AGUSTIN VITALISTA, ORLANDO VITALISTA, LEONARDO VITALISTA, AURELIO VITALISTA, LAZARO VITALISTA, PEDRO MEMPIN, AND ENRIQUE DELA CRUZ, PETITIONERS, VS. FLORENTINO BANTIGUE PEREZ, J...

G.R. NO. 164147. June 16, 2006

Ponente: NAZARIO, J.

Read online (full-text search, related cases, audio case brief): https://batas.org/library/g-r-no-164147/

NAZARIO, J.:

This is a Petition for Review on Certiorari under Rule 45 of the 1997 Rules of Court, as amended, seeking to set aside a Decision[1] of the Court of Appeals dated 12 January 2004 allowing the petitioners and the private respondents to file their respective applications for one-half of Lot No. 2195, Psd-52045 of the Buenavista Estate, San Ildefonso, Bulacan, while crediting the previous payments made by Ester Bantigue as part of the appraised value of the land. The Court of Appeals in its assailed Decision affirmed the Decision[2] of the Office of the President dated 4 March 1998 and the Order[3] of the Department of Agrarian Reform (DAR) Secretary dated 13 September 1994 reversing the Order[4] of the DAR Regional Director dated 9 December 1992.

The land in question, registered as Lot No. 2195, with an area of 222,147 square meters, located in San Ildefonso, Bulacan, was once part of Hacienda Buenavista, a property owned by the Roman Catholic Church and administered by the San Juan de Dios Hospital. In 1940, Commonwealth Act (C.A.) No. 539 was enacted authorizing the President of the Philippines to acquire private lands and to subdivide the same into home lots or small farms for resale to bona fide tenants, occupants and other qualified individuals.[5]

Benito Bantigue was one of the tenants of Hacienda Buenavista who had a lease contract with the hospital. Upon his death in 1929, his leasehold right was inherited by his daughter, Ester Bantigue.[6] When the government offered to resell parcels of land from Hacienda Buenavista to its tenants, Ester Bantigue partially paid for the disputed lot under Official Receipt No. 0135880 dated 20 September 1944, as well as the outstanding rentals for the years 1939 up to 1944 under Official Receipt No. 0135881 dated 20 September 1944.[7] Furthermore, Ester Bantigue was the registered claimant of the subject landholding, per Certifications dated 27 September 1979 and 28 September 1992 of DAR Team Leader Cesar C. Jimenez and Municipal Agrarian Reform Officer Florizel F. Villegas, respectively.[8]

From 1945 to 1960, the children of Ester Bantigue, private respondents herein, worked on the landholding in question. In 1961, petitioner Agustin Vitalista worked on the land as a tenant of the Bantigues, per agreement with respondent Jose Perez, acting as administrator of the said land. The other petitioners were subsequently allowed to occupy and cultivate the land.[9]

Three years before her death, Ester Bantigue carried out contradictory acts in connection with the disposition of the landholding. On 4 November 1976, Ester Bantigue allowed her children and grandson to file an application to purchase one-half (1/2) of the disputed land.[10] However, on 26 May 1977, or six months after the application was filed, Ester Bantigue executed an affidavit waiving her rights to the said landholding in favor of the

government, stating further that she would consent to the sale of the land by the DAR to persons qualified to purchase the same. Four months later, she executed another document whose terms were patently contrary to those of the aforementioned waiver. On 19 September 1977, Ester Bantigue and the petitioners herein executed a document with the title Kasunduan, wherein one-half of the disputed property was given gratis to the petitioners while the remaining half was retained by Ester Bantigue. Thereafter Certificates of Land Transfers (CLTs) were applied for by and issued in favor of the petitioners. In 1980, Ester Bantigue died and the landholding was transferred to the private respondents as successors-in-interest.[11]

On 15 May 1992, private respondents filed a letter-petition claiming ownership over the entire landholding based on the payments made by their mother during the Japanese period, as evidenced by Official Receipts No. 0135880 and 0135881. They also questioned the validity of the Kasunduan dated 19 September 1977.[12]

