

EIGHTH DIVISION

[CA-G.R. SP NO. 117046, October 31, 2014]

SPOUSES MANUEL DINIO AND LEDA D. DINIO AND DOLORES ALMEDA TAPIA, PETITIONERS, VS. SEVERINO, VIRGINIA, BIENVENIDA, AMELIA AND SALVADOR, ALL SURNAMED ARNALDO AND ESPERANZA Q. VDA. DE ARNALDO, RESPONDENTS.

DECISION

GARCIA-FERNANDEZ, J.:

This is a petition for review^[1] under Rule 43 of the Revised Rules of Court with prayer for temporary restraining order (TRO) and writ of preliminary injunction seeking to reverse and set aside the decision^[2] dated December 19, 2006 and resolution^[3] dated October 15, 2010 of the Department of Agrarian Reform Adjudication Board (DARAB), which reversed and set aside the decision of the Office of the Provincial Agrarian Reform Adjudicator (PARAD).

The facts of the case are as follows:

On May 5, 1989, petitioners spouses Manuel and Leda Dinio purchased a parcel of land from co-petitioner Dolores Almeda Tapia. The subject land is located in Sta. Rosa, Laguna with an area of thirty thousand (30,000) square meters under Transfer Certificate of Title (TCT) No. 56415 issued by the Registry of Deeds of Laguna. TCT No. 56415 was subsequently cancelled and replaced by TCT No. 191426 in the name of petitioner Manuel Dinio.^[4]

On November 8, 1990, respondents Esperanza Vda. De Arnaldo and Severino, Virginia, Bienvenida, Amelia and Salvador, all surnamed Arnaldo filed a complaint^[5] against petitioners with PARAD, alleging among others, that:

- i. From 1948 until October 21, 1972, respondents' predecessor-in-interest, Perfecto B. Arnaldo, with the assistance of respondent Severino Arnaldo, worked on, tilled and cultivated a portion of 1.75 hectares, western portion of rice land mentioned and described under TCT No. 191426 Perfecto and Severino were tenants of Dolores Tapia whose administrator-overseer was Guillermo Garcia. After Perfecto B. Arnaldo's death, respondent Severino Arnaldo continued working, tilling and cultivating the subject land as leasehold-tenant with the knowledge and consent of Guillermo Garcia.
- ii. Without prior written notice to any of the respondents, Dolores Tapia sold the subject property to petitioners on May 5, 1989;
- iii. Respondents should be declared "full owners" of the subject land;
- iv. The Deed of Sale executed by petitioner Manuel Dinio and Dolores Tapia is null and void and TCT No. 191426 should be cancelled and a new one should be

issued in the name of respondents; and

- v. In the event that the foregoing reliefs are not granted, respondents have the right to redeem the subject property from petitioner Manuel Dinio at the price fixed by Presidential Decree No. 27 and Executive Order No. 228 or at its assessed value under Executive Order No. 229.^[6]

In their Answer with Special and Affirmative Defenses, Counterclaim and Cross-claim^[7], petitioners averred that: 1.) Respondents' alleged predecessor-in-interest, Perfecto B. Arnaldo, was never the tenant of the subject property; 2.) The subject property was purchased by petitioners after the Department of Agrarian Reform, through the Provincial and Municipal Agrarian Reform Official for the province of Laguna, certified that it was not tenanted and not covered by Operation Land Transfer; 3.) The subject property ceased to be agricultural, except for a small portion thereof planted of rice by a previous tenant; 4.) The alleged landowner, administrator, overseer or usufructuary of the subject property, Guillermo Garcia, was unknown to petitioners; and 5.) Even assuming arguendo that respondents' predecessor-in-interest, Perfecto B. Arnaldo, was a former tenant of the subject property, respondents had no right to succeed as tenants thereof, as they were not full-fledged members of any farmers' cooperative entitled to the issuance of any land title or to any benefit which only legitimate agricultural tenants are entitled to.^[8]

On June 19, 1998, the PARAD rendered a decision^[9] dismissing respondents' complaint and declaring the subject land untenanted.

Respondents appealed the PARAD's decision to the DARAB. On December 19, 2006, the DARAB reversed and set aside the PARAD's decision, the dispositive portion of which reads, as follows^[10]:

"WHEREFORE, premises considered, the appealed decision is hereby **SET ASIDE** and a **NEW JUDGMENT** is, thus, rendered as follows:

1. Declaring plaintiff-appellant Severino Arnaldo as a bona fide tenant on the subject landholding;
2. Ordering the defendants-appellees to respect and maintain the peaceful possession of, and personal cultivation by, herein tenant of the subject landholding; and
3. Ordering the MARO of Sta. Cruz, Laguna, to assist herein contending parties in executing a Leasehold Contract, with the former determining and fixing the lease rentals to be paid by plaintiff-appellant Severino Arnaldo to defendants-appellees.

SO ORDERED."^[11]

On March 7, 2007, petitioners filed a partial motion for reconsideration^[12]. On May 27, 2008 or after the filing of said partial motion for reconsideration but prior to the

rendition of DARAB's Resolution dated October 15, 2010, respondents voluntarily executed sworn affidavits denominated as Sinumpaang Salaysay and Sama-Samang Salaysay, voluntarily and knowingly waiving and relinquishing all their tenancy rights over the subject property in favor of petitioners.

