THIRD DIVISION

[G.R. No. 120363, September 05, 1997]

CECILLEVILLE REALTY AND SERVICE CORPORATION, PETITIONER, VS., THE COURT OF APPEALS AND HERMINIGILDO PASCUAL, RESPONDENTS.

D E C I S I O N

FRANCISCO, J.:

In synthesis, these are the antecedent facts:

Petitioner Cecilleville Realty and Service Corporation is the owner of a parcel of land in Catmon, Sta. Maria, Bulacan, covered by T.C.T. No. 86.494 (M). Private respondent Herminigildo Pascual occupies a portion thereof. Despite repeated demands, private respondent refused to vacate and insisted that he is entitled to occupy the land since he is helping his mother Ana Pascual, petitioner's tenant, to cultivate the land in question. Thenceforth, petitioner instituted an ejectment suit against private respondent before the Municipal Trial Court of Sta. Maria, Bulacan. Finding no tenancy relationship between petitioner and private respondent, the Municipal Trial Court on September 17, 1992, ordered private respondent to vacate the land and to pay "the sum of P10,000.00, as attorney's fees" and "another sum of P500.00 monthly from the filing of [the] complaint." [1] Private respondent appealed to the Regional Trial Court which, on April 4, 1994, set aside the Municipal Trial Court's decision and remanded the case to the DARAB for further adjudication. Thus:

"There is no question that Ana Pascual may seek the assistance of her immediate farm household in the cultivation of the land. The law protects her in this regard. If the tenant Ana Pascual will be deprived of such right by ejecting her son Herminigildo Pascual from the land, it is tantamount to circumventing the law as Ana Pascual will be deprived of the helping hands of her son. What could not be done directly cannot be done indirectly. The issue of tenancy relationship between the plaintiff corporation and Ana Pascual cannot be avoided in this ejectment case.

"WHEREFORE, in the light of the foregoing, this Court hereby orders that the instant case be REMANDED to the DARAB for further adjudication and the decision of the Court a quo is hereby SET ASIDE x x x." [2]

Petitioner moved for reconsideration but to no avail; hence, it appealed to respondent Court of Appeals. In its assailed decision [3], respondent court [4] dismissed petitioner's appeal. The entire ruling of respondent court in point states:

We find this petition devoid of merit.

"There is a clear tenancy relationship between the plaintiff and the

defendant, such that the defendant cannot be ejected from the premises like a common squatter.

"The tenancy relationship dated back to 1976 when the defendant's father, Sotero Pascual, became the tenant of Jose A. Resurreccion, the President of the Cecilleville Realty and Service Corporation. This tenancy continued until 1991 when Sotero Pascual died and was succeeded by his wife Ann Pascual by operation of law. That Ana Pascual is entitled to the security of tenure was upheld by the DARAB in its Decision of November 8, 1993 which ordered the plaintiff to respect and maintain the peaceful possession and cultivation of the property by the defendant Ana Pascual and ordered the execution of a agricultural leasehold contract between the parties.

"The defendant Herminigildo Pascual is occupying and working on the landholding to help his mother, a bona-fide tenant. He is an immediate member of the family and is entitled to work on the land. As the lower court held:

'Under Republic Act No. 1199, as amended by RA 2263, entitled An Act to Govern the Relations Between Landholders and Tenants of Agricultural Lands (Leasehold and Share Tenancy), Section 5(a) defines the term tenant, to wit:

'Sec. 5.

'(a) A tenant shall mean 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.

'Similarly, the term "immediate farm household" is defined in the same section as follows:

'(o) Immediate farm household includes the members of the family of the tenant, and such other persons, whether related to the tenant or not, who are dependent upon him for support and who usually help him operate the farm enterprise.'

"The defendant, although not the tenant himself, is afforded the protection provided by law as his mother is already old and infirm and is allowed to avail of the labor of her immediate household. He is entitled to the security of tenure accorded his mother. His having a house of his own on the property is merely incidental to the tenancy.

WHEREFORE, the Decision appealed from is AFFIRMED with costs against the petitioner." [5] (Underscoring supplied.)

Dissatisfied, petitioner filed the instant petition for review on certiorari anchored on a lone assignment of error, to wit:

Petitioner respectfully contends that the Honorable Court of Appeals erred in not finding that while the private respondent is entitled to work

on the agricultural land of petitioner in his capacity as member of the family of tenant Ana Pascual, nonetheless he can not occupy a substantial portion thereof and utilize the same for residential purposes." [6]

On August 19, 1996, the Court gave due course to the petition and required the parties to submit their respective memoranda. Thereafter, the Court deliberated on the arguments set out in their pleadings.

The petition is impressed with merit.

At the outset, the Court notes that petitioner does not dispute respondent court's finding that Ana Pascual, private respondent's mother, is its bona-fide tenant. Neither does petitioner question "the right of Ana Pascual, the tenant, to be assisted by a member of her household, who in this case is respondent Herminigildo Pascual." [7] What petitioner impugns as erroneous is respondent court's gratuitous pronouncement which effectively granted private respondent not only a home lot, but also the right to maintain his own house in petitioner's small parcel of land [8] despite the fact that Ana Pascual, the adjudged bona-fide tenant, has previously been given a home lot and has an existing house thereon. Private respondent Herminigildo Pascual, for his part, insists that he is entitled by law, "(Section 22, (3) of Rep. Act No.1199, as amended by Rep. Act No. 2263)," [9] to a home lot and the right to maintain another house different from that of his mother. To bolster his contention, private respondent adopts respondent court's ruling finding him as a member of Ana Pascual's immediate farm household. Private respondent holds, quoting extensively from the assailed decision, that "although not the tenant himself, [he] is afforded the protection provided by law as his mother is already old and infirm and is allowed to avail of the labor of her immediate household. x x x. [And] [h]is having a house of his own on the property is merely incidental to the tenancy." [10]

As the Court sees it, the issue lies on the interpretation of Section 22, paragraph 3, of Rep. Act No. 1199, as amended by Rep. Act No. 2263. This section provides in full as follows:

> SEC. 22
>
> "x x x   x x x   x x x
>
> "(3) The tenant shall have the right to demand for a home lot suitable for dwelling with an area of not more than 3 per cent of the area of his landholding provided that it does not exceed one thousand square meters and that it shall be located at a convenient and suitable place within the land of the landholder to be designated by the latter where the tenant shall construct his dwelling and may raise vegetables, poultry, pigs and other animals and engage in minor industries, the products of which shall accrue to the tenant exclusively. The tenant's dwelling shall not be removed from the lot already assigned to him by the landholder, except as provided in section twenty-six unless there is a severance of the tenancy relationship between them as provided under section nine, or unless the tenant is ejected for cause, and only after the expiration of