On 9 December 1992, the Regional Director issued an order recognizing the partial payments made by Ester Bantigue during the Japanese period. However, the Regional Director ruled that Ester Bantigue and her heirs had forfeited their rights over the entire parcel of land by employing tenants in violation of the rules and regulations of the Land Tenure Administration (LTA), specifically Sections 24 and 25 of LTA Administrative Order No. 2, issued in 1956, and DAR Administrative Order No. 3, Series of 1990.[13] The dispositive portion of the said Order is quoted hereunder:

> WHEREFORE, premises considered, Order is hereby issued
>
> - DECLARING the heirs of Ester Bantigue no better right to acquire Lot No. 2195, Psd-52045 of the Buenavista Estate, San Ildefonso, Bulacan;
>
> - DECLARING Lot 2195, Psd-52045 vacant and open for disposition to actual occupants/cultivator and who are qualified to purchase thereof;
>
> - FORFEITING all payments made by Ester Bantigue over the aforecited lot in favor of the government.[14]

On appeal, the Secretary of Agrarian Reform reversed and set aside the Order issued by the Regional Director, pronouncing that the provisions of LTA Administrative Order No. 2, issued in 1956, and the DAR Administrative Order No. 3, Series of 1990, have no retroactive effect on the implied contract between Ester Bantigue and the government in 1944, in accordance with the constitutional prohibition against the impairment of contracts[15]. However, the implied contract is subject to limitations imposed by the Kasunduan she later executed.[16] The dispositive portion of the said Order dated 13 September 1994 states:

> WHEREFORE, premises considered, Order is hereby issued giving due course to the instant appeal filed by the petitioner, thus setting aside the Order dated December 09, 1992 of the Regional Director. Lot No. 2195, Psd-52045 containing an area of 22.2147 hectares shall be divided equally between the heirs of Ester Bantigue and Agustin Vitalista, et al. They shall be allowed to file their separate applications or if filed already, it should be processed, and the previous payments made by Ester Bantique shall be credited as part of the appraised value of the land.[17]

A Motion for Reconsideration was filed by the petitioners, but the same was denied by the DAR for lack of merit in an Order dated 12 December 1995.[18]

The petitioners then filed an appeal before the Office of the President, but on 4 March 1998, the appeal was again dismissed for lack of merit and the Order appealed from was affirmed. In addition, the Office of the President called attention to the evidence presented by the private respondents indicating that their successor-in-interest had occupied and cultivated the land as early as 1929, while the petitioners were unable to prove that they occupied the land earlier than 1960; thus, the private respondents had the better right to the land.[19]

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

The petitioners filed a Motion for Reconsideration, which was subsequently denied on 20 January 2000.[20]

The petitioners filed a Petition for Review under Rule 43 of the 1997 Rules of Court. In a Decision dated 12 January 2004, the Court of Appeals denied their Petition.[21] In affirming the factual findings of the DAR Secretary and the Office of the President, the Court of Appeals disregarded the petitioners' allegation that they were the original possessors and occupants of the disputed land.[22]

The Court of Appeals declared that since the provisions of LTA Administrative Order No. 2 requiring personal occupation and cultivation came into effect after Ester Bantigue purchased her land, these cannot be applied retroactively without violating the Constitutional proscription against impairing the obligations of contracts.[23]

The Court of Appeals also ruled that the entirety of her acts should be taken into account in interpreting Ester Bantigue's intent in executing the waiver; in such a case, her intent in executing the waiver was a desire to benefit the petitioners without sacrificing her children's right to the land.[24]

The Court of Appeals likewise held that there was a contract to sell between the government and the private respondents' predecessor-in-interest. Although it was only partly paid, the contract was not cancelled. Thus, the full implementation of the transfer while taking into account the Kasunduan or agreement with the petitioners was correct and just.[25]

The petitioners filed a Motion for Reconsideration of the Decision dated 12 January 2004 that was rendered by the Court of Appeals. On 11 June 2004, the Court of Appeals issued a Resolution denying their motion.[26]

