

Title: Pasig Printing Corporation et al. vs. Rockland Construction Company, Inc.

Facts:

The case arose from a complex legal dispute involving the possession of a property known as the “Payanig property” or “Home Depot property” registered under Mid-Pasig Land Development Corporation (MPLDC). MPLDC initially leased the property to ECRM Enterprises, which later assigned its lease rights to Rockland Construction Company (Rockland). Rockland constructed a building on the property and subleased portions to MC Home Depot. However, after the lease expired, MPLDC demanded Rockland to vacate, leading to a series of legal battles across various courts.

1. **Civil Case No. 68213:** In January 2001, anticipating action from MPLDC, Rockland filed a suit for specific performance to extend the lease. MPLDC responded with an unlawful detainer case (Civil Case No. 8788) at the Metropolitan Trial Court (MeTC) of Pasig City. Despite this, the specific performance case escalated to the Supreme Court, which eventually dismissed it, directing that the issues be addressed in the unlawful detainer proceedings.
2. **G.R. No. 162924 (Tablante):** The unlawful detainer case’s CA decision reached the Supreme Court as Tablante, where the Court declared the issue of possession moot and academic due to the lease’s expiration, thus closing and terminating the case.
3. **SCA Case No. 2673:** An indirect contempt case emerged, with MPLDC accused of not reconnecting electric supply. The RTC dismissed the case but awarded possession to MPLDC. Pasig Printing Corporation (PPC) intervened, claiming interest based on a lease option. The RTC granted PPC’s motions, leading to its possession of the property.
4. **Appeals:** The CA’s later decisions complicated matters by variably affirming dismissals but annulling orders concerning possession, culminating in challenges at the Supreme Court, particularly questioning the CA’s decisions to restore possession to Rockland post-the lease’s expiry.

Issues:

1. Whether the Court of Appeals (CA) erred in restoring the possession of the subject property to Rockland Construction Company, Inc. despite the expiration of the lease contract.
2. If the Supreme Court’s prior declaration of the issue of possession as moot and academic in Tablante binds the current case and impacts the CA’s decisions.

Court's Decision:

The Supreme Court found merit in the motions for reconsideration filed by Pasig Printing Corporation (PPC), the Republic of the Philippines represented by the Presidential Commission on Good Government (PCGG), and MPLDC. It ruled that the CA erred in restoring possession to Rockland Construction Company due to several reasons:

- The issue of possession became moot and academic with the expiration of Rockland's lease.
- The Supreme Court's decision in *Tablante*, which declared the issue of possession moot and academic, effectively extinguished Rockland's right to possess the property.
- The CA, even if unaware of *Tablante*, lacked a factual or legal basis to restore possession to Rockland.

Ultimately, the Supreme Court granted the motions for reconsideration, annulled and set aside the CA's decisions dated May 11, 2010, and August 27, 2010, thereby preventing Rockland from claiming possession over the property based on an expired contract.

Doctrine:

The Supreme Court reiterates the principle that courts decline jurisdiction over moot cases where no actual interests are involved. It emphasized that when an issue becomes moot and academic, there's no justiciable controversy, making any declaration thereof of no practical use or value.

Class Notes:

- **Moot and Academic Principle:** Courts will not decide cases in which no actual interests are involved or when the issue has become moot and academic, as there's no justiciable controversy to resolve.
- **Possessory Rights:** The right to possess a property is contingent upon the validity and subsistence of the legal basis for such possession, such as a lease contract. Once this basis expires or is otherwise terminated, the right to possess also ends.

Historical Background:

The protracted legal battle over the Payanig property highlights the complexities of property law and lease agreements. It underscores how the expiration of a lease can lead to intricate legal disputes over possession and the significance of timely judicial intervention to prevent mootness from complicating case resolutions. Through this case, the Supreme Court clarified the application of the moot and academic principle in property disputes and the necessity of factoring in prior decisions to ensure consistency in judicial rulings.