Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

IRENE D. OFILADA,
Petitioner,

- versus -

SPOUSES RUBEN ANDAL and MIRAFLOR ANDAL,
Respondents.

G.R. No. 192270

Present:

VELASCO, JR.,*
PERALTA,**
DEL CASTILLO, *Acting Chairperson*
MENDOZA, *and*
LEONEN, *JJ.*

Promulgated:
JAN 26 2015

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DECISION

DEL CASTILLO, *J.*:

This Petition for Review on *Certiorari*[1] assails the July 13, 2009 Decision[2] of the Court of Appeals (CA) in CA-G.R. CV[3] No. 101603 which: (1) granted the Petition for Review[4] filed therein; (2) reversed and set aside the August 28, 2007 Decision[5] of the Regional Trial Court (RTC), Lucena City, Branch 56 in SPEC. CIV. ACTION 2007-01-A, affirming *in toto* the February 27, 2007 Decision[6] of the Municipal Trial Court (MTC) of San Antonio, Quezon in Civil Case No. 188 which, in turn, ordered the ejectment of respondents spouses Ruben Andal and Miraflor Andal (spouses Andal) from the properties of petitioner Irene Ofilada (Irene); and, (3) declared the said MTC Decision null and void for lack of jurisdiction.

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* Per Special Order No. 1910 dated January 12, 2015.
** Per Raffle dated September 15, 2014.
1 *Rollo,* pp. 9-42.
2 CA *rollo,* pp. 196-208; penned by Associate Justice Mariflor P. Punzalan Castillo and concurred in by Associate Justices Rosmari D. Carandang and Ramon M. Bato, Jr.
3 SP in some parts of the records.
4 Id. at 8-22.
5 Id. at 131-136; penned by Judge Norma Chionglo-Sia.
6 Id. at 95-104; penned by Acting Judge Felix A. Caraos.

Also questioned in this Petition is the CA's May 6, 2010 Resolution[7] denying Irene's Motion for Reconsideration of the assailed CA Decision.

Factual Antecedents

Irene, together with her husband Carlos Ofilada (Carlos), bought from the heirs of Teresita Liwag (Teresita) a 27,974-square meter parcel of land principally planted with rambutan, a number of coconut trees and other fruit-bearing plants located in *Barrio* Puri, Tiaong, Quezon. The sale is evidenced by a February 13, 1997 Extra-Judicial Settlement of Estate with Absolute Sale[8] wherein respondent Miraflor Andal (Miraflor), who brokered the sale of the property, signed as 'tenant.' Apparently, ten days prior to the sale, Miraflor appeared before Anastacio Lajara (Anastacio), the then *Barangay* Agrarian Reform Council (BARC) Chairman of *Barangay* Puri, San Antonio, and executed a *Pagpapatunay*[9] stating that:

> Sa kinauukulan:
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> Ito ay pagpapatunay na si Miraflor Andal ay kusang[-]loob na dumulog sa aking tanggapan upang ipagbigay[-]alam na ang lupa na pag-aari ni TERESITA LIWAG x x x ay walang "tenant" o magtatrabaho at hiniling niya na ang nasabing lupa ay mapalipat sa pangalan ng mga bumili na walang iba kundi sina Carlos at Irene Ofilada.
>
> Pinagtitibay nya na wala na siyang paghahabol na ano man laban sa may-ari o kahalili nito sa karapatan sapagkat siya ay tumanggap na ng kaukulang halaga hinggil sa naging pagtatrabaho niya sa nasabing lupa at gayon din ang kanyang mga magulang.
>
> SA KATUNAYAN NG LAHAT NG ITO ay ako ay nagbibigay ng pahintulot na ang nasabing lupa ay mapagbili na at mapatala sa bagong may-ari na ligtas sa ano mang pananagutan.[10]

Two weeks after the sale or on February 27, 1997, Miraflor, with the consent of her husband, respondent Ruben Andal (Ruben), executed a *Sinumpaang Salaysay*[11] wherein she acknowledged Irene and Carlos as the new owners of the property. While it was stated therein that she will continue to take care of the property, she nevertheless waived any tenancy rights that she and her husband might have over the land, *viz.*:

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7 Id. at 278-279; penned by Associate Justice Ramon M. Bato, Jr. and concurred in by Associate Justices Rosmari D. Carandang and Hakim S. Abdulwahid.