Hence this petition, wherein the petitioners raised the following issues:

> I.
>
> WHETHER OR NOT, THE HONORABLE PUBLIC RESPONDENT COURT OF APPEALS MISERABLY FAILED TO RESOLVE WHETHER PRIVATE RESPONDENTS HAVE HAD TRANSMISSIBLE RIGHTS OVER THE LOT IN QUESTION.
>
> II.
>
> WHETHER OR NOT, THE HONORABLE PUBLIC RESPONDENT COURT OF APPEALS GRAVELY ERRED IN AFFIRMING THE DECISIONS OF THE HONORABLE OFFICE OF THE PRESIDENT AFFIRMING THE DECISION OF THE HONORABLE DAR SECRETARY, THAT IS, EQUAL DIVISION OF THE LOT IN QUESTION BASED ON THE ALLEGED AGREEMENT BETWEEN THE PETITIONERS AND THE DECEASED ESTER BANTIGUE.
>
> III.
>
> WHETHER OR NOT, EQUAL DIVISION OF THE LOT IN QUESTION BETWEEN THE PETITIONERS AND PRIVATE RESPONDENTS (IS) IN ACCORDANCE WITH THE FACTS, LAWS, RULES AND REGULATIONS GOVERNING THE DISPOSITION AND AWARD OF LOTS WITHIN THE BUENAVISTA ESTATE.[27]

Respondent failed to file a memorandum, despite due notice and sufficient time that this Court allowed them. Accordingly, the petition was decided based on the records and the pleadings already before this Court.

In this case, petitioners raised not only questions of law but also issues of fact in their petition for review. They argued that the Court of Appeals failed to consider the fact that it is the petitioners, not the private respondents nor their predecessor-in-interest, who had occupied, possessed and cultivated the land in question even before the government acquired the Buenavista Estate.[28]

Well-settled is the rule that the jurisdiction of this Court in a Petition for Review on Certiorari under Rule 45 of the 1997 Revised Rules of Court is limited to reviewing only errors of law, not of fact, especially if the factual findings of the Court of Appeals coincide with those of the DAR, an administrative body with expertise on matters within its specific and specialized jurisdiction. Such factual findings can be questioned only if, among other exceptions,[29] they are completely devoid of support from the evidence on record or the assailed judgment is based on a gross misapprehension of facts.[30]

In the present case, there is no reason to disregard the findings of fact of the Court of Appeals. The factual findings are borne out by the records and are supported by substantial evidence. The records do not contain any evidence to support the petitioners' allegation that they occupied the landholding before the 1960's. A party claiming a right granted or created by law must prove his claim by competent evidence and is duty bound to prove his allegations and cannot simply rely on the weakness of the other party's evidence.[31]

On the other hand, the private respondents were able to prove that they were bona fide tenants qualified to acquire subdivided farm lots as provided under Section 1 of C.A. No. 539.[32] They presented a Lease Contract between their predecessor-in-interest, Ester Bantigue, and the San Juan De Dios Hospital, as well Official Receipts as evidence of payments for rent in-arrears and partial payments for the purchase of the land made in 1944.

Significantly, the Order issued by the DAR Regional Director dated 9 December 1992 recognizes that Ester Bantigue is the registered claimant of the disputed land, while the petitioners are registered tenants of Ester Bantigue over the said land.[33] The Regional Director decreed that the private respondents' preferential right to acquire the disputed land was forfeited for violating the rules against employing tenants, the petitioners, in accordance with LTA Administrative Order No. 2, and DAR Administrative Order No. 3, series of 1990.[34] Certifications issued by no less than two DAR officials affirm Ester Bantigue's status as the registered claimant.[35]

Finally, when the petitioners executed a document entitled Kasunduan with Ester Bantigue in 1977, they necessarily recognized her right to give them half of her interest in the said land and to keep the other half for herself. From 1977 to 1993 when the private respondents brought this case on appeal, the petitioners did not question the validity of the Kasunduan. Instead, they filed an application for one-half of the land immediately after the Kasunduan was executed, and not for the entire portion as would have been the case had there been no one with a superior right to the land.[36]

The petitioners in this case cannot claim a superior right to acquire the land in question since they cannot be considered as bona fide tenants or occupants as provided under C.A. No. 539. A bona fide tenant or occupant is one who supposes that he has a good title and knows of no adverse claim They were aware of the private respondents' prior claim since the registered claimant of the said land was Ester Bantigue and the petitioners had in fact been tenants hired by the Bantigues.

