REPUBLIC OF THE PHILIPPINES
SUPREME COURT
Manila

SECOND DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court, Second Division, issued a Resolution dated **09 November 2020** *which reads as follows*:

"G.R. No. 235550 ***(Fernando Fajardo v. Raymond Joseph O.L. Odulio, represented by his Attorney-in-Fact Trinidad F. Duria)***. — The propriety of dismissing an action for Unlawful Detainer is the core issue in this Petition for Review on *Certiorari*[1] under Rule 45 assailing the Court of Appeals' (CA) Decision[2] dated October 25, 2016 in CA-G.R. SP No. 143206.

ANTECEDENTS

Raymond Joseph Odulio (Raymond) bought three (3) parcels of land from Ponciano De Leon (Ponciano).[3] However, the parcels of land are being occupied by several persons upon Ponciano's tolerance. Among the occupants include Fernando Fajardo (Fernando). Raymond continued such tolerance. Later, Raymond demanded Fernando to vacate the land but was refused. Hence, Raymond filed an action for Unlawful Detainer against Fernando before the Municipal Trial Court (MTC). On the other hand, Fernando filed a petition for declaration of rights to a homelot before the Office of the Regional Director of the Department of Agrarian Reform (DAR). Fernando claimed that the land he is occupying is the homelot of his predecessor Victorino Fajardo (Victorino) who was a farmer-beneficiary.[4] On November 7, 2014, the DAR Regional Director declared Fernando as lawful possessor of the homelot, to wit:

> **WHEREFORE**, premises considered, an ORDER is hereby issued as follows:

---

1 *Rollo*, pp. 16-35.
2 *Id.* at 120-127; penned by Associate Justice Francisco P. Acosta, with the concurrence of Associate Justices Noel G. Tijam (retired Member of this Court) and Eduardo B. Peralta, Jr.
3 *Id.* at 48-50, 51-59, and 120.
4 *Id.* at 82-87.

> 1. DECLARING the lots with areas of Six Hundred (600) square meters and One Thousand (1,000) square meters as the respective homelots of x x x Victorino Fajardo, now in possession of x x x Fernando E. Fajardo, located at Barangay Carmen, Zaragoza, Nueva Ecija; and[5]
>
> 2. DIRECTING the DAR personnel concerned to cause the documentation leading to the issuance of the corresponding Emancipation Patents (Eps) to the qualified heirs of the FBs named therein involving the lots aforementioned.
>
> The Office reserves the right to cancel or revoke this Order in case of misrepresentation of facts material to its issuance and/or for violation of existing DAR policies, rules and regulations.
>
> SO ORDERED.[6]

Dissatisfied, Raymond and Ponciano moved to reconsider the Order dated November 7, 2014 of the DAR Regional Director. On November 2, 2015, the DAR Regional Director granted the motion and ruled that Fernando is not entitled to the homelot because he is not a tenant, thus:[7]

> WHEREFORE, premises considered, an ORDER is hereby issued GRANTING the herein Motion for reconsideration filed by respondents Ponciano De Leon and Raymond Joseph Odulio, through counsel.
>
> Accordingly, the ORDER dated November 7, 2014 is hereby RECALLED and SET ASIDE; and the 13 June 2013 Petition is hereby DISMISSED for lack of merit.[8]

On September 16, 2014, the MTC had dismissed the complaint for Unlawful Detainer on the ground of lack of jurisdiction. The MTC relied on the Order dated November 7, 2014 of the DAR Regional Director declaring Fernando as lawful possessor of the homelot and ruled that the case is an agrarian dispute. Raymond appealed to the Regional Trial Court (RTC). On April 10, 2015, the RTC denied the appeal. Aggrieved, Raymond elevated the case to the CA docketed as CA-G.R. SP No. 143206. On October 25, 2016, the CA reversed the findings of the RTC and the MTC. The CA reinstated the complaint for Unlawful Detainer and remanded the case for further proceedings. The CA ruled that the case is not an agrarian dispute because there is no tenancy relationship between the parties. Undaunted, Fernando sought reconsideration but was denied.[9]

Hence, this recourse. Fernando points out that the complaint for Unlawful Detainer should have been dismissed because the controversy between the parties is an agrarian dispute falling under the DAR's exclusive jurisdiction. Moreover, Fernando has a pending appeal with the Office of the

---

5 *Id.* at 102.
6 *Id.* at 104.
7 *Id.* at 125.
8 *Id.* at 112.
9 *Id.* at 141-142.

DAR Secretary regarding his right to the homelot which raises a prejudicial question.

RULING

Jurisdiction is defined as the power and authority to hear, try, and decide a case. In order for the court or an adjudicative body to have authority to dispose of the case on the merits, it must acquire jurisdiction over the subject matter. It is axiomatic that jurisdiction over the subject matter is conferred by law in force at the time the action was filed.[10] Moreover, what determines the nature of an action are the allegations in the complaint and the character of the reliefs sought.[11] Thus, when a court or tribunal has no jurisdiction over the subject matter, the only power it has is to dismiss the case.[12]

Jurisprudence edifies that for the DAR to have jurisdiction, the case must relate to an "agrarian dispute" defined under Section 3(d) of Republic Act (RA) No. 6657[13] or the Comprehensive Agrarian Reform Law of 1988 as:

> (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**. (Emphases supplied.)