8 *Rollo*, pp. 64-66.

9 Id. at 69.

10 Id.

11 Id. at 68.

1. NA AKO ang [n]agtatrabaho o "tenant" sa lupang pag-aari ni TERESITA LIWAG at ang nasabing lupa ay matatagpuan sa Brgy. Puri, San Antonio, Quezon x x x

2. NA AKO ay kusang loob na nag-alok sa tagapagmana ng may-ari ng lupa na pinangatawanan ni Ginoong JOSE LIWAG na ipagbili na ang nasabing lupa sa mag-asawang CARLOS OFILADA at IRENE OFILADA sapagkat magpapatuloy naman ang aking pangangalaga sa nasabing lupa;

3. NA AKO at ang aking asawa ay kusang loob na sumang[-]ayon na ang Titulo ng [na]sabing lupa ay mapalipat sa mga bumili at simula sa araw na ito ay matahimik kong isinusulit ang pamomosesyon sa mga bagong may-ari;

4. NA kami ay kusang[-]loob na tumatalikod na sa karapatan ko bilang "tenant" na kahit kailan [ay] hindi na maghahabol laban sa dating may-ari o sa kaniyang mga tagapagmana sapagkat wala silang ano mang pananagutan sa amin at gayon[din] ang bagong may-ari na mag-asawang CARLOS OFILADA at IRENE OFILADA;[12]

Eventually, the land was registered in the names of Irene and Carlos.[13]

Eight years later or in October 2005, Irene filed against the spouses Andal a Complaint[14] for Ejectment and Damages before the MTC of San Antonio, Quezon. She averred that aside from the aforementioned property, she and Carlos also acquired an 8,640-square meter ricefield located in Pulo, San Antonio, Quezon. For humanitarian reasons, she acceded to the spouses Andal's request to take care of her two parcels of land, provided that they would not be considered as tenants. To stress the fact that neither she nor the spouses Andal intended that the latter be deemed as tenants, Irene pointed to the following: (1) the condition for her purchase of the property in Tiaong that the same should not have any tenants; and (2) Miraflor's execution of a *Sinumpaang Salaysay* wherein she waived any tenancy rights that she and her husband might have over the said property.

In their Answer,[15] the spouses Andal denied Irene's allegations and claimed that they were tenants of Irene's predecessor-in-interest and continued to be such despite the transfer of ownership of the properties to Irene. They likewise contended that since the suit is an action to dispossess them as tenants, it is not the MTC which has jurisdiction over the complaint but the Department of Agrarian Reform Adjudication Board (DARAB).

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12 Id.
13 Id. at 63.
14 CA *rollo*, pp. 23-28; docketed as Civil Case No. 188.
15 Id. at 29-33.

Rejecting the tenancy claim, Irene averred in her Memorandum[16] that her real properties are not covered by agrarian reform laws as they are within the retention limit allowed by law. She again stressed that the spouses Andal had already voluntarily surrendered their rights as tenants way back in 1997 as evidenced by the *Pagpapatunay* and the *Sinumpaang Salaysay*. She added the said spouses voluntarily waived their rights and received ₱1.1 million as commission for brokering the sale of the Tiaong property to her. This was after Irene made clear that the sale would not materialize and, consequently spouses Andal would not get the commission, if the property has tenants. Irene averred that the spouses Andal's receipt of the said amount of money, being advantageous to them, is a valid ground for termination of tenancy relations.

Ruling of the Municipal Trial Court

Prior to the preliminary conference, the MTC heard the respective sides of the parties for a preliminary determination of the existence of tenancy.