In the case of Fernando Santiago v. Realeza Cruz,[37] this Court emphasized that where there is more than one claimant or applicant for the purchase of land acquired under C.A. No. 539, the same law provides for a rule on preference in favor of a bona fide tenant:

> The next question to be determined refers to the preference that should be observed in the allocation of the lots in dispute among their different claimants which constitutes the root cause of the present controversy x x x. This law is Commonwealth Act No. 539. Section 1 of this Act provides that the home lots into which the lands acquired thereunder are to be subdivided to promote its objective shall be resold at reasonable prices and under such terms and conditions as may be fixed "to their bona fide tenants or occupants or private individuals who will work the lands themselves and who are qualified to acquire and own lands in the Philippines." An analysis of this provision would at once reveal that the intendment of the law is to award the lots to those who may

> apply in the order mentioned. This enumeration denotes the preferential rights the law wishes to accord to them. Thus, the first choice is given to the bona fide "tenants," the second to the "occupants" and the last to "private individuals."[38]

The preference in favor of a bona fide tenant or occupant was thus explained by this Court in the case of Enrique Bernardo v. Crisostomo S. Bernardo:[39]

> The term "bona fide occupant" (admittedly petitioner is not a tenant) has been defined as "one who supposes he has a good title and knows of no adverse claim" (Philips vs. Stroup, 17 Atl. 220,221); "one who not only honestly supposes himself to be vested with true title but is ignorant that the title is contested by any other person claiming a superior right to it" (Gresham vs. Ware, 79 Ala. 192, 199); definitions that correspond closely to that of a possessor in good faith in our Civil Law (Civil Code of 1889, art. 433; new Civil Code, art. 526). The essence of the bona fides or good faith, therefore, lies in honest belief in the validity of one's right, ignorance of a superior claim, and absence of intention to overreach another. The petitioner Enrique Bernardo falls short of this standard: for the precarious nature of his occupancy, as mere licensee of respondents, duty bound to protect and restore that possession to its real and legitimate holders upon demand, x x x. That the law, in preferring "bona fide occupants," intended to protect or sanction such utter disregard of fair dealing may well be doubted.[40]

The Affidavit of Waiver executed by Ester Bantigue in 1977, waiving her right to the entire landholding in favor of the government, is invalid since the entirety of her acts shows a contrary intent. Waiver is defined as the relinquishment of a known right with knowledge of its existence and an intention to relinquish it.[41] This Court, in its previous decisions had emphasized the importance of determining the intent of the parties. In Nielson & Company, Incorporated v. Leopanto Consolidated Mining Company,[42] this Court decreed that, "In the construction and interpretation of a document the intention of the parties must be sought. This is the basic rule in the interpretation of contracts because all other rules are but ancillary to the ascertainment of the meaning intended by the parties."

Previous, simultaneous and subsequent acts of the parties are properly cognizable indicia of their true intention.[43] In this case, Ester Bantigue first allowed her children to apply for the purchase of one half of the land, before waiving her rights to acquire it in favor of the government. Within a few months, she finally entered into an agreement whereby the petitioners were given one-half of her interest in the land, and the other half was set aside for her and her heirs. Verily, Ester Bantigue's intention was to leave one-half of her interest in the subject land to her heirs. Since Ester Bantigue's intent has been sufficiently shown, it must be respected and implemented through whatever medium is available under our civil law.[44]

Moreover, this Court also placed significance over the subsequent acts of the parties involved in connection with a contract or document. In the case of The Spouses Bernabe Africa v. Caltex (Philippines), Incorporated,[45] this Court stated that, should there be a controversy as to what they really had intended to enter into, the way the contracting parties do or perform their respective obligations stipulated or agreed upon should prevail over the name or title given to the contract.

