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JTC Corp *v* Chin Hong Printing Pte Ltd
[2014] SGHC 115

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Case Number : Suit No 1092 of 2013 (Summons No 893 of 2014)

Decision Date : 13 June 2014

Tribunal/Court : High Court

Coram : Choo Han Teck J

Counsel Name(s) : Roslina Bte Baba and Lim Yue Chuan (Ramdas & Wong) for the plaintiff; Teh Ee-Von (Infinitus Law Corporation) for the defendant.

Parties : JTC Corp — Chin Hong Printing Pte Ltd

Civil Procedure – Summary Judgment

Landlord and Tenant – Recovery of Possession

13 June 2014

Choo Han Teck J:

1   This was the plaintiff's application for summary judgment. The plaintiff was the landlord; the defendant, the tenant. The plot of land was known as Pte Lot A 18444, at 16 Joo Koon Circle, Jurong Town, Singapore. The defendant had a lease for 30 years, which expired on 5 January 2013. When 5 January 2013 had passed and the defendant had not vacated the premises, after a series of failed negotiations, the plaintiff brought the matter to court.

2   The plaintiff sought an order for vacant possession, double the rent for the period the defendant held over the premises (6 January 2013 to the date the defendant delivered vacant possession to the plaintiff), an order for the defendant to remove an unauthorised structure on the property before delivering possession, interest, and costs of the application on an indemnity basis.

3   Before going into the defences raised by the defendant, I will highlight the "option to renew" clause in the lease agreement. This was found in cl 2A of the third schedule, and read as follows:

> 2A   The Lessor further covenants with the Lessee that he shall at the request of the Lessee made in writing no less than six (6) months prior to the expiry of the term herein created grant to the Lessee a lease of the demised premises for a further term of thirty (30) years (hereinafter referred to as "the further term") from the expiry of the said term upon the same terms and conditions and containing like covenants as are contained in this lease with the EXCEPTION of the present covenant for renewal PROVIDED THAT:
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> (i)   the Lessee's fixed investment on the demised premises exceeds the sum of $1.3 million per 0.4 hectare of the demised premises (out of which at least $520,000/- per 0.4 hectare shall be on building and civil works (inclusive of the sum of $550,000/- deductible for the building) and the balance can be on plant and machinery) within ten (10) years from the 1st day of June 1980 and due proof of such investment is produced to the satisfaction of the Lessor;
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> (ii)   there be no existing breach(s) or non-observance(s) of any of the covenants and

conditions herein contained on the part of the Lessee to be observed or performed;

(iii)   the rental payable for the further term shall be set out hereunder…

The clause goes on to elaborate on how the rent for the further term should be calculated. That, however, was not directly relevant for the purpose of the proceedings before me.

4   As at 6 January 2013, it was undisputed that the first term had come to an end. On 13 February 2012, the defendant applied to renew the lease. The plaintiff rejected the defendant's application on 12 April 2012. In October 2012, the defendant presented a revised business plan to the plaintiff, together with another application to renew the lease. The plaintiff rejected this too, in a letter to the defendant dated 7 December 2012, but stated that it was "prepared to consider a short extension of stay". This offer for a stay, elaborated on in paragraphs 5 and 6 of that letter, was to last at most three years, and was priced at a substantially higher rent. On 1 February 2013, the plaintiff offered to extend the lease by six months (with effect from 6 January 2013) at the rate of $30,899.67 per month. On 19 August 2013, the plaintiff offered to extend the lease by three years (with effect from 6 January 2013) at the same rate. Neither of these offers was apparently accepted by the defendant. On 28 November 2013, the plaintiff commenced this action against the defendant.

5   The defendant's main "defences" were as follows:

(a)   By inviting counter-proposals, the plaintiff had represented to the defendant that it was prepared to continue negotiations and allow the defendant to remain occupying the premises; and

(b)   There was no holding over because the plaintiff had represented by its conduct that the defendant was permitted to remain in the premises in the meantime.

6   The defendant raised other arguments as well, but those pertained to the matter of quantum of damages (or double rent), and whether the defendant had breached any terms of the lease. Neither of these affected the plaintiff's prayer for vacant possession.

7   The two main defences of the defendant (in [5]), which were charitably interpreted by the plaintiff as arguments relating to estoppel, were without merit. There was no representation by the plaintiff that would serve to prevent it from seeking vacant possession. The defendant's case, that such representation was made out when the plaintiff wrote to the defendant offering to extend the lease, was unmeritorious. This is evident from the correspondence between the parties, as well as the nature of each of the plaintiff's offers. In any case, the defendant had not accepted, nor even acted on, any of the offers (or the negotiations).

8   As such, the facts before me were rather simple. The lease had expired. There had been no renewal. These were undisputed by both sides. The plaintiff (landlord) came to court seeking its premises back. In this regard, I thought the plaintiff's case was indeed a straightforward one. In its other prayers for double rent and interest, I foresaw possible complications. As such, I made the following orders:

(a)   Final judgment to plaintiff for defendant to deliver vacant possession of the premises;

(b)   Damages and interests to be assessed;

(c)   Costs of the summons and action to the plaintiff to be taxed, if not agreed, after the

assessment of damages; and

(d)   Liberty to apply.

9   The defendant has since appealed against my decision.