Simply put, the DAR can validly take cognizance of the controversy if there is tenancy relationship between the parties, with the following indispensable elements,[14] to wit: (1) that the parties are the landowner and the tenant or agricultural lessee; (2) that the subject matter of the relationship is an agricultural land; (3) that there is consent between the parties to the relationship; (4) that the purpose of the relationship is to bring about agricultural production; (5) that there is personal cultivation on the part of the tenant or agricultural lessee; and (6) that the harvest is shared between

---

[10] *Alemar's (Sibal & Sons), Inc. v. CA*, 403 Phil. 236, 242 (2001).

[11] *Spouses Atuel v. Spouses Valdez*, 451 Phil. 631, 642 (2003).

[12] *Mitsubishi Motors Philippines Corp. v. Bureau of Customs*, 760 Phil. 954, 960 (2015), citing *Philippine Coconut Producers Federation, Inc. v. Republic*, 679 Phil. 508, 569 (2012); *Spouses Genato v. Viola*, 625 Phil. 514, 527-528 (2010); *Perkin Elmer Singapore Pte Ltd. v. Dakila Trading Corp.*, 556 Phil. 822, 836 (2007); *Allied Domecq Phils., Inc. v. Judge Villon*, 482 Phil. 894, 900-901 (2004); *Katon v. Palanca, Jr.*, 481 Phil. 168, 180 (2004); and *Zamora v. CA*, 262 Phil. 298, 305 (1990).

[13] AN ACT INSTITUTING A COMPREHENSIVE AGRARIAN REFORM PROGRAM TO PROMOTE SOCIAL JUSTICE AND INDUSTRIALIZATION, PROVIDING THE MECHANISM FOR ITS IMPLEMENTATION, AND FOR OTHER PURPOSES; approved on June 10, 1988.

[14] *Mateo v. CA*, 497 Phil. 83, 94 (2005).

the landowner and the tenant or agricultural lessee.[15] Otherwise, the action is within the jurisdiction of the regular courts if it does not involve an agrarian dispute.[16] Specifically, summary ejectment suits, such as a Forcible Entry case and Unlawful Detainer, fall under the exclusive original jurisdiction of the Metropolitan Trial Courts, Municipal Trial Courts, and the Municipal Circuit Trial Court.[17]

Here, the elements of tenancy relationship were not established. Fernando did not allege any tenancy, leasehold, or agrarian relations with Raymond except that the homelot is an agricultural land. Yet, this alone does not *ipso facto* make Fernando a tenant. As aptly discussed in *Estate of Pastor M. Samson v. Spouses Susano*,[18] there must be substantial evidence to prove a leasehold relationship between the parties, to wit:

> **It has been repeatedly held that occupancy and cultivation of an agricultural land will not *ipso facto* make one a *de jure* tenant.** Independent and concrete evidence is necessary to prove personal cultivation, sharing of harvest, or consent of the landowner. Substantial evidence necessary to establish the fact of sharing cannot be satisfied by a mere scintilla of evidence; there must be concrete evidence on record adequate to prove the element of sharing. To prove sharing of harvests, a receipt or any other credible evidence must be presented, because self-serving statements are inadequate. Tenancy relationship cannot be presumed; the elements for its existence are explicit in law and cannot be done away with by conjectures. **Leasehold relationship is not brought about by the mere congruence of facts but, being a legal relationship, the mutual will of the parties to that relationship should be primordial.** x x x.[19] (Emphasis supplied; citations omitted.)

At most, Fernando claimed that the land he is occupying is the homelot of his predecessor Victorino who was a farmer-beneficiary. However, the fact that Fernando is a successor of a farmer-beneficiary will not automatically make him a tenant. In *Cecilleville Realty and Service Corp. v. CA*,[20] the Court interpreted Section 22, paragraph 3, of RA No. 1199, as amended by RA No. 2263, and held that only a tenant is granted the right to have a home lot and the right to construct or maintain a house thereon, thus:

> The law is unambiguous and clear. Consequently, it must be applied according to its plain and obvious meaning, according to its express terms. *Verba legis non est recedendum*, or from the words of a statute[,] there should be no departure. As clearly provided, **only a tenant is granted the right to have a home lot and the right to construct or maintain a house thereon.** And here, private respondent does not dispute that he is not petitioner's tenant. In fact, he admits that **he is a mere**

---

[15] *Morta, Sr. v. Occidental*, 367 Phil. 438, 446 (1999).
[16] *Arzaga v. Copias*, 448 Phil. 171, 180 (2003).
[17] Batas Pambansa Bilang 129, Section 33, as amended by RA No. 7691, as amended, Section 2.
[18] 664 Phil. 590 (2011).
[19] *Id.* at 612-613.
[20] 344 Phil. 375 (1997).