In this case, the acts of the parties affected affirmed they understood and accepted that the intention of Ester Bantigue had been to retain one-half of the property for herself and her heirs, not waive her entire rights to the landholding in favor of the government. The government never declared the landholding vacant and open for disposition, which would have been the case had the waiver been considered valid. The petitioners applied for and were granted CLTs by the DAR for only part of Lot No. 2195, Psd-52045[46]. Since the petitioners were occupants of the same land, they should have applied for CLTs over the entire parcel of land if they believed that the Waiver executed by Ester Bantigue ceding her rights in favor of the government was valid.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

It is crucial that both petitioners and private respondents had acted in accordance with the terms of the Kasunduan, not the Waiver of Ester Bantigue's rights over the subject land in favor of the government. Each party had made their application to purchase only half of the subject land. Neither the petitioners nor the private respondents questioned the equal division of the land during the lifetime of Ester Bantigue nor for more than ten years thereafter.

The private respondents alleged in their letter-complaint dated 15 May 1992 filed before the DAR that their mother, Ester Bantigue, was of unsound mind when the Kasunduan was executed.[47] However, the records are devoid of evidence in support of this allegation. The burden of proving such incapacity rests upon he who alleges it; if no sufficient proof to this effect is presented, capacity will be presumed.[48] Moreover, even if Ester Bantigue had been incapable of giving her consent, the Kasunduan is still a voidable, not a void, contract. As such it remains binding, as it was not annulled in a proper action in court within four years.[49]

Moreover, the petitioners allege that the Kasunduan is void since the government is not a party to an agreement covering lots which are part of the landed estate. The petitioners further allege that upholding the agreement would be a clear abdication of the government's powers to administer and dispose of lots within landed estates.[50]

There is no merit in the petitioners' allegations. Ester Bantigue's tenancy rights over the disputed land has existed since 1929, and she had partially paid for the said land in 1944. Ester Bantigue did not infringe upon the government's powers and authority by giving one-half of her interest to the said land to the petitioners, whom she had allowed to occupy and cultivate the land since 1960. The Kasunduan or agreement between Ester Bantigue and the petitioners does not prevent the government from denying the petitioners' applications for CLTs over half of the disputed land. By issuing the CLTs in favor of the petitioners, the DAR found nothing wrong with the terms of the Kasunduan.

The Kasunduan executed by the petitioners and Ester Bantigue is a valid contract. Contracts, in general, require the presence of three essential elements: (1) consent of the contracting parties; (2) object certain which is the subject matter of the contract; and (3) cause of the obligation which is established[51]. There is no question that Ester Bantigue and the petitioners voluntarily entered into an agreement to divide the subject land equally between themselves. The object of the contract in this case is Ester Bantigue's interest as registered claimant over the subject land. Since the Kasunduan is a gratuitous contract, the generosity or liberality of the benefactor is the cause in such contracts.

In summary, the Kasunduan, which the petitioners and Ester Bantigue executed in 19 September 1977 complies with the requisites of a contract and it is not contrary to law. Moreover, it is more consistent with the intent shown by Ester Bantigue to leave her heirs one-half of her interest to the disputed land. The private respondents and the petitioners also conformed to its terms and did not question its validity from 1977 to 1992. Since it is a valid contract, the Kasunduan should be given full force and effect. A contract is the law between the contracting parties, and where there is nothing in its terms, which is contrary to law, morals, good customs, public policy or public order, the validity of the contract must be sustained.[52] Contracts, once perfected, have the force of law between the parties who are bound to comply therewith it in good faith.[53]

