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DISTRICT JUDGE
ANDREW TAN SHAO WENG
18 September 2026

IN THE STATE COURTS OF THE REPUBLIC OF SINGAPORE

[2026] SGMC 111

Magistrate Court Suit No 9021 of 2023
District Court Appeal No. 9 of 2026

Between

Eomer Holding Pte Ltd

… *Claimant*

And

(1) Junie Lim Lay Peng

(2) Bryan Lim Lay Heng

… *Defendants*

GROUNDS OF DECISION

[Property] – [Lease] – [Damages]

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v
June Lim Lay Peng & Anor

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District Judge Andrew Tan Shao Weng
8 October, 20 November 2025, 29 January, 3, 11 March 2026

18 September 2026

District Judge Andrew Tan Shao Weng:

Introduction

1 This is a tenancy dispute between the claimant and the defendants. The former is in the "business of private wealth and trust management for single or multiple families".[1] The defendants are the landlords of 37B Mosque Street, Singapore 059515 ("the premise"). It is a 3-storey shophouse. Parties entered into a lease agreement dated 21 March 2023, which salient terms are as follows. The period of tenancy was for 24 months commencing on 22 April 2023 at a monthly rent of $8,000.

2 Starting from 28 June 2023, there was a leak in the premise. This leak – according to the claimant – rendered the entire 3rd floor of the premise, which

[1] Statement of Claim ("SOC") at [1].

was utilised as a meeting room to host clients, unusable. Leakages ceased after repairs were completed by the defendants in October 2023. The claimant sought damages owing to loss of use of the premise arising from the leak. The claimant further sought damages owing to "noisy construction works"[2] which took place in October 2023. Finally, the claimant pursued damages for loss of income arising from the alleged number of manhours spent dealing with the defendants' breaches of the tenancy agreement. As an alternative to damages for loss of income, the claimant contended that they were entitled to damages for inconvenience, anxiety and loss of enjoyment.

3 The defendants counterclaimed for outstanding rental arrears, as the claimant did not pay rent from 22 December 2023. In addition, the claimant was alleged to have breached the tenancy agreement by failing to purchase fire insurance in accordance with the tenancy agreement.

4 The claimant's case succeeded in part. I allowed the claim vis-à-vis loss of use of the third floor of the premise. In so doing, damages were awarded on the basis of abatement of rent. In other words, rent was proportionately reduced based on the unusable area as a fraction of the entire premise. The remaining claims were disallowed. The defendant's counterclaim for rental arrears was allowed, with the remaining claim in relation to fire insurance disallowed.

5 The defendants sought leave to appeal against my decision. I allowed it on the ground that the issue of abatement of rent vis-à-vis tenancy agreements does not appear to have been determined in local jurisprudence, although the Courts in the United Kingdom ("UK") have awarded damages for loss of use in

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2 Claimant's closing submissions at [13].

relation to tenancy agreements based on abatement (this issue is discussed at [33] – [35] below).

6 I turn now to explain my decision first by addressing parties' contentions and my findings of fact. Thereafter, I provide the legal basis for my award of damages by providing a summary of analogous local decisions and persuasive dicta from the UK. My application of the case law discussed, to the facts at hand, will then conclude this judgment.

Parties' respective positions

The claimant's case

7 The claimant relied upon clauses 3(a) and (c) of the tenancy agreement in advancing its case. They read as follows:

> The Landlord hereby agrees with the Tenant as follows:
>
> (a) The Tenant paying the Rents hereby reserved, performing and observing the terms and conditions herein contained shall peaceably hold and enjoy the Premises during the tenancy without any interruption by the Landlord or any person rightfully claiming under or in trust for the Landlord
>
> (c) To keep the roof, ceiling, main structure, walls, floors, wiring and pipes of the Premises in good and tenantable repair and condition

8 Mr Timon Tai ("Mr Tai"), chief executive officer of the claimant, was at the premise on 28 and 30 June 2023. It rained on both days, and he observed water "leaking from the roof above the meeting room onto the floor".[3] He then instructed his secretary, Ms Lau Ailing ("Summer"), to deal with the issue. She took videos and photographs evincing the leak and sent them to their property agent Bryan Koh – who represented them in transacting the tenancy – on 30

[3] Affidavit of Mr Tai at [13].

