



REPUBLIC OF THE PHILIPPINES
SUPREME COURT
Manila

SECOND DIVISION

NOTICE

Sirs/Mesdames:

*Please take notice that the Court, Second Division, issued a Resolution dated **25 November 2020** which reads as follows:*

“G.R. No. 201242 (*Maunlad Homes, Inc. and Nemencio C. Pulumbarit, Sr. v. Union Bank of the Philippines*). – Maunlad Homes, Inc., herein represented by its president Nemencio Pulumbarit, Sr. (collectively, *petitioners*), owned several parcels of land forming the commercial complex known as Maunlad Malls 1 and 2, located in Malolos, Bulacan. The properties were mortgaged to Union Bank of the Philippines (*respondent*) which eventually foreclosed said mortgage. The parties entered into a Contract to Sell, for petitioners to essentially buy-back the property on installment. By virtue of said contract, petitioners remained in possession and management of the complex.¹

Petitioners failed to pay installments due, and respondent convinced the tenants of the malls to pay rentals directly to it rather than to petitioners. In response, petitioners filed a Complaint for Injunction with the Regional Trial Court of Malolos, Bulacan (*RTC*), which was docketed as Civil Case No. 297-M-2004. On June 22, 2004, the RTC issued an Order granting the petitioners’ application for Writ of Preliminary Injunction.²

Respondent opposed the preliminary injunction and appealed to the Court of Appeals (*CA*), which set aside the RTC Order. The matter was then elevated to this Court. In Our Decision in G.R. No. 179898,³ We reversed the CA’s Decision and upheld the Order and Writ of Preliminary Injunction issued by the RTC. The ruling became final and executory on December 29, 2010.⁴

¹ *Rollo*, p. 25.

² *Id.*

³ *Maunlad Homes, Inc. v. Union Bank of the Philippines*, 595 Phil. 927 (2008).

⁴ *Rollo*, p. 100.

Pursuant thereto, the RTC issued an Order⁵ dated June 14, 2011, granting petitioners' motion for execution, and issued a Writ of Execution⁶ dated June 16, 2011. Respondent opposed the issuances through a Petition for *Certiorari* before the CA, docketed as CA-G.R. SP No. 119949.⁷

In its November 2, 2011 Decision,⁸ the CA found that the issuances of the RTC and the concomitant Notice to Vacate issued by its sheriff went beyond the express terms of the preliminary injunction as affirmed in G.R. No. 179898, insofar as it ordered the eviction of respondent from the premises. The dispositive portion of the Decision reads:

WHEREFORE, the petition is **PARTIALLY GRANTED**. The assailed *Order* of June 14, 2011 and the *Writ of Execution* of June 16, 2011, both issued by public respondent Judge of the Regional Trial Court of Malolos City, Branch 83 in *Civil Case No. 297-M-2004*, as well as the *Notice to Vacate* issued by the respondent Sheriff pursuant thereto, are hereby **NULLIFIED**, for lack of any legal basis, **insofar as they ordered the eviction of Union Bank from the premises.**

x x x x⁹

Petitioners moved for reconsideration arguing that the CA also went beyond the ruling in G.R. No. 179898. They argued that the contracts of lease entered into by respondent with certain mall tenants are invalid, and that it was the intention of this Court to put petitioners in a position to collect rentals from all mall tenants without distinction. The motion was denied by the CA in its March 28, 2012 Resolution,¹⁰ the dispositive portion of which reads:

WHEREFORE, this Court hereby orders as follows:

x x x x

2. The Motion for Reconsideration is **denied**. Our Decision of November 2, 2011 stands, to the effect that:
 - a. Each party should collect rentals from their own tenants with whom they have existing lease contracts;
 - b. The respondent RTC should immediately compel the parties, ***unassisted by their counsel***, to explore the possibilities of amicably settling the case under the supervision of the court

⁵ Id. at 101-106.

⁶ Id. at 107-109.

⁷ Id. at 64.

⁸ Id. at 56-77; penned by Associate Justice Noel G. Tijam (now a retired member of this Court), with Associate Justices Francisco P. Acosta and Stephen C. Cruz, concurring.

⁹ Id. at 76.

¹⁰ Id. at 79-97.

- towards the end of finally putting closure to the parties' disputes;
or
- c. Should mediation fail, the respondent RTC is *directed* to judiciously resolve the main case of injunction with **DISPATCH**.
3. The motion for the issuance of a stay order or a TRO is **denied**.

