



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

RODOLFO A. DELA CRUZ
and CELERINO A. DELA
CRUZ,

Petitioners,

- versus -

JESUSA Y. CAILLES,
represented by ALICIA Y.
YACAT,

Respondent.

G.R. No. 257980
[Formerly UDK-16986]

Present:

LEONEN, J., Chairperson,
LAZARO-JAVIER,
LOPEZ, M.,
LOPEZ, J.,* and
KHO, JR., JJ.

Promulgated:

JUN 26 2024

X ----- X

DECISION

KHO, JR., J.:

Before the Court is a Petition for Review on *Certiorari*¹ assailing the Decision² dated July 7, 2020 and the Resolution³ dated March 23, 2021 of the Court of Appeals (CA) in CA-G.R. SP No. 160682, which reversed and set aside the Decision⁴ dated July 23, 2018 of the Department of Agrarian

* On official leave.

¹ *Rollo*, pp. 32–64.

² *Id.* at 70–87. Penned by Associate Justice Elihu A. Ybañez and concurred in by Associate Justices Rafael Antonio M. Santos and Ruben Reynaldo G. Roxas of the Thirteenth Division, Court of Appeals, Manila.

³ *Id.* at 97–98. Penned by Associate Justice Elihu A. Ybañez and concurred in by Associate Justices Rafael Antonio M. Santos and Ruben Reynaldo G. Roxas of the Former Thirteenth Division, Court of Appeals, Manila.

⁴ *Id.* at 170–181. Signed by Chairman John R. Castriciones, Members Luis Meinrado C. Pañgulayan, Jim G. Coletto, Ma. Patricia Rualo-Bello, and Milagros Isabel A. Cristobal. Members Emily O. Padilla and Elmer N. Distor did not take part.

Reform Adjudication Board (DARAB) and reinstated the Decision⁵ dated March 17, 2011 of the Provincial Agrarian Reform Adjudication Board of Cabanatuan City (PARAD). The PARAD declared the severance of the leasehold relationship between respondent Jesusa Y. Cailles (Cailles) and the agricultural lessees⁶ (the Dela Cruzes) and ordered the latter and Carlito Adel (Carlito; collectively, Dela Cruz et al.) to vacate and surrender the subject land to Cailles.

The Facts

The instant case stemmed from a Complaint⁷ for recovery of possession filed by Cailles, represented by Alicia Y. Yacat (Yacat), before the PARAD, seeking to evict Dela Cruz et al. from the parcel of land located in Sto. Cristo Sur, Gapan City (subject land) covered by Transfer Certificate of Title (TCT) No. NT-191965⁸ in Cailles's name.

Respondent averred that the Dela Cruzes and their mother, Encarnacion Dela Cruz, executed a *Sinumpaang Salaysay* (Voluntary Surrender)⁹ dated June 29, 2006 (subject deed) in favor of Carlito and his wife, Sabrina Lorenzo Adel (Sabrina), over an 18,000-square meter portion (subject portion) of the subject land which they misrepresented to be owned by Yacat. Subsequently, Carlito assumed the possession and the tilling rights over the subject portion without the consent of either Cailles or Yacat. He also converted a portion of the landholding into a fishpond and constructed a house on another portion without Cailles or Yacat's consent. Sometime in June 2007, Cailles learned of Carlito's possession and tillage and immediately sought to recover the land through Yacat, but to no avail. Hence, she filed the Complaint, claiming that the Dela Cruzes have abandoned the subject land, warranting the termination of the leasehold relationship and the eviction of Dela Cruz et al. from the subject land.¹⁰

For their part, the Dela Cruzes countered that due to them being poor and uneducated, they were deceived to affix their signatures on the subject deed and made to believe that the same was proof of their loan transaction with Carlito. They further averred that the construction of Carlito's house was with Yacat's prior permission and knowledge and that the fishpond was made not by Carlito but by Spouses Orlando and Susan Adel, with the express consent and approval of Yacat who received the rent for it.¹¹

⁵ Not attached to the *rollo*.