The spouses Andal, in support of their claim that the controversy should be resolved by the DARAB because of the issue of tenancy, submitted the following evidence to prove their status as Irene's tenants: (1) their December 19, 2005 Affidavit[17] attesting that: a) they agreed to act as agents for the sale of the lands on the condition that they would remain as tenants; b) they personally cultivated Irene's lands and; c) they have been receiving ¼ shares of the proceeds of the sales of the coconut, rambutan, and harvested *palay*; (2) the December 19, 2005 Affidavit[18] of Anastacio corroborating the spouses Andal's statements in their affidavit of even date; (3) a receipt[19] dated July 27, 2005 showing that Irene received from the spouses Andal ₱9,694.00 as her share in the harvest equivalent to 30 sacks of *palay* and; 4) a February 27, 1997 Affidavit of Landholding[20] executed by Irene and Carlos, the second paragraph of which provides:

> 2. That we hereby testify that said parcel of land containing an area of 27,974 Square Meters is the only parcel of agricultural land registered in our names; **and we hereby agree that the same tenant Miraflor Andal, will continue as a tenant, over the said parcel of land**. (Emphasis supplied)

On the other hand, Irene insisted that the spouses Andal are not tenants but mere caretakers of her lands. She disputed the documentary evidence of the said spouses as follows: (1) it is the *Pagpapatunay* issued by Anastacio in 1997 and furnished the Registry of Deeds of Lucena City and Department of Agrarian Reform (DAR) which must be considered as more credible evidence over his

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16 Id. at 34-37.
17 Id. at 70-71.
18 Id. at 72-73.
19 Id. at 76.
20 *Rollo*, p. 71.

apparently fabricated affidavit executed at a later time (2005); (2) the share in the produce of the lands as reflected in the receipt was the only share given to her by the spouses Andal throughout the eight years that they took care of her properties; and, (3) the copy of the Affidavit of Landholding presented by the spouses Andal contained in the second paragraph thereof an insertion made through a manual typewriter. Irene claimed that the said insertion which reads "*and we* [Irene and Carlos] *hereby agree, that the same tenant Miraflor Andal, will continue as a tenant, over the said parcel of land,*" was made without her knowledge and consent. In fact, her copy[21] of the said document does not contain such inserted portion.

In its August 14, 2006 Order,[22] the MTC found no *prima facie* showing of tenancy relations between the parties and proceeded with the case.

On February 27, 2007, the MTC rendered its Decision[23] holding that spouses Andal failed to adduce proof that they are tenants. It gave weight to the *Pagpapatunay* issued by Anastacio in 1997 as against the affidavit he executed in 2005 which it found ambivalent as to whether spouses Andal are working as tenants on the lands of Irene. The MTC did not also accord any evidentiary weight to the copy of the Affidavit of Landholding presented by spouses Andal because of the doubtful insertion. Hence, it concluded that the spouses Andal were in possession of the properties by mere tolerance of Irene. It ultimately ruled:

> WHEREFORE, on the basis of the foregoing findings, the Court hereby renders judgment in favor of the plaintiff and against the defendants, ordering:
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> a) Defendants and all other persons living in said premises without permission of the plaintiff, to vacate and restore to the plaintiff the peaceful possession and occupation of the landholdings in question;
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> b) Defendants to pay the plaintiff the amount of ₱30,000.00 as attorney's and appearance fees[;]
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> c) Defendants to pay the plaintiff the amount of ₱80,000.00 as actual damages.
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> SO ORDERED.[24]

Ruling of the Regional Trial Court

Resolving the appeal of the spouses Andal, the RTC in its August 28, 2007

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21 Id. at 70.
22 CA *rollo*, p. 98.
23 Id. at 95-104.
24 Id. at 103-104.

Decision[25] affirmed *in toto* the MTC ruling. The motion for reconsideration thereto was also denied in the RTC Resolution[26] dated November 22, 2007.