The petitioners likewise questions the decision of the Court of Appeals for not disqualifying the private respondents from acquiring the disputed land, since they had violated LTA Administrative Order No. 2, issued in 1956, and DAR Administrative Order No. 3, Series of 1990, by employing tenants. LTA Administrative Order No. 2 requires the beneficiary or awardee of public lands to personally cultivate the landholding. Failure to do so will result in the cancellation of the Agreement to Sell or the Deed of Sale between such beneficiary or awardee

and the government, the pertinent provisions stating thus:

> Section 24 - Conditions in Agreement to Sell, Deeds of Sale and Torrens Title. It shall be conditioned in all agreements to sell and deeds of sale covering lots acquired under these rules and regulations that said lots shall be personally occupied and/or cultivated by the purchasers thereof. x x x
>
> Section 25 - Violation of the Conditions in the Preceding Section; Its effect - The violation of any of the conditions set forth in the preceding section shall be sufficient ground for the chairman of the Land Tenure Administration to cancel an agreement to sell or deed of sale, and to order the reversion of the lot covered thereby and the forfeiture of all payments made on account thereof to the government.

The same rule is reiterated in DAR Administrative Order No. 3, Series of 1990, which prescribes the procedure for facilitating the issuance of land titles to qualified beneficiaries:

> SITUATION
> 2.1 Applicant with OA/CLT
> x x x
> 2.1.3 If not actual cultivator/occupant
> a. one who employs tenants prior to full payment of the cost of the lot RECOMMENDED ACTION
>
> Cancel OA/CLT and issue CLOA to actual cultivator /occupant

The circumstances of this case are similar to those found in Spouses Conrado Tuazon v. Hon. Ernesto Garilao,[54] where the disputed land was also acquired under C.A. No. 539 and the issue raised was whether the awardee of the land loses his right to acquire it by allowing other persons to cultivate the land. In the Tuazon case, this Court applied to an agreement to sell executed in 1960 a specific rule later issued, Land Authority Circular No. 1, series of 1971, which provides that, "x x x in cases of awards or agreements to sell issued over land acquired by the government under the provisions of CA No. 539, where the awardee or promisee dies or is physically incapacitated, or where the government fails to issue the corresponding deed of sale although the land is fully paid for, the said awardee or promisee or his successors in interest may enter into leasehold or labor-management relationship and work the land through lessees or laborers without being considered as losing occupancy or personal cultivation of the land."[55]

A general law and a special law on the same subject should be accordingly read together and harmonized if possible with a view to giving effect to both. Where there are two acts, one of which is special and particular and the other general which, if standing alone, would include the same matter and thus conflict with the special act, the special must prevail since it evinces the legislative intent more clearly than that of the general statute and must be taken as intended to constitute an exception to the rule.[56]

The same principle applies regardless of whether the special law is passed before or after the general act. Where the special law is later, it will be regarded as an exception to, or a qualification of the prior general act; and where the general act is later, the special statute will be construed as remaining an exception to its terms, unless repealed expressly or by necessary implication.[57]

In this case, the general rule requires personal cultivation in accordance with LTA Administrative Order No. 2 and DAR Administrative Order No. 3, Series of 1990. However, Land Authority Circular No. 1, Series of 1971 clearly makes three exceptions on the personal cultivation requirement in cases where land is acquired under C.A. No. 539: (1) when the awardee or promisee dies; or (2) when the awardee or promisee is physically incapacitated; or (3) when the land is fully paid for but the government fails to issue the corresponding deed of sale. By specifying these excepted cases and limiting them to three, the said circular recognizes that outside these exceptions, any deed of sale or agreement to sell involving lands acquired under C.A. No. 539 should be cancelled

in cases where the awardee fails to comply with the requirement of personal cultivation.

