380 Phil. 112

THIRD DIVISION

[G.R. No. 80129, January 25, 2000]

GERARDO RUPA, SR., PETITIONER, VS. THE HONORABLE COURT OF APPEALS AND MAGIN SALIPOT, RESPONDENT.

D E C I S I O N

GONZAGA-REYES, J.:

Before us is a petition for review on certiorari of the Decision[1] of the Court of Appeals (CA), dated June 5, 1987, affirming the dismissal by the Regional Trial Court of Masbate, Branch 46, of the Complaint for Redemption with Damages filed by herein petitioner Gerardo Rupa, Sr. (RUPA) against herein private respondent Magin Salipot (SALIPOT).

The antecedents as found by the CA are as follows:

> "1) On March 26, 1981, herein petitioner Gerardo Rupa filed an action for redemption with damages against Magin Salipot before the then Court of Agrarian Relations, Tenth Regional District, Branch IV, Sorsogon, Sorsogon, claiming that he was the agricultural share tenant for more than 20 years of a parcel of coconut land[2] formerly owned by Vicente Lim and Patrocinia Yu Lim; that since he assumed tenancy over the questioned property, he was the one watching, taking care of and cleaning the coconut plantation; he also gathers coconuts every three months and processes them into copra which he shares with the Lim spouses under a 50-50% sharing basis; that aside from being a share tenant, he is also the overseer of four parcels of coconut land situated in the sitios of Minuswang and Comunal, Armenia, Uson, Masbate also owned by the Lim spouses; that the Lim spouses, however, sold the property to herein respondent Magin Salipot without any prior written or verbal notice to the petitioner in the sum of P5,000.00 sometime in January 1981 (Annex A, Deed of Absolute Sale, Petition); that on February 16, 1981, petitioner came to know about the sale of the property to the respondent when he was informed in writing by the former landowner, and wanting to buy the property for himself, petitioner sought the assistance of the local office of Agrarian Reform at Masbate, Masbate, but no agreement was reached; that the petitioner manifesting his willingness to redeem the questioned property in the same amount of P5,000.00 bought by respondent, deposited the amount with the trial court (Annex "B", Petition). Petitioner, thus, prayed for judgment authorizing his right of redemption over the property including his shares of the harvest, damages and expenses arising herein.
>
> 2) On April 14, 1981, respondent Magin Salipot filed his answer denying petitioner's allegation of tenancy over the questioned property and

claimed that petitioner was hired every now and then to oversee the copra-making of the laborers of spouses Lim, with remuneration based on the weight of copra produced. In his affirmative and special defenses, respondent claimed that he bought the registered parcel of land from the spouses Lim who in turn bought the same from the original registered owner Diego Prieto, who was issued OCT-1853, and since both deeds of sale, one executed by Diego Prieto in favor of the Lim spouses and the second, by the Lim spouses to herein respondent, have not yet been registered or legally conveyed to respondent, the action for redemption filed by the petitioner against respondent is pre-mature; that petitioner had never been a tenant of spouses Lim over the land in question; that the right of redemption had already been lost by laches or non-use, because more than 180 days had lapsed since petitioner had actual knowledge of the sale in favor of respondent.

xxx."[3]

After hearing, the Regional Trial Court of Masbate (which had taken over the Court of Agrarian Relations pursuant to BP 129) rendered a decision dated July 17, 1985, dismissing the complaint on the ground that RUPA was not a tenant of the subject property, thus, not entitled to exercise the right of redemption over the same. RUPA was also held liable in attorney's fees in the amount of ₱5, 000.00 and ₱3, 000.00 as litigation expenses. RUPA filed a notice of appeal. The CA required the parties to file their memoranda within a non-extendible period of 15 days from notice thereof, after which the case shall be considered submitted for decision with or without memoranda.[4] SALIPOT manifested that he was adopting the memorandum filed with the court a quo, while no memorandum was received from RUPA.[5] The decision of the trial court was affirmed *in toto* by the CA in its judgment promulgated on June 5, 1987, holding as follows:

"xxx, this Court finds, as the court a quo also held, that there is no clear and convincing evidence to show that plaintiff was a share tenant of spouses Lim. The admission made by plaintiff Gerardo Rupa in Criminal Case No. 532-U, entitled People of the Philippines vs. Mariano Luzong, filed six months after this instant case was instituted, negates his claim of tenancy. Plaintiff RUPA, during the proceedings in the Criminal Case, admitted that he was the overseer and the administrator of five (5) parcels of land, one of which is this land in question, owned by the Lim spouses in Armenia, Uson, Masbate. This was aptly discussed by the lower court in its decision as follows:

