfaced in the *third* case, an indirect contempt case pending before the RTC docketed as SCA Case No. 2673. This was filed against MPLDC for its refusal to reconnect the electric supply in the subject property. On

⁵ *Rollo* (G.R. No. 193592), pp. 254-255.

September 17, 2004, this case was dismissed. The RTC, however, awarded the possession to MPLDC with Rockland being ordered to refrain from exercising any possessory rights over the same.

On October 12, 2004, PPC moved to intervene in SCA Case No. 2673, claiming interest over the property based on an alleged option to lease granted to it by MPLDC on March 1, 2004.

On November 12, 2004, the RTC issued the Omnibus Order denying Rockland's motion for reconsideration on the dismissal of the indirect contempt case, granting PPC's motion to intervene, and ordering the immediate implementation of the September 17, 2004 Resolution. As ordered by the RTC:

WHEREFORE, premises considered, the Motion for Reconsideration, dated September 27, 2004, is denied and the dispositive portion of this Court's Resolution, dated September 17, 2004, is hereby reiterated and re-affirmed.

Moreover, the instant Urgent Motion to Intervene, filed by Intervenor Pasig Printing Corporation, is hereby granted. Likewise, the prayer for immediate execution of the Resolution of this Court, dated September 17, 2004, is also hereby granted.

Consequently, pursuant to the Intervenor's prayer, the Court's Sheriff is hereby directed to implement forthwith the subject Resolution, dated September 17, 2004, employing reasonable force, if necessary, including the padlocking of the MC Home Depot premises, located at Ortigas Avenue corner Meralco Avenue, Pasig City, Metro Manila and make the corresponding return thereon immediately. Let the Clerk of Court issue the corresponding Writ of Execution for the implementation of the subject Resolution dated September 17, 2004.

SO ORDERED.⁶

On November 16, 2004, the above resolution was implemented by the Sheriff, thus, possession of the subject property was turned over to PPC on the basis of the option to lease agreement with MPLDC.

On appeal, the CA affirmed, in its Decision,⁷ dated *January 25, 2005*, the dismissal of the indirect contempt case, but annulled the award of possession to MPLDC. The dispositive portion of the said decision reads:

⁶ As cited by the CA in its January 25, 2005 Decision, *rollo* (G.R. No. 193592), p. 134.

⁷ *Rollo* (G.R. No. 193592), p. 121.

WHEREFORE, the assailed Resolution dated September 17, 2004 and the Omnibus Order dated November 12, 2004 are hereby partially **AFFIRMED**, that is, *only* insofar as they dismissed the charge for indirect contempt against Mid-Pasig Land Development Corporation, Ernesto R. Jalandoni, Manila Electric Company and Alfonso Y. Lacap. The same Resolution and Omnibus Order are **ANNULLED and SET ASIDE** in all other respects, specifically insofar as they 1) declared Mid-Pasig as the rightful possessor of the subject property; 2) ordered Rockland to refrain from exercising any possessory right over the same; and 3) granted Pasig Printing Corporation's Motion to Intervene and for Immediate Execution. Accordingly, the Writ of Execution issued on November 16, 2004, by virtue of which the possession of the subject property was turned over to private respondent Pasig Printing Corporation, is likewise **NULLIFIED and SET ASIDE**.

No pronouncement as to costs.

SO ORDERED. ⁸

Again, the above decision of the CA reached the Court. In its resolution on the petition, dated August 31, 2005, and in another resolution on the motion for reconsideration, dated December 7, 2005, the CA's ruling was affirmed.

Believing that the affirmation awarded the possession of the property to it, Rockland sought restoration in the possession of the subject. In the course of the execution proceedings, the trial court issued flip-flopping orders, the last (August 10, 2007 RTC Order)⁹ of which awarded the possession to PPC.

In its *May 11, 2010 Decision*¹⁰ involving a petition questioning the August 10, 2007 RTC order, the CA ruled that the order, dated March 29, 2007, directing movants to restore Rockland in the possession of the property be reinstated, to wit:

ACCORDINGLY, the petition is **GRANTED**. The Order dated August 10, 2007 is **NULLIFIED and SET ASIDE**, and the Order dated March 29, 2007 **REINSTATED**. Respondent Judge is directed to immediately implement the Order dated March 29, 2007, without any further delay. Costs against Mid-Pasig Land Development Corporation and Pasig Printing Corporation.¹¹

With movants' motion for reconsideration denied by the CA on August 27, 2010, petitions for certiorari under Rule 45 were filed before this Court.

⁸ Id. at 146-147.

⁹ Id. at 224.

¹⁰ Id. at 36.

¹¹ Id. at 48.

On February 2, 2011, the Court dismissed the petitions reiterating its pronouncement in *Tablante* that the issue of possession and other related issues had become moot and academic.

Hence, this motion for reconsideration seeking clarification and/or reconsideration of the Court's February 2, 2011 Resolution dismissing the cases.

Disposition of the Motions

The Court finds merit in the motions.

After a thorough review of the records, the Court agrees with the movants in their submission that the dismissal of the petitions would affirm an erroneous ruling which effectively restored the possession of the subject property to Rockland despite the expiration of its contract of lease.

Prior to the issuance of the assailed *May 11, 2010* CA Decision, however, the Court, on February 4, 2010, came out with its decision in *Tablante*, where it was written:

Petitioner [Mid-Pasig Land Development Corporation], in its Memorandum dated October 28, 2005, alleged that respondents' possessory claims had lapsed and, therefore, had become moot and academic. Respondent Rockland prayed that a three year-period be granted to it in order that it would be able to plan its activities more efficiently. Since the claimed "lease contract" had already expired as of July or August 2003, there appears no reason why respondents should continue to have any claim to further possession of the property.