SO ORDERED.¹¹

The CA pointed out that there is nothing in the December 23, 2008 Decision in G.R. No. 179898 or the revived RTC Writ of Preliminary Injunction that vests petitioners with the exclusive and perpetual right to collect rentals from tenants even without an existing contract of lease with them.¹²

Petitioners thus filed the instant Petition for Review on *Certiorari*, assailing the ruling of the CA. Petitioners allege that by requiring the parties to "collect rentals from their own tenants with whom they have existing lease contracts," the CA changed or modified this Court's Decision in G.R. No. 179898. Further, they argue that the RTC's Orders and its Sheriff's Notice to Vacate, effectively evicting respondent from the premises, were in accordance with said Decision, and the CA erred in nullifying such orders.

In the meantime, respondent moved for the dismissal of the injunction case with the RTC, in light of this Court's ruling in G.R. No. 190071,¹³ which involved an ejectment case over the same properties and the same parties. The RTC denied the motion, but was reversed on appeal by the CA. The CA dismissed the Complaint for Injunction, for having been rendered moot by our ruling in the ejectment case. The matter again found its way to this Court in G.R. No. 228898,¹⁴ wherein We upheld the ruling of the CA, affirming the dismissal of Civil Case No. 297-M-2004. The Court denied petitioners' Motion for Reconsideration with finality on July 13, 2020.

To recapitulate, Civil Case No. 297-M-2004 is a Complaint for Injunction, from which the preliminary injunction subject matter of this case sprung forth. The relationship between an action for injunction and a preliminary injunction was explained in *Bacolod City Water District v. Labayen*:¹⁵

¹¹ Id. at 96-97.

¹² Id. at 95.

¹³ *Union Bank of the Philippines. v. Maunlad Homes, Inc.*, 692 Phil. 667 (2012).

¹⁴ *Maunlad Homes, Inc. v. Union Bank of the Philippines*, G.R. No. 228898, December 4, 2019.

¹⁵ 487 Phil. 335 (2004).

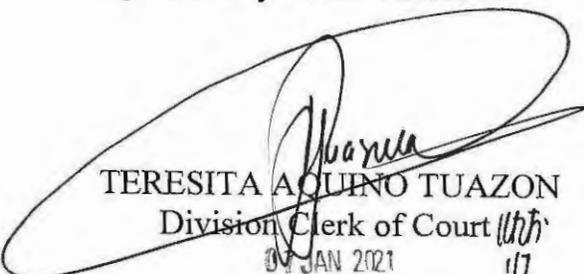
The main action for injunction is distinct from the provisional or ancillary remedy of preliminary injunction which cannot exist except only as part or an incident of an independent action or proceeding. As a matter of course, in an action for injunction, the auxiliary remedy of preliminary injunction, whether prohibitory or mandatory, may issue. Under the law, the main action for injunction seeks a judgment embodying a final injunction which is distinct from, and should not be confused with, the provisional remedy of preliminary injunction, the sole object of which is to preserve the status *quo* until the merits can be heard. A preliminary injunction is granted at any stage of an action or proceedings prior to the judgment or final order. It persists until it is dissolved or until the termination of the action without the court issuing a final injunction.¹⁶

The Writ of Preliminary Injunction is provisional because it constitutes a temporary measure availed of during the pendency of the action and it is ancillary because it is a mere incident in and is dependent upon the result of the main action.¹⁷ Where the main case is found dismissible, as it was in fact dismissed, the Writ of Preliminary Injunction should be deemed lifted.¹⁸ As a consequence, the issues being raised before Us are deemed moot and academic, necessitating the dismissal of the instant case.

WHEREFORE, the petition is hereby **DISMISSED** for having become **MOOT and ACADEMIC**.

SO ORDERED. (Perlas-Bernabe, *J.*, no part; Delos Santos, *J.*, designated additional member per Raffle dated November 11, 2020; Rosario, *J.*, designated additional member per Special Order No. 2797 dated November 5, 2020)”

By authority of the Court:


TERESITA AQUINO TUAZON
Division Clerk of Court (with)
04 JAN 2021 117

¹⁶ Id. at 346-347; citations omitted.

¹⁷ *Buyco v. Baraquia*, 623 Phil. 596, 601 (2009); citation omitted.

¹⁸ Id.

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HON. PRESIDING JUDGE (reg)
Regional Trial Court, Branch 83
Malolos, Bulacan
(Civil Case No. 297-M-2004)

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Please notify the Court of any change in your address.
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