June 2023.[4] Bryan then informed the defendant's property agent, Dave Lee ("Dave"), of the issue on the same day.

9 According to Summer, she directly contacted Dave towards the end of July 2023 as the issue was not addressed at all. Despite multiple exchanges about the issue with Dave, matters remained unresolved. Hence, Summer directly contacted the defendants via latter on 25 August 2023. The letter, inter alia, detailed the claimant's efforts in notifying the defendants of the leakages since 30 June 2023. The letter then concluded by highlighting that 2 months had elapsed since the claimant first notified the defendants of the issue and demanded that the leakages be repaired.[5]

10 The defendants replied to Summer via email. In relation to the roof leakage, they stated:[6]

> Roof leakage – scaffolding work was arranged on 21 August 2023 and the contractor had rescheduled to 28 August 2023. The sequence of events not limiting to investigation of the water leakage to be provided at an appropriate juncture if required.

11 Repairs to the roof of the premise were subsequently conducted by the defendants' contractor, Nasax(s) Roofing Construction ("Nasax"). Works were supposed to commence on 23 August 2023. This was according to the first defendant Junie Lim Lay Peng ("Junie").[7] However, commencement of work was delayed to 28 August 2023.[8] Additionally, completion of the works were

4 Affidavit of Summer at [11].

5 Ibid at p. 96.

6 Ibid at p. 89.

7 Affidavit of Junie at [58].

8 Ibid.

also delayed. The repairs were supposed to take 10 to 14 days.[9] However, according to Junie, they were delayed due to inclement weather "over the next few weeks" from 28 August 2023. The works were subsequently completed in October 2023. The exact date on which works were completed was disputed. According to the claimant, they ended only on 24 October 2023.[10] According to Junie, the scaffolding set up to facilitate works at the premise was removed on 18 October 2023.[11]

12 The claimant sought damages for loss of use of the premise commencing from 28 June 2023, the date on which the leak first occurred, to the end of the works on 24 October 2023. They alleged that the defendants breached clauses 3(a) and (c) of the tenancy agreement for two reasons. First, the leak rendered the entire third floor unusable. Second, the repair works created such large amounts of noise to amount to breaches of the same clauses. For these breaches, the claimant quantified its damages based on a total loss of use of the entire premise.

The defendants' case

The defence

13 Two main arguments were advanced by the defendants with respect to the leakage. First, no breach of tenancy obligations arose as the premises were in a good and tenantable condition. Second, that all reasonable steps were taken by the defendants to address the issue.

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[9] Ibid at [68].

[10] Affidavit of Mr Tai (at [50]).

[11] Affidavit of Junie at [93].

14 With respect to the first argument, the defendants' contended that the premise was leased on an "as-it-is" basis.[12] Further, "[d]ue regard must also be had to the age, character and location of the Property as a conservation shophouse in respect of the obligation to repair".[13]

15 Turning to the second argument, the defendants' provided evidence as to their efforts to repair the leak. Junie recalled being informed by Dave of the leak on 30 June 2023.[14] She was sent a video "showing water dripping onto a table tennis table".[15] The said table turned out to be a meeting table styled as such. Her view of the media was that the "leakages were in the nature of minor leakage due to the heavy rain and would not cause much disruption to the Claimant".[16] However, she noted the issue and recalls taking steps towards identifying contractors to address the issue. At that stage, she could not determine if the leak emanated from the air-conditioner or the roof.

16 Junie subsequently contacted an air conditioning contractor to attend the premises for an inspection on 31 July 2023.[17] However, that contractor failed to keep the appointment. A company known as RS Airconditioning was subsequently engaged by the defendants. They determined – on 18 August 2023 – that the leakage at the premise emanated from the roof.[18] Having received this determination, Junie engaged Nasax to conduct the repair after receiving a

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12 Closing submissions of the defendants' dated 2 January 2026 at [12].