⁶ *Rollo*, p. 171. The agricultural lessees are: Apolonio A. Dela Cruz, Rudolfo A. Dela Cruz, Lorieann A. Dela Cruz, Danilo A. Dela Cruz, Guillermo A. Dela Cruz, Celerino A. Dela Cruz, Eddie A. Dela Cruz, Eugenia A. Dela Cruz, Efren A. Dela Cruz, and Lilian A. Dela Cruz.

⁷ *Id.* at 129–133.

⁸ *Id.* at 138.

⁹ *Id.* at 139–140.

¹⁰ *Id.* at 130–131.

¹¹ *Id.* at 172.

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The PARAD Ruling

In a Decision¹² dated March 17, 2011, the PARAD ruled that the Dela Cruzes had abandoned the landholding as shown by the contents of the subject deed. Accordingly, it declared the severance of their leasehold relationship with Cailles and ordered Dela Cruz et al. to vacate and surrender the subject portion to Cailles.¹³

Dela Cruz et al. appealed to the DARAB.

The DARAB Ruling

In a Decision¹⁴ dated July 23, 2018, the DARAB reversed and set aside the PARAD ruling, declaring that there was no valid cause to terminate the leasehold relation and ordering Cailles to respect and maintain the Dela Cruzes' peaceful possession and cultivation of the subject land. It held that the subject deed was not convincing enough to sustain Cailles's claim that the Dela Cruzes had voluntarily surrendered their tenancy right over the subject land as the latter were uneducated and were merely coaxed into signing a document that they believed to be mere proof of a loan transaction. It also found no showing that they had a clear, absolute or irrevocable intention to abandon the landholding considering that they remained in active physical cultivation of the subject land, as corroborated by farmers of the adjacent landholding and the receipts issued by Yacat and other duly authorized representatives acknowledging payment of lease rentals even after the execution of the subject deed on June 29, 2006. These further showed that Cailles, through Yacat, had consented to the loan transaction between the Dela Cruzes and Carlito and to the construction of the house on the subject portion.¹⁵

Dissatisfied, Cailles appealed to the CA.

The CA Ruling

In a Decision¹⁶ dated July 7, 2020, the CA reversed and set aside the DARAB ruling and reinstated the PARAD ruling. It held that the DARAB erred in not giving evidentiary weight to the subject deed, which is a notarized document entitled to full faith and credit upon its face, absent clear, convincing, and more than preponderant evidence to controvert the same. The CA held that the deed was written in plain Filipino language that ordinary people can understand and all of the named parties signed the deed,

¹² CA rollo, pp. 167–172. Penned by Provincial Adjudicator Joseph Noel C. Longroan.

¹³ Rollo, pp. 73, 172.

¹⁴ Id. at 170–181.

¹⁵ Id. at 176–180.

¹⁶ Id. at 70–87.

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rendering it improbable that not even one of them understood its plain import. Lastly, it added that the deed was notarized by the counsel of the Dela Cruzes, Atty. Mario M. Pangilinan.¹⁷

The CA likewise declared that the Dela Cruzes committed serious violation of their obligation as tenants, specifically, under Section 36(2) and (7)¹⁸ of Republic Act No. 3844, as tillage did not remain under the exclusive administration of the tenant's family. It held that while they denied abandoning the subject land, they never denied that Carlito was in possession of it and had constructed a house on it even though he was not an agricultural lessee.¹⁹ Finally, the CA ruled that the receipts of payments issued by Yacat and other authorized representatives do not show that Carlito was validly in possession as it did not establish Cailles's consent to his possession.²⁰

Dela Cruz et al. moved for reconsideration, which was denied in a Resolution²¹ dated March 23, 2021. Hence, this Petition.

The Issue Before the Court

The core issue for the Court's resolution is whether the CA gravely erred in ruling that there was sufficient basis to evict Dela Cruz et al.