On October 14, 2008, petitioners filed a Manifestation/Motion^[13] with the DARAB, praying that the case be dismissed and that judgment be rendered in favor of petitioners on the basis of respondents' voluntary waiver and surrender of rights, as evidenced by the Sinumpaang Salaysay and the Sama-Samang Salaysay attached thereto.^[14]

On October 15, 2010, the DARAB issued a Resolution^[15] denying petitioners' partial motion for reconsideration.

Hence, the instant petition.

Petitioners raised the following issues for the determination of this Court:

"I.

WHETHER THE DARAB ERRED IN RECKLESSLY DISREGARDING RESPONDENTS' UNEQUIVOCAL WAIVERS OF ANY AND ALL RIGHTS OVER THE SUBJECT PROPERTY, AS EVIDENCED BY THE SINUMPAANG SALAYSAY AND SAMA-SAMANG SALAYSAY.

II.

WHETHER THE DARAB ERRED IN RULING THAT THERE WAS AN IMPLIED TENANCY AGREEMENT BETWEEN DOLORES TAPIA AND RESPONDENT SEVERINO ARNALDO'S PREDECESSOR IN INTEREST, PERFECTO ARNALDO.

III.

WHETHER THE DARAB ERRED IN RULING THAT RESPONDENT SEVERINO ARNALDO AND HIS PREDECESSOR-IN-INTEREST, PERFECTO ARNALDO, CULTIVATED THE SUBJECT PROPERTY."^[16]

Petitioners contend that the DARAB erred in not dismissing respondents' complaint despite the latter's waiver and relinquishment of all rights over the subject property; that there is no evidence to prove that there was an implied tenancy relationship between Dolores Tapia and respondent Severino Arnaldo's predecessor-in-interest, Perfecto Arnaldo; that even assuming arguendo that Perfecto Arnaldo was a tenant of Dolores Tapia, respondent Severino Arnaldo had no tenancy rights over the subject property because his name does not appear on a document denominated as Rice and Corn Land Tenure Survey, which means that he is not an heir who can succeed Perfecto Arnaldo or he must not have been cultivating the subject property; and that the Masterlist of Farmer Beneficiaries and the Certification showing that Perfecto Arnaldo is a registered tenant of the subject property are not binding upon the courts and could be overturned by showing evidence to the contrary.

The petition is bereft of merit.

Tenancy is not a purely factual relationship dependent on what the alleged tenant does upon the land. It is also a legal relationship. The intent of the parties, the understanding when the farmer is installed, and their written agreements, provided these are complied with and are not contrary to law, are even more important.^[17]

The essential requisites of a tenancy relationship are: (1) the parties are the landowner and the tenant; (2) the subject matter is agricultural land; (3) there is consent; (4) the purpose is agricultural production; (5) there is personal cultivation by the tenant; and (6) there is a sharing of harvests between the parties. All these requisites must concur in order to create a tenancy relationship between the parties. The absence of one does not make an occupant of a parcel of land, or a cultivator thereof, or a planter thereon, a *de jure* tenant. Unless a person establishes his status as a *de jure* tenant, he is not entitled to security of tenure nor is he covered by the Land Reform Program of the government under existing tenancy laws.^[18]

In the case at bar, the record shows that the subject property was owned by the late Dolores Tapia and tenanted by the late Perfecto Arnaldo, father of respondent Severino Arnaldo even before 1972 up to his death on January 24, 1986. The tenancy relationship was established by the Masterlist of Farmers-Beneficiaries^[19] dated December 31, 1981 citing Perfecto Arnaldo as one of the farmers-beneficiaries in Barangay Malitlit, Sta. Rosa, Laguna, Region IV and corroborated by the Certification issued by Isabelo Quismundo, the Municipal Agrarian Reform Officer, which attested to the fact that Perfecto Arnaldo was a registered tenant of the subject property.^[20] Further, it was likewise established that Perfecto Arnaldo had paid lease rentals due the landowner, which was received by Guillermo Garcia, the land administrator.^[21] Even assuming arguendo that Perfecto Arnaldo was installed as a tenant-farmer of the subject land without the owner's consent, the former was entitled to security of tenure because Guillermo Garcia, the legal possessor of the subject land was the one who installed him. The purpose of the law is to protect the tenant-farmer's security of tenure, which could otherwise be arbitrarily terminated by an owner by simply manifesting his non-conformity to the tenancy relationship.^[22] On the other hand, petitioners failed to substantiate their claim that there was no tenancy relationship between the contending parties.

Section 9, of R.A. No. 3844 (the Agricultural Land Reform Code) provides that neither death nor permanent incapacity of the agricultural lessee shall terminate the relationship. The owner shall choose the lessee's replacement from among the persons qualified to take the place of the lessee, as follows:

Section 9. Agricultural Leasehold Relation Not Extinguished by Death or Incapacity of the Parties.- In case of death or permanent incapacity of the agricultural lessee to work his landholding, the leasehold shall continue between the agricultural lessor and the person who can cultivate the landholding personally, chosen by the agricultural lessor within one month from such death or permanent incapacity, from among the following: a.) the surviving spouse; b.) the eldest direct descendant by consanguinity; or c.) the next eldest descendant or descendants in the