This case falls under one of the exceptions to the above-cited rule anchored on the ground of physical incapacity. The factual findings of the Court of Appeals reveal that Ester Bantigue and her children cultivated the land at the time she made her first installment for the purchase of the land in 1944 until the time private respondent Jose Bantigue Perez engaged the services of the petitioners to work on the land sometime in 1960. By that time, the awardee or promisee, Ester Bantigue was already at an age when she was no longer physically able to work on the land. She had even appointed her son Jose Bantigue Perez to manage the said property, and authorized him to engage the services of the petitioners. Truly then, the private respondents and their predecessor-in-interest are exempted from the rule requiring personal occupancy and cultivation due to Ester Bantigue's physical incapacity. The Agreement to Sell between Ester Bantigue and the government executed pursuant to C.A. No. 539 cannot be cancelled on the ground that other persons or lessees or laborers were allowed to work on the land. Therefore, Ester Bantigue's heirs, the private respondents are not disqualified from acquiring the disputed land. However, their right to acquire it is subject to the Kasunduan, dated 29 September 1977, ceding to the petitioners their interest to one-half of the land, for the reasons heretofore clarified.

WHEREFORE, premises considered, this Court DENIES this petition and AFFIRMS the Decision of the Court of Appeals in CA-G.R. SP NO. 57362 dated 12 January 2004, ordering that Lot No. 2195, Psd-52045 containing an area of 22.2147 hectares shall be divided equally in two parts between the private respondents and the petitioners, who shall be allowed to file their respective applications. The previous payments made by Ester Bantique shall be credited as part of the appraised value of the land. Costs against petitioners.

SO ORDERED.

Panganiban, C.J., (Chairman), Ynares-Santiago, Austria-Martinez, and Callejo, Sr., JJ., concur.

---

[1] Penned by Associate Justice Mario L. Guariña III, with Associate Justice Martin S. Villarama, Jr. and Associate Justice Jose C. Reyes, Jr. concurring. Rollo, pp. 28-34.

[2] CA rollo, pp. 48-53.

[3] Id. at 26-32.

[4] Id. at 23-25.

[5] Rollo, p. 29.

[6] Id. at 29.

[7] CA rollo, p. 49.

[8] Id. at 27.

[9] Id. at 49.

[10] Id. at 27.

[11] Rollo, p. 30.

[12] Rollo, p. 30.

[13] CA rollo, p. 24.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

The pertinent provisions reads, as follows:

Section 24 - Conditions in Agreement to Sell, Deeds of Sale and Torrens Title. It shall be conditioned in all agreements to sell and deeds of sale covering lots acquired under these rules and regulations that said lots shall be personally occupied and/or cultivated by the purchasers thereof. x x x (LTA Administrative Order No. 2 ; 1956)

Section 25 - Violation of the Conditions in the Preceding Section; Its effect - The violation of any of the conditions set forth in the preceding section shall be sufficient ground for the chairman of the Land Tenure Administration to cancel an agreement to sell or deed of sale, and to order the reversion of the lot covered thereby and the forfeiture of all payments made on account thereof to the government. (LTA Administrative Order No. 2 ; 1956)

SITUATION
2.1 Applicant with OA/CLT
XXX
2.1.3 If not actual cultivator/occupant
a. one who employs tenants prior to full payment of the cost of the lot
RECOMMENDED ACTION

Cancel OA/CLT and issue CLOA to actual cultivator /occupant

(DAR Administrative Order No. 3, Series of 1990)

[14] Id. at 25.

[15] CONSTITUTION, Art. III, Sec. 10. "No rule impairing the obligation of contracts shall be passed."

[16] CA rollo, pp. 30-31.

[17] Id. at 31-32.

[18] Id. at 33-35.

[19] Id. at 51-53.

[20] Id. at 60-61.

[21] Rollo, p. 28.

[22] Id. at 31.

[23] Id. at 32.

[24] Id. at 33.

[25] Id. at 34.

[26] CA rollo, p. 143.

[27] Rollo, p. 18.

[28] Id. at 19.