Ruling of the Court of Appeals

The CA, on the other hand, took a different view of the case. In its assailed Decision[27] of July 13, 2009, the CA ratiocinated that since the existence of tenancy relations between the previous owners of the properties and the spouses Andal is undisputed, the question of whether the said spouses may be dispossessed therefrom constitutes an agrarian dispute despite the severance of such relations. This is considering that severance of the tenurial arrangement does not render the action beyond the ambit of an agrarian dispute and, hence, jurisdiction over the same remains with the DARAB. In support of its conclusion, the CA cited the cases of *Rivera v. David*[28] and *Spouses Amurao v. Spouses Villalobos.*[29]

The dispositive portion of the CA Decision reads:

> WHEREFORE, the instant petition for review is GRANTED. The assailed Decision of the Regional Trial Court of Lucena City, Branch 56, in Special Civil Case No. 2007-01-A, is hereby REVERSED and SET ASIDE. The Decision dated 27 February 2007 of the Municipal Trial Court of San Antonio, Quezon in Civil Case No. 188, is declared NULL and VOID for lack of jurisdiction.
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> SO ORDERED.[30]

Irene filed a Motion for Reconsideration,[31] which was denied in the CA Resolution[32] dated May 6, 2010.

Hence, this Petition.

The Issue

Forcible entry and unlawful detainer cases fall under the exclusive original jurisdiction of the metropolitan trial courts, municipal trial courts, and the municipal circuit trial courts.[33] On the other hand, the DAR is vested with primary

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25 Id. at 131-136.
26 Id. at 146-147.
27 Id. at 196-208.
28 518 Phil. 445 (2006).
29 524 Phil. 762 (2006).
30 CA *rollo*, pp. 207-208.
31 Id. at 222-241.
32 Id. at 278-279.
33 BATAS PAMBANSA BILANG 129, Section 33, as amended by Republic Act No. 7691.

jurisdiction to determine and adjudicate agrarian reform matters and has exclusive original jurisdiction over all matters involving the implementation of agrarian reform.[34] As DAR's adjudicating arm,[35] it is the DARAB that has exclusive and original jurisdiction involving all agrarian disputes. Republic Act (RA) No. 6657, Section 3(d) defines an 'agrarian dispute' as follows:

> (d) Agrarian Dispute refers to any controversy relating to tenurial arrangements, whether leasehold, tenancy, stewardship or otherwise, over lands devoted to agriculture, including disputes concerning farmworkers' associations or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of such tenurial arrangements.
>
> It includes any controversy relating to compensation of lands acquired under this Act and other terms and conditions of transfer of ownership from landowners to farmworkers, tenants and other agrarian reform beneficiaries, whether the disputants stand in the proximate relation of farm operator and beneficiary, landowner and tenant, or lessor and lessee.

The term also "refers to any controversy relating to, among others, tenancy over lands devoted to agriculture."[36]

Significantly, Rule II of the 2009 DARAB Rules of Procedure reads:

> SECTION 1. *Primary and Exclusive Original and Appellate Jurisdiction.* – The Board shall have primary and exclusive jurisdiction, both original and appellate, to determine and adjudicate all agrarian disputes involving the implementation of the Comprehensive Agrarian Reform Program (CARP) under R.A. No. 6657, as amended by R.A. No. 9700, E.O. Nos. 228, 229, and 129-A, R.A. No. 3844 as amended by R.A. No. 6389, Presidential Decree No. 27 and other agrarian laws and their Implementing Rules and Regulations. Specifically, such jurisdiction shall include but not be limited to cases involving the following:
>
> a. The rights and obligations of persons, whether natural or juridical, engaged in the management, cultivation, and use of all agricultural lands covered by R.A. No. 6657, otherwise known as the Comprehensive Agrarian Reform Law (CARL), as amended, and other related agrarian laws; x x x
>
> x x x x
>
> d. Those cases involving the ejectment and dispossession of tenants and/or leaseholders;

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34 REPUBLIC ACT NO. 6657 known as the Comprehensive Agrarian Reform Law of 1988, Section 50.

35 EXECUTIVE ORDER 129-A, Modifying Order 129 Reorganizing and Strengthening the Department of Agrarian Reform and Other Purposes, Section 13.

