

FIRST DIVISION

[G.R. No. 135829, February 22, 2000]

**BAYANI BAUTISTA, PETITIONER, VS. PATRICIA ARANETA,
RESPONDENT.**

D E C I S I O N

PUNO, J.:

This is an appeal from the decision^[1] of the Court of Appeals^[2] ruling that petitioner is not a tenant of a parcel of land located at Carmel Farms, Tungkong Mangga, San Jose del Monte, Bulacan. The facts as found by the Court of Appeals are as follows:

"Plaintiff alleged that he is the lawful tenant and actual possessor of THREE (3) HECTARES, more or less, parcel of land, formerly owned by Gregorio Araneta II, and situated at Carmel Farms, Tungkong Mangga, San Jose del Monte, Bulacan. Tenancy relationship between the former owner and plaintiff started way back in 1978. From then on, plaintiff cultivated and possessed the subject landholding in an open, peaceful, continuous and uninterrupted manner.

"Sometime in April 1991, plaintiff's peaceful possession and cultivation was disturbed and, even interrupted, when a group of armed security guards, through force and intimidation, entered the subject landholding and threatened plaintiff with bodily harm. These group of armed security guards, allegedly, were sent by herein defendant Patty Araneta, successor of Gregorio Araneta II. They warned plaintiff to vacate and to stop cultivating the subject landholding.

"In his complaint, plaintiff initially asked the Board to issue a temporary restraining order to enjoin the defendant, through her security guards, from continued employment of threat and harassment against his person. Also, plaintiff asked the Board to issue a preliminary injunction, during the pendency of the case, for the maintenance of *status quo*.

"Plaintiff prayed, among others, for the Board to declare, as permanent, the preliminary injunction issued and for the recognition of his right as tenant on the subject landholding.

"Adversely, defendant denies all the allegations of the plaintiff made in the complaint and stated the truth in her affirmative and special defenses as follows:

"On (sic) February 1991, a portion of the property belonging to Consuelo A. de Cuesta Auxilium Christianorum Foundation, Incorporated was leased to defendant. The lease was for the purpose of developing a bio-

dynamic farm and, ultimately, for the purpose of establishing a training center for bio-dynamic agriculture in the Philippines and humid tropics in Asia.

"Sometime prior to the effectivity of the contract of lease, defendant, together with her co-lessee conducted an ocular inspections (sic) of the property. It was during this time that she first met the plaintiff.

"Plaintiff was informed of the proposed project and was invited to work for the defendant. Inspite (sic) of the efforts to convince plaintiff to join the project, plaintiff declined and instead, agreed to leave the premises.

"Upon such representation, defendant instructed her assistant to commence cultivation of the leased premises. However, the work stopped because the plaintiff cursed, threatened and shouted at defendant's workers.

"On March 11, 1991, defendant received, through her assistant, a letter from the Municipal Agrarian Reform Officer (MARO) of San Jose del Monte, Bulacan requesting for a meeting which had been set two (2) months prior to the receipt of said letter. Incidentally, not a single meeting materialized. Instead, meetings with the *Barangay* Captain of Tungkong Mangga, San Jose del Monte, Bulacan were scheduled including one on July 17, 1991, which was maliciously pre-empted by the filing of the complaint for Peaceful Possession with prayer for the issuance of a Temporary Restraining Order and Writ of Preliminary Injunction.

"Defendant contended that plaintiff has no cause of action against her as the former is not a tenant on the subject landholding. She added that the subject landholding does not fall under the coverage of the comprehensive Agrarian Reform Law of 1988 (CARL) as it appears to be 18% in slope.

"Thus, defendant prayed, among others, to dismiss the complaint, and as counterclaim, to declare the subject landholding exempt from the application of the provision[s] of CARL, and to eject the plaintiff therein."

[3]

On November 25, 1993, the Provincial Adjudicator of Bulacan decided in favor of petitioner and held that he is a bonafide tenant over the land. On appeal, the Department of Agrarian Reform Adjudication Board^[4] affirmed the decision of the Provincial Adjudicator. It ruled that the following evidence established the tenancy relationship:

"a. Certification dated July 12, 1991, issued by Virginia B. Domuguen, Agrarian Reform Program Technician (ARPT) of San Jose del Monte Bulacan, noted by Conrado L. Cerdena, Municipal Agrarian Reform Officer [MARO] of San Jose del Monte, Bulacan, certifying the fact that plaintiff is a tenant xxx on the subject landholding xxx.

"b. Findings of an ocular inspection conducted by Virginia B. Domuguen, ARPT of San Jose del Monte, Bulacan, dated May 3, 1991, submitted to

Conrado L. Cerdena, MARO of San Jose del Monte, Bulacan, stating that plaintiff is the tenant on the subject landholding xxx.

"c. Certified Xerox Copy of Declaration of Real Property dated September 4, 1992, issued by the office of the Municipal Assessor of San Jose del Monte, Bulacan, stating therein that the owner of the subject landholding is Gregorio Araneta Foundation, in its capacity as trustee xxx."^[5]

It further relied on the following evidence which it held proved that petitioner possessed the land and regularly paid rentals:

"a. *Sinumpaang Salaysay* ni Bonifacio Bautista [father of petitioner herein], dated May 9, 1991, stating that he, together with [petitioner], has possessed and cultivated the subject landholding since 1978 and that they [were] religiously paying the yearly rentals to Lino Tocio, representative of Gregorio Araneta II.

"b. *Sinumpaang Salaysay* ni Orencio T. Cabalan, dated May 9, 1991, neighbor of herein [petitioner], testifying to the fact that [petitioner is] paying the yearly rentals on the subject landholding to Lino Tocio, representative of Gregorio Araneta II xxx.

"c. *Katitikan ng Pulong na Ginanap sa Rest House ni Miss Patty Araneta sa Carmel Farms*, Purok No. 8, Brgy. Tungkong Mangga, San Jose del Monte, Bulacan *noong ika-3 ng Hulyo 1991*, where Lino Tocio admitted to have received the payment of the yearly rentals from the [petitioner] and delivered it to Gregorio Araneta II xxx.

"d. Certification dated September 30, 1992, issued by the Municipal Mayor of San Jose del Monte, Bulacan, certifying that [petitioner] possessed and cultivated the subject landholding since 1978, and that [petitioner] is a tenant of herein [respondent]."^[6]

On appeal, the Court of Appeals reversed the decision of the DARAB. It held that "tenancy is not purely a factual relationship dependent on what the alleged tenant does upon the land. It is also a legal relationship that can only be created with the consent of the true and lawful landholder."^[7] It then evaluated the evidence presented, thus:

"A close scrutiny of the above pieces of evidence discloses that, if at all, they only prove that subject landholding is under the possession and cultivation of respondent. There is absolutely no showing therein that respondent has been constituted as a tenant by the landowner, Consuelo A. de Cuesta Auxilium Christianorum Foundation Inc., or its trustee, the Gregorio Araneta Incorporated Foundation, much less by the petitioner who claims to be a mere lessee of subject landholding. The statement made by Virginia Domuguen, Agrarian Reform Program Technician, in her ocular inspection report dated May 3, 1991, and certification dated July 21, 1991, to the effect that respondent is a tenant on the subject landholding is a mere conclusion based on his possession and cultivation thereof, which are not sufficient to create a tenancy relationship.