[29] The exceptions to this rule include the following instances: (1) when the conclusion is grounded entirely on speculations, surmises or conjectures; (2) when the inference made is manifestly mistaken, absurd or impossible; (3) where there is grave abuse of discretion; (4) when the judgement is based on a misapprehension of facts; (5)

when the findings of fact are conflicting; (6) when the Court of Appeals, in making its findings, went beyond the issues of the case and the same is contrary to the admissions of both appellant and appellee; (7) when the findings of the Court of Appeals are contrary to those of the trial courts; (8) when the findings of fact are conclusions without citation of specific evidence on which they are based; (9) when the Court of Appeals overlooked certain relevant facts not disputed by the parties, which, if properly considered, would justify a different conclusion; and (10) when the findings of fact of the Court of Appeals are premised on the absence of evidence and are contradicted by the evidence on record. (Juanita T. Sering v. Court of Appeals, G.R. No. 137815, 29 November 2001, 371 SCRA 151, 155-156; Maximino Fuentes v. Court of Appeals, 335 Phil. 1163, 1168-1169 (1997).[30] Charles Joseph U. Ramos v. Court of Appeals, G.R. No. 145405, 29 June 2004, 433 SCRA 177, 182; Graciano Padunan v Department of Agrarian Reform Adjudication Board (DARAB), G.R. No. 132163, 28 January 2003, 396 SCRA 196.[31] United Airlines, Incorporated v. Court of Appeals, G.R. No. 124110, 20 April 2001, 357 SCRA 99, 107; Domingo R. Catapusan v. Court of Appeals, 332 Phil 586, 592 (1996).[32] Commonwealth Act No. 539 (1940). SECTION 1.The President of the Philippines is authorized to acquire private lands or any interest therein, through purchase, expropriation and to subdivide the same into home lots or small farms for resale at reasonable prices and under such conditions as he may fix to their bona fide tenants or occupants or to private individuals who will work the lands themselves and who are qualified to acquire and own lands in the Philippines.[33] CA rollo, p. 23.[34] Id. at 24.[35] Id. at 27.

[36] Id.[37] 98 Phil. 168 (1955).[38] Id. at 173-174.[39] 96 Phil. 202 (1954).[40] Id. at 204-205.[41] Public Estates Authority v. Bolinao Security and Investigation Service, Incorporated, G.R. No 158812, 5 October 2005, 472 SCRA 165, 176.[42] 125 Phil. 204, 215 (1966).[43] Florencia Velazquez v. Justo Teodoro, 46 Phil. 757 (1923); Pilar N. Borromeo v. Court of Appeals, 150-B Phil. 770, 777 (1972).[44] Adaza v. Court of Appeals, G.R. No. 47354, 21 March 1989, 171 SCRA 369.[45] 123 Phil. 272, 287 (1966), citing The Shell Company of the Philippines Limited v. Firemen's Insurance Company of Newark, 100 Phil 757, 764 (1957).[46] CA rollo, p. 49. [47] Id. at 24.[48] Miguela Carillo v. Justimiano Jaojoco, 46 Phil 957, 960 (1924).[49] CIVIL CODE. Art. 1390. The following contracts are voidable or annullable, even though there may have been no damage to the contracting parties:

(1) Those where one of the parties is incapable of giving consent to a contract;

(2) Those where the consent is vitiated by mistake, violence, intimidation, undue influence or fraud.

These contracts are binding, unless they are annulled by a proper action in court. They are susceptible of ratification.

Art. 1391 The action for annulment shall be brought within four years. x x x.

[50] Rollo, p. 21[51] Arturo R. Abalos v. Dr. Galicano S. Macatangay, Jr., G.R. No. 155043, 30 September 2004, 439 SCRA 649, 657.[52] Phoenix Assurance Company, Limited. v. United States Lines, 130 Phil. 698, 702-703 (1968).[53] Spouses Tiu Peck v. Court of Appeals, G.R. No. 104404, 6 May 1993, 221 SCRA 618, 625; CIVIL CODE. Art. 1159. Obligations arising from contracts have the force of law between the contracting parties and should be complied with good faith.[54] 415 Phil. 62 (2001).[55] Id. at 71.[56] Lichauco and Company, Incorporated v. Silverio Apostol, 44 Phil 138, 147 (1922).[57] Jose D. Villena v. Hon. Marciano Roque, 93 Phil 363, 373 (1953).

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at https://batas.org

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.