36 *Mendoza v. Germino*, G.R. No. 165676, November 22, 2010, 635 SCRA 537, 545.

With the above points on jurisdictions having been laid, the Court now resolves the crucial issue in the case of whether tenancy relationship between Irene and the spouses Andal exists as to strip off the MTC of its jurisdiction over Irene's suit for unlawful detainer.

Our Ruling

We grant the Petition.

The factual circumstances in Rivera and Amurao clearly make out cases involving agrarian dispute.

As the CA relied on *Rivera* and *Amurao,* it is wise to revisit the factual milieu of the said cases.

In its assailed Decision, the CA quoted the following pronouncement which was restated[37] in *Rivera*, *viz*:

> Even if the tenurial arrangement has been severed, the action still involves an incident arising from the landlord and tenant relationship. Where the case involves the dispossession by a former landlord of a former tenant of the land claimed to have been given as compensation in consideration of the renunciation of the tenurial rights, there clearly exists an agrarian dispute. On this point the Court has already ruled:
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> > Indeed, Section 21 of Republic Act No. 1199, provides that 'all cases involving the dispossession of a tenant by the landlord or by a third party and/or the settlement and disposition of disputes arising from the relationship of landlord and tenant … shall be under the original and exclusive jurisdiction of the Court of Agrarian Relations.' This jurisdiction does not require the continuance of the relationship of landlord and tenant – at the time of the dispute. The same may have arisen, and oftentimes arises, precisely from the previous termination of such relationship. If the same existed immediately, or shortly, before the controversy and the subject matter thereof is whether or not said relationship has been lawfully terminated, or if the dispute otherwise springs or originates from the relationship of landlord and tenant, the litigation is (then) cognizable only by the Court of Agrarian Relations…[38]

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[37] The pronouncement was made by the Court in *David v. Rivera*, 464 Phil. 1006 (2004), a case between the same parties and which involves the same parcel of land as in *Rivera.*

[38] CA *rollo*, pp. 206-207.

In the said case, Agustin Rivera (Agustin) was in possession of a 1.8-hectare portion of the 5-hectare lot owned in common by the heirs of Cristino and Consolacion David, and these heirs demanded that he vacate the premises. Thus, Agustin filed a Complaint to Maintain Peaceful Possession before the Provincial Agrarian Reform Adjudication Board (PARAB). He averred that his possession of the property was, originally, as registered tenant of the said heirs' predecessor-in-interest, Cristino, as evidenced by the certification issued by the Municipal Agrarian Reform Office (MARO). Subsequently in 1957, he became the lot owner because the spouses Cristino and Consolacion David gave him the 1.8-hectare land as his 'disturbance compensation,' in exchange for the renunciation of his tenurial rights. On the other hand, Nemesio David (Nemesio), one of the heirs, argued that the DAR has no jurisdiction over the case as the same only involves the issue of ownership of the land.

The DAR (thru the PARAB and the DARAB) assumed jurisdiction over the case and went on to render judgments in favor of Agustin. The CA, however, ruled that the DAR no longer had any jurisdiction on the ground that the alleged tenancy, per Agustin's own admission, had already ended in 1957. Thus, it set aside the respective decisions of the PARAB and the DARAB. The Court, though, did not agree with the CA on the issue of jurisdiction. Although it denied Agustin's appeal because he was not able to sufficiently prove his ownership of the land, DAR's jurisdiction over the case was nevertheless upheld. And it was at that point that the above-quoted pronouncement was restated.

Indeed in *Rivera*, the severance of the tenancy relations when the suit was filed did not matter because the prior agricultural tenancy served as the juridical tie which compelled the characterization of the controversy as an agrarian dispute. This is due to the fact that the land from which Agustin was being dispossessed was claimed to have been owned by him by way of disturbance compensation given to him as a former tenant by his former landlord.