The Court's Ruling

There is merit to the Petition.

At the outset, it must be reiterated that only questions of law may be raised in a petition under Rule 45 of the Rules of Court as the Court is not a trier of facts. Factual findings of administrative or quasi-judicial bodies are generally accorded much respect by the Court as they are specialized to rule on matters falling within their jurisdiction especially when these are

¹⁷ *Id.* at 78–81.

¹⁸ Section 36. *Possession of Landholding; Exceptions.* – Notwithstanding any agreement as to the period or future surrender, of the land, an agricultural lessee shall continue in the enjoyment and possession of his landholding except when his dispossession has been authorized by the Court in a judgment that is final and executory if after due hearing it is shown that:

....

(2) The agricultural lessee failed to substantially comply with any of the terms and conditions of the contract or any of the provisions of this Code unless his failure is caused by fortuitous event or force majeure;

....

(7) The lessee employed a sub-lessee on his landholding in violation of the terms of paragraph 2 of Section twenty-seven.

¹⁹ *Rollo*, pp. 63–85.

²⁰ *Id.* at 86.

²¹ *Id.* at 97–98.

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supported by substantial evidence. However, the Court allows relaxation of this rule where, as in this case, the factual findings are conflicting. Considering the variance in the findings of fact of the CA and the PARAD, on the one hand, and the DARAB, on the other, the Court deems it necessary to reassess these factual findings for the just resolution of the case.²²

Preliminarily, it is well to point out that the CA correctly ruled that the subject deed, being a notarized document, is entitled to full faith and credit upon its face in the absence of clear, convincing, and more than preponderant evidence to controvert the same,²³ as in this case. Notably, there was a lack of showing that not even one of the signatories thereto was unable to read or that the deed was written in a language not known to any of them, hence, they are deemed to have understood the contents thereof before voluntarily affixing their signatures on the subject deed.²⁴ This is especially true in light of the fact that it was the Dela Cruzes' own counsel who prepared and notarized the subject deed. The deed pertinently provides:

2. Na ako si Encarnacion A. dela Cruz ay matanda na at ang aking mga anak ay may iba't-ibang hanapbuhay na at wala kaming kakayahang gawain ang nasabing lupa at hindi na namin ito magagampanan, kaya minarapat naming ipagkaloob, ipaubaya, isalin at ilipat ang aming pamomosisyon at karapatan sa nasabing lupa sa mag-asawang CARLITO P. ADEL at SABRINA LORENZO ADEL, kapwa may mga sapat na gulang, Pilipino at naninirahan sa Sto. Cristo Sur, Gapan City, na walang sinuman ang tumakot o pumilit sa amin[.]²⁵

The well-settled rule is that if the language of the contract is plain and unambiguous, its meaning should be determined without reference to extrinsic facts or aids. The parties' intention must be determined solely from the language of their contract. Thus, the contract must be taken to mean that which, on its face, it purports to mean, unless some good reason can be assigned to show that the words should be understood in a different sense.²⁶ The Court finds that the terms of the subject deed are clear and leave no room for interpretation, i.e., the Dela Cruzes expressly and voluntarily surrendered the *pamomosisyon* (possession) and *karapatan na gawain* (tilling rights) over the subject portion to Carlito.

Nonetheless, the Court must be minded that *to sustain a claim of abandonment to justify the extinguishment of the leasehold relation,*²⁷ it is

²² *Grossman v. North Sea Marine Services Corp.*, G.R. No. 256495, December 7, 2022 [Per J. Kho, Jr. Second Division].

²³ *Lozano v. Fernandez*, 847 Phil. 219, 229 (2019) [Per J. J.C. Reyes, Jr., Second Division].

²⁴ *Mata v. Court of Appeals*, 284 Phil. 36, 45 (1992) [Per J. Cruz, First Division].

²⁵ *Rollo*, p. 139.