member of Ana Pascual's immediate farm household. Under the law, therefore, we find private respondent not entitled to a home lot. **Neither is he entitled to construct a house of his own or to continue maintaining the same within the very small landholding of petitioner**. To rule otherwise is to make a mockery of the purpose of the tenancy relations between a [*bona fide*] tenant and the landholder as envisioned by the very law, [*i.e.*], Rep. Act No. 1199, as amended, upon which private respondent relies, to wit:

> Sec. 2. *Purpose.* — It is the purpose of this *Act* to establish agricultural tenancy relations between landholders and tenants upon the principle of social justice; *to afford adequate protection to the rights of both tenants and landholders*; *to insure the equitable division of the produce and income derived from the land*; to provide tenant-farmers with incentives to greater and *more efficient agricultural production*; to bolster their economic position and to encourage their participation in the development of peaceful, vigorous and democratic rural communities.

Thus, if the Court were to follow private respondent's argument and allow all the members of the tenant's immediate farm household to construct and maintain their houses and to be entitled to not more than one thousand (1,000) square meters each of home lot, as what private respondent wanted this Court to dole-out, then farms will be virtually converted into rows, if not colonies, of houses. How then can there be "*equitable division of the produce and income derived from the land*" and "*more efficient agricultural production*" if the land's productivity and use for growing crops is lessened or, more appropriately, obliterated by its unceremonious conversion into residential use? It is a fundamental principle that once the policy or purpose of the law has been ascertained, effect should be given to it by the judiciary. This Court should not deviate therefrom.[21] (Emphasis supplied; citations omitted.)

Moreover, it appears that both the RTC and the MTC dismissed the complaint for Unlawful Detainer based merely on the DAR Regional Director's Order dated November 7, 2014 which declared Fernando as lawful possessor of the homelot. Nevertheless, the DAR Regional Director reversed this finding and ruled that Fernando is not entitled to the homelot because he is not a tenant. Verily, the CA correctly reinstated the complaint for Unlawful Detainer absent tenancy relationship between the parties.

Lastly, the pendency of Fernando's appeal with the Office of the DAR Secretary regarding his right to the homelot does not raise a prejudicial question. In *Tecson v. Gutierrez*,[22] the Court held that a pending action involving the ownership of the property neither bars an ejectment suit nor suspends the proceedings, thus:

> Although respondent impugned the validity of petitioners' title over the property and claimed it to be his homelot, this assertion could not

---

[21] *Id.* at 381-382.
[22] 493 Phil. 132 (2005).

divest the MTC of jurisdiction over the ejectment cases. **The court could not be divested of jurisdiction over the ejectment cases on the mere allegation that the defendant asserts ownership over the litigated property. Moreover, a pending action involving ownership of the same property does not bar the filing or consideration of an ejectment suit, nor suspend the proceedings. The ejectment cases can proceed independently of the DARAB case. The underlying reason for this rule is to prevent the defendant from trifling with the summary nature of an ejectment suit by the simple expedient of asserting ownership over the disputed property**.

It is settled that the only issue for resolution in ejectment suits is the physical or material possession of the property involved, independent of any claim of ownership by any of the party litigants. In forcible entry and unlawful detainer cases, even if the defendant raises the question of ownership in his pleadings and the question of possession cannot be resolved without deciding the issue of ownership, the MTC, nonetheless, has the undoubted competence to provisionally resolve the issue of ownership for the sole purpose of determining the issue of possession.[23] (Emphasis supplied; citations omitted.)

FOR THESE REASONS, the petition is **DENIED**. The Court of Appeals' Decision dated October 25, 2016 in CA-G.R. SP No. 143206 is hereby **AFFIRMED**.

SO ORDERED. (**Rosario, *J.,*** *designated additional Member per Special Order No. 2797 dated November 5, 2020.*)"

By authority of the Court:

TERESITA AQUINO TUAZON
Division Clerk of Court
22 MAR 2021 3/19

[23] *Id.* at 137-138.

BUREAU OF AGRARIAN LEGAL ASSISTANCE (reg)
Department of Agrarian Reform
Mabini Extension, Cabanatuan City, Nueva Ecija

ATTY. BAYANI P. DALANGIN (reg)
Counsel for Respondent
Poblacion Sur
3114 Talavera, Nueva Ecija

HON. PRESIDING JUDGE (reg)
Regional Trial Court, Branch 28
3100 Cabanatuan City
(Civil Case No. 6987-AF)

JUDGMENT DIVISION (x)
Supreme Court, Manila

PUBLIC INFORMATION OFFICE (x)
LIBRARY SERVICES (x)
[For uploading pursuant to A.M. No. 12-7-SC]

OFFICE OF THE CHIEF ATTORNEY (x)
OFFICE OF THE REPORTER (x)
PHILIPPINE JUDICIAL ACADEMY (x)
Supreme Court, Manila

COURT OF APPEALS (x)
Ma. Orosa Street
Ermita, 1000 Manila
CA-G.R. SP No. 143206

Please notify the Court of any change in your address.
GR235550. 11/09/2020(103)URES