On the other hand, in *Amurao*, the spouses Amurao bought in 1987 from a certain Ruperto Endozo a parcel of land which was then tenanted by the spouses Villalobos. The spouses Amurao allowed the spouses Villalobos to continue working on the land until such time that their need for the same arises. In 1994, the therein parties executed a *Kasulatan* in which the spouses Villalobos promised to surrender the possession of the lot should the spouses Amurao need it, while the latter, in return, bound themselves to give the spouses Villalobos a 1,000-sqm. portion of the land. But because the spouses Villalobos reneged on their promise in accordance with the *Kasulatan*, the spouses Amurao filed an ejectment case against them before the Municipal Circuit Trial Court (MCTC). On the defense that the issue concerns an agrarian dispute, the spouses Villalobos questioned the trial court's jurisdiction. Both the MCTC and the RTC upheld their jurisdiction over the case but the CA ruled otherwise.

Before this Court, the spouses Amurao argued that the tenancy relationship between them and the spouses Villalobos was terminated upon the execution of the *Kasulatan.* Hence, there can be no agrarian dispute between them over which the DAR can take cognizance of. The Court held:

> The instant case undeniably involves a controversy involving tenurial arrangements because the *Kasulatan* will definitely modify, nay terminate the same. Even assuming that the tenancy relationship between the parties had ceased due to the *Kasulatan*, there still exists an agrarian dispute because the action involves an incident arising from the landlord and tenant relationship.
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> x x x x
>
> In the case at bar, petitioners' claim that the tenancy relationship has been terminated by the *Kasulatan* is of no moment. As long as the subject matter of the dispute is the legality of the termination of the relationship, or if the dispute originates from such relationship, the case is cognizable by the DAR, through the DARAB. The severance of the tenurial arrangement will not render the action beyond the ambit of an agrarian dispute.[39]

To restate, what brought *Rivera* under the ambit of an agrarian dispute is the fact that the land from which Agustin was being dispossessed of by the heirs of his former landlord is claimed to have been given to him by the said former landlord as consideration for the renunciation of his tenurial rights. While in *Amurao,* it was the issue of whether the *Kasulatan* entered into by the parties terminated the landlord-tenant relationship between them. Clearly, as the action in both cases involved an incident arising from landlord-tenant relationship, the severance or alleged severance of such relationship did not take them beyond the ambit of an agrarian dispute and, consequently, it is DAR which has jurisdiction over the said cases.

Rivera and Amurao are not on all fours with the present case.

Here, Irene claims that there can be no agrarian dispute since there exists no landlord-tenant relationship between her and the spouses Andal. If ever such a relationship existed, it was between the former owner of the properties and the spouses Andal and the same had already been renounced by Miraflor prior to Irene's acquisition of the properties. The CA, however, ruled that even if the landlord-tenant relationship between the previous owner and the spouses Andal had already ceased, the action to dispossess the latter from the subject properties still involves an agrarian dispute, as held in *Rivera* and *Amurao.*

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[39] *Spouses Amurao v. Spouses Villalobos*, supra note 29 at 772-773.

Suffice it to say, however, that the present case is not on all fours with *Rivera* and *Amurao.*

As already discussed, in *Rivera*, the land involved is claimed to have been given to the former tenant by the former landlord by way of disturbance compensation. Hence, even if the landlord-tenant relationship was asserted to have been severed as early as 1957, the Court considered the action as arising from an agrarian dispute, the rightful possession of the land being an incident of such previous landlord-tenant relationship. In the present case, there is no claim that the subject properties were given to the spouses Andal by their former landlord as a form of disturbance compensation. While the spouses Andal in this case refuse to surrender the properties to Irene on the ground that they are tenants of the same just like in *Amurao*, it cannot be gainsaid that in *Amurao*, the tenancy relations between the former owners of the property involved therein and the spouses Villalobos, had, undisputedly, been continued by and between the said spouses and the spouses Amurao when the latter acquired the property. And it was on that supposition that the Court held that even if the *Kasulatan* executed by the spouses Amurao and the spouses Villalobos terminated the tenancy relationship between them, the action of the former to dispossess the latter from the property tenanted involved an agrarian dispute. However, in this case, unlike in Amurao the severance of the tenancy relations between the former owners of the properties and the spouses Andal, as well as the non-existence of a similar relationship between the said spouses and Irene as the new owner, were sufficiently shown as will be discussed below. Hence, the said pronouncement made in *Amurao* finds no application in this case.