²⁶ *Malate Construction Development Corp. v. Extraordinary Realty Agents & Brokers Cooperative*, G.R. No. 243765, January 5, 2022 [Per J. Gaerlan, Second Division].

²⁷ Republic Act No. 3844 (1963), sec. 8(1) provides:

Section 8. *Extinguishment of Agricultural Leasehold Relation.* – The agricultural leasehold relation established under this Code shall be extinguished by:

(1) Abandonment of the landholding without the knowledge of the agricultural lessor[.]

*incumbent to prove the following: (a) a clear and absolute intention to renounce a right or claim or to desert a right or property; and (b) an external act by which that intention is expressed or carried into effect. The intention to abandon implies a departure, with the avowed intent of never returning, resuming or claiming the right and the interest that have been abandoned. What is critical in abandonment is intent which must be shown to be deliberate and clear. Moreover, the intention must be exhibited by a factual failure or refusal to work on the landholding without a valid reason. Essentially, the act of ceasing from performing labor in the landholding is a manifestation of the intent to abandon, but the intent must also be shown as a separate element as clearly as the failure to work.*²⁸

After a punctilious review of the records, the Court finds that the requisites to sustain a claim of abandonment do not exist in the case at bar. As held in *Corpuz v. Grospe*,²⁹ *an intention to abandon consists in any one of these conditions: (a) failure to cultivate the lot due to reasons other than the non-suitability of the land to agricultural purposes, for at least two calendar years, and to pay the amortizations for the same period; (b) permanent transfer of residence by the beneficiary and his family, which has rendered him incapable of cultivating the lot; or (c) relinquishment of possession of the lot for at least two calendar years and failure to pay the amortization for the same period.*³⁰ None of the instances cited above obtains in this case.

Notably, less than two calendar years from the execution of the subject deed on June 29, 2006, and even prior to the filing of the Complaint before the PARAD, Carlito had already returned the *pamamahala* of the subject portion to petitioners, as evidenced by a document³¹ dated December 4, 2007 executed before the barangay captain of Sto. Cristo Sur (a) acknowledging that petitioners had already paid off their loan, and (b) affirming that *Rodolfo Dela Cruz and Daniel Dela Cruz are the ones cultivating the same*. The Dela Cruzes' claim that they have been in continuous possession and cultivation of the subject land and the ones paying the lease rentals to Yacat³² was corroborated by farmers of the adjacent landholding.³³ There being substantial evidence that the Dela Cruzes remained in active, physical cultivation of the subject land,³⁴ neither willful failure to cultivate nor irrevocable intent to relinquish possession of the subject land for at least two calendar years was demonstrated. The case of *Verde v. Macapagal*³⁵ relied upon by Cailles is not relevant in this case considering that in *Verde*, there was inconsistency as to the reason why the

²⁸ *Verde v. Macapagal*, 571 Phil. 250, 261–262 (2008) [Per J. Chico-Nazario, Special Second Division].

²⁹ 388 Phil. 1100 (2000) [Per J. Panganiban, Third Division].

³⁰ *Maylem v. Ellano*, 610 Phil. 113, 123 (2009) [Per J. Peralta, Third Division].

³¹ *Rollo*, p. 168.

³² *Id.* at 46.

³³ CA *rollo*, pp. 161–162. Pinagsamang Sinumpaang Salaysay dated March 11, 2009 executed by Pempe Caparas and Marcelino Marcelo.

³⁴ *Rollo*, p. 176.

³⁵ 571 Phil. 250 (2008) [Per J. Chico-Nazario, Special Second Division].

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subject landholding therein was placed in the possession of a third person, and the surrender of possession and cultivation of the landholding was for at least two years, thus, significantly affecting therein petitioner's tenancy relationship with the landowner.