"After an impartial scrutiny and evaluation of the facts and the law involved, the Court finds and so rules that, by a preponderance of proof, plaintiff Gerardo Rupa, Sr., either on July 30, 1979 or in January, 1980 (when the two identical deeds of sale involving the same land in dispute were respectively executed by the Lim spouses in favor of defendant Magin Salipot) was actually not a share-tenant but the overseer and administrator of the Lim spouses of their five (5) parcels of land in Armenia, Uson, Masbate, in the light of his own admission of such fact and status, under oath, in no less than a solemn judicial proceeding which officially commenced on September 9, 1981, particularly in Criminal

> Case No. 532-U of the MCTC of Dimasalang-Palanas-Uson (Exhs. 6 and 6-A), more so because seven (7) months earlier, or specifically on March 21, 1981, he had already commenced the case at bar in Sorsogon, Sorsogon, precisely to ventilate his alleged right of redemption as an ousted share tenant of the land's former owner. The Court notes quite emphatically that herein plaintiff, in making such an admission against his own interest, was fully aware of the pendency of this instant suit but such fact notwithstanding, he nevertheless disclosed under oath that he was, indeed, the overseer and administrator (not a mere share-tenant of the Lim spouses, the two status being inherently incompatible (pp. 100-101 Expediente, Decision)."

The act, declaration or omission of a party as to a relevant fact, may be given in evidence against him (Section 22, Rule 130 of the Rules of Court). At the time the plaintiff-appellant admitted that he was the administrator of Vicente Lim, he had already instituted the action for redemption with damages against Magin Salipot, wherein he alleged that he was the share-tenant of the Lim spouses. Knowing fully well that his right of legal redemption is based on his status as share-tenant, he still admitted, six months later, in Crim. Case 532-U, that he was the administrator of five (5) parcels of land owned by the Lim spouses in Armenia, Uson, Masbate. His admission, which is clearly adverse to his own interest, constitutes an admission receivable against him. A man's act, conduct and declaration, whenever made, if voluntary, is admissible against him for it is fair to presume that they correspond with the truth, and it is his fault if they do not (US vs. Ching Po, 23 Phil. 578, 583).

Futhermore, the observation of the court a quo is correct in taking judicial notice of the proceedings in other causes, because of their close connection with the matter in controversy. (Moran, Comments on the Rules of Court, Vol. 5, 1980 ed. P. 48)

Aside from his own admission that he was the administrator of the Lim spouses, there is no clear and positive proof that Gerardo Rupa performed the duties of a tenant in personally tilling and cultivating the land which he allegedly tenanted. From the decision rendered in Crim. Case 532-U, prosecution witnesses Pablito Arnilla and Antonieta Rongasan admitted that they were the hired laborers of Gerardo Rupa in tilling the land in question (Under R.A. 1199, a share tenant must personally till the land, possibly with the aid of the immediate farm household). The aforenamed witnesses may not have been aware of the implication in admitting that they were the hired laborers of Gerardo Rupa. Their admission detracts from the veracity of the claim of Gerardo Rupa that he personally tilled and cultivated the land as share tenant. As found by the trial court in the said criminal case, "the said piece of evidence (referring to the admissions) of the prosecution is sufficient to create doubt that there is motive on their part, to testify falsely in favor of the complainant Gerardo Rupa, who is so interested in redeeming the property of Magin Salipot wherein Mariano Luzong is the tenant (Exh. 6, page 4)."

> As to Gerardo Rupa's claim of tenancy, Republic Act 1199, which governs the relations between landholders and tenants of coconut lands, defines a tenant as a person who, himself and with the aid available from within his immediate farm household, cultivates the land belonging to, or possessed by another with the latter's consent for purposes of production and sharing the produce with the landholder under the share tenancy system (Sec. 5 (a) RA 1199). A person who does not work or till the land is not a tenant (Rural Progress Administration v. Dimson, L-6068, April 26, 1955; Juanito Viernes v. Rodrigo Reyes, CA-GR No. SP-05989, Feb. 24, 1977). For a person to be considered a tenant, one must perform personally all the phases of cultivation with the aid of the immediate members of his family. Thus, if a tenant merely hires laborers to do all the labor, he is deemed to have waived or abandoned his tenancy rights over the land (Pellejera vs. Lopes. CA-GR No. SP-06719, Oct. 28, 1971). Thus, absent personal cultivation on the part of the plaintiff, no share tenancy relationship can be said to exist between the Lim spouses and Gerardo Rupa.
>
> There is further evidences to show that Gerardo Rupa could not have been the tenant of the Lim spouses over the lot in question at the time of the sale. In his testimony, Vicente Lim, owner of the land in question, testified that Gerardo Rupa was his comprador or agent of copra, and had never been his tenant. He also stated that the plaintiff was the administrator of his five parcels of land in Arsenia, Uson, Masbate (TSN, March 11, 1985, p. 14). This claim is corroborated by the Municipal Treasurer of the Municipality of Uson, Masbate, certifying that Gerardo Rupa had been engaged in business as copra buyer of Armenia, Uson, Masbate from May 19, 1978 to October 10, 1979 (Exh. 4)."[6]