The tenancy relationship between the former owners of the properties and the spouses Andal was clearly severed prior to Irene's purchase of the same; no such relationship was subsequently created between Irene and the spouses Andal.

Certainly telling are the *Pagpapatunay* and the *Sinumpaang Salaysay* which were voluntarily executed and never impugned by the spouses Andal. Both contain express declarations that at the time Irene and her husband bought the property, the tenancy then existing between the heirs of Teresita as former owners and the spouses Andal as tenants had already ceased, and that no tenancy relations would continue between the latter and the new owner, Irene. Notably, the *Sinumpaang Salaysay*, being a public document, is evidence of the facts in the clear unequivocal manner therein expressed and has in its favor the presumption of regularity.[40] The spouses Andal are bound by their admissions against their own interest.

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[40] *Macaspac v. Puyat, Jr.*, 497 Phil. 161, 174 (2005).

Indeed, while a tenancy relationship cannot be extinguished by the sale, alienation, or transfer of the legal possession of the landholding,[41] the same may nevertheless be terminated due to circumstances more advantageous to the tenant and his/her family.[42] Here, records show that Miraflor, who brokered the sale between the heirs of Teresita and Irene, voluntarily executed, days prior to the Extrajudicial Settlement of Estate with Absolute Sale, her *Pagpapatunay* before the BARC Chairman stating that she and her parents have already received a 'sufficient consideration' for her to release her former landlord and the purchaser of the lot from liability. As later disclosed by Irene during trial, such 'sufficient consideration' amounted to ₱1.1 million by way of disturbance compensation, a factual allegation which was again never refuted by the spouses Andal before the lower court and was found to be an uncontroverted fact by the CA. To the Court, the said amount is adequate enough for the spouses Andal to relinquish their rights as tenants. In fine, it can be reasonably concluded that the tenancy relationship between the previous owners and the spouses Andal had already been severed.

The next question now is whether a new tenancy relationship between Irene and the spouses Andal was subsequently formed. This becomes crucial because for the DARAB to have jurisdiction over the case, there must be a tenancy relationship between the parties.[43]

Evidence is necessary to prove the allegation of tenancy. "The principal factor in determining whether a tenancy relationship exists is intent. Tenancy is not a purely factual relationship dependent on what the alleged tenant does upon the land. It is also a legal relationship."[44]

An allegation of tenancy before the MTC does not automatically deprive the court of its jurisdiction. Basic is the rule that:

> x x x the material averments in the complaint determine the jurisdiction of a court. x x x a court does not lose jurisdiction over an ejectment suit by the simple expedient of a party raising as a defense therein the alleged existence of a tenancy relationship between the parties. The court continues to have the authority to hear and evaluate the evidence, precisely to determine whether or not it has

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41 REPUBLIC ACT NO. 3844, known as The Agricultural Reform Code, as amended by Republic Act Nos. 6389 and 10374. Section 10. *Agricultural Leasehold Relation Not Extinguished by Expiration of Period, etc.* - The agricultural leasehold relation under this Code shall not be extinguished by mere expiration of the term or period in a leasehold contract nor by the sale, alienation or transfer of the legal possession of the landholding. In case the agricultural lessor sells, alienates or transfers the legal possession of the landholding, the purchaser or transferee thereof shall be subrogated to the rights and substituted to the obligations of the agricultural lessor.

42 Id., Section 28. *Termination of Leasehold by Agricultural Lessee During Agricultural Year* - The agricultural lessee may terminate the leasehold during the agricultural year for any of the following causes:
x x x x
(5) Voluntary surrender due to circumstances more advantageous to him and his family.

43 *Philippine Overseas Telecommunications Corporation v. Gutierrez*, 537 Phil. 682, 691 (2006).