Most importantly, Yacat and other representatives accepted lease rentals for the subject land and issued receipts in the name of Encarnacion Dela Cruz³⁶ and petitioner Rodolfo "Rudy" Dela Cruz³⁷ after the execution of the subject deed. In addition, even prior to the execution of the subject deed, another representative received from Carlito's wife, Sabrina, lease payments in the name of Encarnacion Dela Cruz.³⁸ Thus, as aptly pointed out by the DARAB, the receipt of lease rentals from Carlito and Sabrina effectively estopped Yacat from denying prior knowledge and consent to the transaction between the Dela Cruzes and Carlito, and Cailles is deemed to have consented to the loan transaction, and ratified the construction of the house by accepting lease rentals from the Dela Cruzes through Yacat.³⁹

Consequently, while the language of the subject deed shows that the Dela Cruzes expressly and voluntarily surrendered their possession and tilling rights over the subject portion to Carlito, the contemporaneous acts of the parties in this case do not support the claim of abandonment. To summarize, it was shown that the Dela Cruzes continued to cultivate the subject land and paid the amortizations for the relevant period. Considering further that the relinquishment of possession did not last for at least two years as Carlito returned possession of the subject portion on December 4, 2007⁴⁰—less than two years from the execution of the subject deed on June 29, 2006—upon receipt of full payment of the Dela Cruzes' loan, the Court finds no lawful cause to eject the Dela Cruzes from their cultivated area, and as such, should be maintained in peaceful possession thereof.

ACCORDINGLY, the Petition is **GRANTED**. The Decision dated July 7, 2020 and the Resolution dated March 23, 2021 of the Court of Appeals in CA-G.R. SP No. 160682 are hereby **REVERSED** and **SET ASIDE**, and a new judgment is rendered **DISMISSING** the Complaint for recovery of possession.

SO ORDERED.


ANTONIO T. KHO, JR.
Associate Justice

³⁶ *Rollo*, pp. 163–164.

³⁷ *Id.* at 162. *See also* CA *rollo*, p. 159.

³⁸ CA *rollo*, pp. 151, 160.

³⁹ *Rollo*, p. 179.

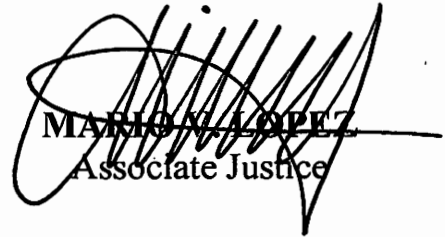
⁴⁰ *Id.* at 168.

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WE CONCUR:


MARVIC M.V.F. LEONEN
Senior Associate Justice

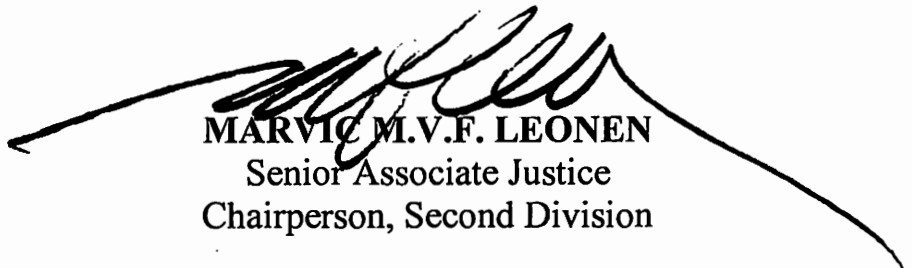

AMY C. LAZARO-JAVIER
Associate Justice


MARIO A. LOPEZ
Associate Justice

On official leave
JHOSEP Y. LOPEZ
Associate Justice

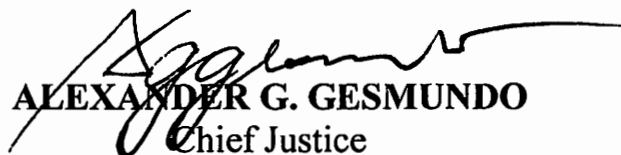
ATTESTATION

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.


MARVIC M.V.F. LEONEN
Senior Associate Justice
Chairperson, Second Division

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution and the Division 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.


ALEXANDER G. GESMUNDO
Chief Justice