Hence, this petition was filed to seek a reversal of the decision of the CA. According to RUPA, the CA erred in declaring that he is not a share tenant based on passing statements contained in a decision in another case and on the certificate issued by the Office of the Municipal Treasurer that RUPA was engaged in business as copra buyer from May 19, 1978 to October 10, 1979. Consequently, this Court is asked to determine the real status of RUPA, who claims to be a tenant of the subject land and entitled to the benefits of tenancy laws. SALIPOT objects, contending that the instant petition should be dismissed considering that the issue raised is factual and that the admission made by RUPA in the course of a judicial proceeding is a substitute for and reason to dispense with the actual proof of facts.

We do not agree with the contentions of private respondent SALIPOT. The CA committed reversible error in relying mainly on statements made in a decision in another case, and, secondarily on the certificate of the Municipal Treasurer as basis for establishing the status of petitioner as share-tenant in the subject land.

True, whether a person is a tenant or not is basically a question of fact and the findings of the respondent CA and the trial court are, generally, entitled to respect and non-disturbance.[7] In *Talavera vs. Court of Appeals*,[8] this Court held that a factual conclusion made by the trial court that a person is a tenant farmer, if it is supported by the minimum evidence demanded by law, is final and conclusive and cannot be reversed by the appellate tribunals except for compelling reasons.

Inversely, a factual conclusion by the appellate court that the evidence fails to establish the status of a person as a tenant farmer is conclusive on the parties and carries even more weight when said court affirms the factual findings of the trial court. In the case at bar, however, we find there are such compelling reasons for this Court to apply the exception of non-conclusiveness of the factual findings of the trial and appellate courts on the ground that the "findings of fact of both courts is premised on the supposed absence of evidence but is in actuality contradicted by evidence on record."[9] A careful examination of the record reveals that, indeed, both the trial court and the appellate court overlooked and disregarded the overwhelming evidence in favor of RUPA and instead relied mainly on the statements made in the decision in another case.

A tenant is defined under Section 5 (a) of Republic Act No. 1199 as a person who himself and with the aid available from within his immediate farm household cultivates the land belonging to or possessed by another, with the latter's consent, for purposes of production, sharing the produce with the landholder under the share tenancy system, or paying to the landholder a price certain or ascertainable in produce or in money or both under the leasehold tenancy system. Briefly stated, for this relationship to exist, it is necessary that:

1. The parties are the landowner and the tenant;
2. The subject is agricultural land;
3. There is consent;
4. The purpose is agricultural production;
5. There is personal cultivation; and
6. There is sharing of harvests.[10]

Upon proof of the existence of the tenancy relationship, RUPA could avail of the benefits afforded by RA 3844[11], as amended, particularly, Section 12 thereof which reads:

> "SEC. 12. *Lessee's right of redemption*. – In case the landholding is sold to a third person without the knowledge of the agricultural lessee, the latter shall have the right to redeem the same at a reasonable price and consideration: *Provided*, That the entire landholding sold must be redeemed: *Provided, further,* That where there are two or more agricultural lessees, each shall be entitled to said right of redemption only to the extent of the area actually cultivated by him. The right of redemption under this Section may be exercised within two years from the registration of the sale, and shall have priority over any other right of legal redemption."

As correctly pointed out by the CA, this right of redemption is validly exercised upon compliance with the following requirements: a) the redemptioner must be an agricultural lessee or share tenant; b) the land must have been sold by the owner to a third party without prior written notice of the sale given to the lessee or lessees and the DAR in accordance with sec. 11, RA 3844, as amended; c) only the area cultivated by the agricultural lessee may be redeemed; d)the right of redemption must be exercised within 180 days from notice; and e) there must be an actual tender or valid consignation of the entire amount which is the reasonable price of the land sought to be redeemed.[12]