44 *Valencia v. Court of Appeals*, 449 Phil. 711, 736 (2003).

> jurisdiction, and, if, after hearing, tenancy is shown to exist, it shall dismiss the case for lack of jurisdiction.[45]

The Court agrees with the conclusion of both the MTC and the RTC that for dearth of evidence, tenurial relationship between the parties was not sufficiently shown. Thus, the said courts correctly assumed jurisdiction over the ejectment case.

The fact alone of working on another's landholding does not raise a presumption of the existence of agricultural tenancy. For tenancy to be proven, all indispensable elements must be established, the absence of one or more requisites will not make the alleged tenant a *de facto* one. These are: 1) the parties are the landowner and the tenant; 2) the subject is agricultural land; 3) there is consent by the landowner; 4) the purpose is agricultural production; 5) there is personal cultivation; and 6) there is sharing of the harvests.[46]

The *Pagpapatunay* and the *Sinumpaang Salaysay* both support Irene's claim that she purchased the landholdings only on the condition that there will be no tenants. Her refusal to give her consent to any tenancy relationship is glaring. On the other hand, the spouses Andal, in their attempt to prove tenancy, submitted their copy of the February 27, 1997 Affidavit of Landholding, which contains an inserted statement that Irene and Carlos agree "*that the same tenant Miraflor Andal, will continue as tenant, over the said parcel of land.*" However, serious doubt is cast on the authenticity of said inserted statement considering that it does not bear the respective initials/signatures of Carlos and Irene attesting their conformity thereto. More importantly, Irene's copy of the said document does not contain the same insertion.

Anent the proof of sharing of harvest, what the spouses Andal merely presented was a single receipt dated July 27, 2005 representing Irene's 'share' in the harvest. This even militates against the spouses Andal's claim of tenancy considering that they did not present the receipts for the alleged sharing system prior to 2005 or from 1997, the year when Irene purchased the land. Notably, the receipt they submitted is dated July 27, 2005 or just a few months before the filing of the complaint. To the Court's mind, such act of the spouses Andal to give Irene a share is a mere afterthought, the same having been done during the time that Irene was already making serious demands for them to account for the produce of the lands and vacate the properties. Be that as it may, the Court stresses "that it is not unusual for a landowner to receive the produce of the land from a caretaker who sows thereon. The fact of receipt, without an agreed system of sharing, does not *ipso facto* create a tenancy."[47]

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45 *Cano v. Spouses Jumawan*, 517 Phil. 123, 129-130 (2006).
46 *Salmorin v. Dr. Zaldivar*, 581 Phil. 531, 537 (2008); citing *Suarez v Saul*, 510 Phil. 400, 406 (2005).
47 *Heirs of Rafael Magpily v. De Jesus*, 511 Phil. 14, 25 (2005).

In sum, the Court holds that absent any tenurial relationship between them, the spouses Andal's possession of Irene's properties was by mere tolerance of the latter. The action to dispossess the spouses Andal therefrom is therefore a clear case of summary action for ejectment cognizable by the regular courts.

WHEREFORE, the Petition is **GRANTED**. The July 13, 2009 Decision and May 6, 2010 Resolution of the Court of Appeals in CA-G.R. CV No. 101603 are **REVERSED and SET ASIDE**. The August 28, 2007 Decision of the Regional Trial Court, Lucena City, Branch 56 in SPEC CIV. ACTION 2007-01-A affirming in *toto* the February 27, 2007 Decision of the Municipal Trial Court of San Antonio, Quezon in Civil Case No. 188, is **REINSTATED** and **AFFIRMED**.

SO ORDERED.

MARIANO C. DEL CASTILLO
Associate Justice

WE CONCUR:

PRESBITERO J. VELASCO, JR.
Associate Justice

DIOSDADO M. PERALTA
Associate Justice

JOSE CATRAL MENDOZA
Associate Justice

MARVIC M.V.F. LEONEN
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARIANO C. DEL CASTILLO
Associate Justice
Acting Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Acting Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARIA LOURDES P. A. SERENO
Chief Justice