Respondent Rockland also stated in its Memorandum dated March 16, 2006 that it was no longer in possession of the subject property considering that:

50. In a Resolution dated 17 September 2004, in the case of "Rockland Construction Company, Inc. v. Mid-Pasig Land Development Corporation, et. al., docketed as SCA No. 2673 and the Omnibus Order dated 12 November 2004, affirming the aforesaid Resolution, Branch 67 Pasig City Regional Trial Court Presiding Judge Mariano M. Singzon awarded possession (albeit erroneously) of subject property to Pasig Printing Corporation, an intervenor in the SCA case.

51. At present, petitioner does not have a cause of action against herein respondent Rockland. Respondent is not unlawfully withholding possession of the property in question as in fact respondent is not in possession of the subject property. The issue of

possession in this ejectment case has therefore been rendered moot and academic.

This allegation was confirmed by respondent MC Home Depot, in its Comment/Memorandum dated May 22, 2007 submitted to the Court. It stated therein that “the passage of time has rendered the issue of possession moot and academic with respect to respondent Rockland, as the three-year period has long been expired in 2003. Furthermore, respondent MC Home Depot, Inc. asserts that it is in the rightful possession of the land on the strength of a Memorandum of Agreement dated November 22, 2004 between the latter and Pasig Printing Corporation. By petitioner’s admission that while it remains the registered owner of the land, possession of the same had been adjudicated in favour of Pasig Printing Corporation, another entity without any contractual relationship with petitioner, on the strength of an Order from the RTC of Pasig City. Considering that Pasig Printing Corporation has the *jus possessionis* over the subject property, it granted the MC Home Depot, Inc. actual occupation and possession of the subject property for a period of four (4) years, renewable for another four (4) years upon mutual agreement of the parties.

WHEREFORE, the petition is **GRANTED**. The assailed Resolution of the Court of Appeals are **REVERSED** and **SET ASIDE**. However, in view of the developments which have rendered the issue of the right of possession over the subject property moot and academic, the main case is hereby considered **CLOSED AND TERMINATED**.

No pronouncement as to costs.

SO ORDERED.

Although the above decision considered the “main case” or the issue of possession as moot and academic, as can be gleaned therefrom, the Court granted the petition and reversed the CA. In the process, the Court adjudicated on Rockland’s right to possess the subject property. The Court clearly stated that the said right was *already extinguished by virtue of the expiration of Rockland’s leasehold rights way back in 2003*.

Thus, the movants, in filing their motions, seek the Court’s guidance in determining whether the CA erred in not taking into consideration the mootness of Rockland’s claim when it issued an order commanding the restoration of the property to the latter.

The movants submit that by virtue of the Court’s ruling in *Tablante*, which already attained finality, the CA has erred in declaring that Rockland still has the right to possess the subject property.

The Court agrees.

The CA erred in ordering the restoration of the possession to Rockland. The rule is that:

It is a rule of universal application, almost, that courts of justice constituted to pass upon substantial rights will not consider questions in which no actual interests are involved; they decline jurisdiction of moot cases. And where the issue has become moot and academic, there is no justiciable controversy, so that a declaration thereon would be of no practical use or value. There is no actual substantial relief to which petitioners would be entitled and which would be negated by the dismissal of the petition.¹²

At the time the CA issued its assailed May 11, 2010 decision, the Court had already pronounced in *Tablante* the end of Rockland's claim over the subject property because of the expiration of its lease. By that very fact, Rockland has no more possessory right over it.

Granting that the CA was not aware of *Tablante*, nonetheless, it had no factual or legal basis in ordering the restoration of the possession of the subject property to Rockland. It was very clear in the records that the original lease contract entered into by and between MPLDC and ECRM, the predecessor in interest of Rockland, had long expired in 2003.

In view of the foregoing, the Court has no recourse but to grant the motions. While the main case has been declared closed and terminated for being moot and academic, the Court can decide the case on the merits in view of the peculiar circumstances.¹³ Not to reverse and set aside the May 11, 2010 Decision and the August 27, 2010 Resolution of the CA would allow its disposition to remain intact in the records. It would prejudice the movants because it would allow Rockland to claim possession despite the fact that the contract, on which its right was based, has long expired.

WHEREFORE, the motions for reconsideration are **GRANTED**. Accordingly, the petitions are **GRANTED**. The May 11, 2010 Decision and the August 27, 2010 Resolution of the Court of Appeals are hereby **ANNULLED and SET ASIDE**.


SO ORDERED.



JOSE CATRAL MENDOZA
Associate Justice

¹² *Philippine Long Distance Telephone Company v. Eastern Telecommunications Philippines Inc.*, G.R. No. 163037, February 6, 2013, 690 SCRA 1.

¹³ *David v. Macapagal-Arroyo*, 522 Phil. 806 (2004).

WE CONCUR:


PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

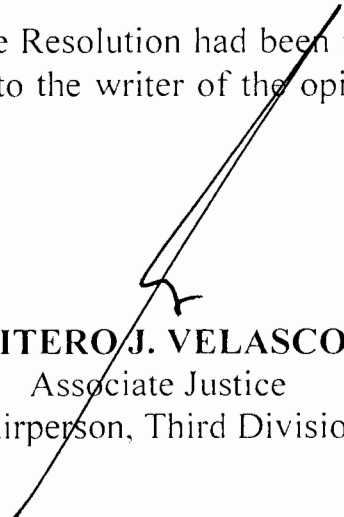

DIOSDADO M. PERALTA
Associate Justice


ROBERTO A. ABAD
Associate Justice


MARVIC MARIO VICTOR F. LEONEN
Associate Justice

ATTESTATION

I attest that the conclusions in the above Resolution had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

C E R T I F I C A T I O N

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Resolution had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



MARIA LOURDES P. A. SERENO
Chief Justice