13 Ibid.

14 Affidavit of Junie at [23].

15 Affidavit of Junie at [24].

16 Ibid.

17 Affidavit of Junie at [35].

18 Ibit at [40].

quotation for the works on 20 August 2023.[19] The works were subsequently performed as described at [11] above.

The counterclaim

17 The counterclaim for rent is straightforward. It was not disputed that the claimant failed to pay rent since 22 December 2023 till the conclusion of the tenancy some four months later.

18 The defendant also counterclaimed alleging that the claimant failed to take out fire insurance in accordance with clause 2(s)(ii) of the tenancy agreement, which reads:

> A fire insurance policy for assured sum of not less than S$1,500,000 shall be taken out with "MSIG Insurance (Singapore) Pte Ltd or an insurance company approved by the Landlord **in the names of the Landlord** on the building, internal partitions, walls, fixtures and fittings, flooring, ceiling, electrical appliances, all apparatus and all goods belonging to or held in trust by the Tenant in the said premises against loss or damage by fire, water, damage or discharge from sprinkler systems, etc. The Tenant shall pay all premiums, costs and disbursements in connection thereof within seven days after the same shall become due and payable.

19 The text "in the names of the Landlord", above, is bolded because it is instructive as to the thrust of the defendant's case. It was undisputed that the claimant obtained fire insurance coverage in the joint names of the landlord and tenant. Because the latter was included as a party to the coverage, the defendant alleged breach of the aforementioned clause.

19 Ibid at [47].

My decision

On the claimant's case

20 It is an undisputed fact that the roof of the premise was leaking. Towards this end, the claimant provided evidence that leakage took place on 7 different dates between 28 June 2023 to 18 October 2023. Much of the evidence was videographic in nature. In my view, the leak caused substantial inconvenience to the claimant. I elaborate. The claimant explained that the 3rd floor of the premise was used as a meeting room to host clients. He further stated that his clientele consists primarily of high-net-worth individuals. Because of the leak he could not schedule meetings with clients at the said location. To recap, the video received by Junie on 30 June 2023 showed that the leak occurred directly above the meeting table.

21 The defendant argued that the claimant was inconvenienced only on the days on which it rained. In addition, the defendant pointed to the lack of corroboration vis-à-vis the claimant's evidence that he had actually rescheduled meetings because of the leakage. These arguments miss the point and lack empathy for the position which Mr Tai found himself in. Simply put, he could not be expected to accurately predict the weather. He stated his conundrum at [20] of his affidavit, as follows:

> Both Summer Lau and I cannot know or predict with 100% accuracy when it will rain and if so, whether the rainwater would leak through the roof and into the Premises. I had to reschedule several meetings and hold such meetings off-site while we were subject to the mercy of the weather conditions until the roof could be fixed

22 This conundrum provided ample justification for the claimant's case that they had total loss of use of the third floor of the premise. It was unusable

because of the *prospect (emphasis added*) of a leak. This prospect arose because of the defective roof.

23 The defendants had an obligation under the tenancy agreement to "keep the roof, ceiling, main structure…of the Premises in good and tenantable repair and condition" pursuant to clause 3(c) of the tenancy agreement. I find that they had breached the said obligation. Clause 3(c) of the tenancy agreement required the defendants to take preventive measures to maintain the roof. The word "keep" connotes a dynamic obligation to maintain in "good and tenantable repair and condition" the stated features of the premises. There was no evidence led by the defendants as to steps taken by them in discharge of the obligation *prior to* (*emphasis added*) discovering the leak. Further, while some steps were taken by the defendants' towards addressing the issue, whether they were done in timeously is questionable. The first scheduled inspection by an air-conditioning contractor was more than one month after 30 June 2023 – the date on which the defendants were first made aware of the issue. In fairness to them, however, their actions after it was determinatively established that leakage emanated from the roof were expeditious. To recap, the source of the leak was identified on 18 August 2023. The defendants obtained a quotation to repair the leak a mere two days later.

24 It follows from my findings of fact above that I find that the defendants breached clause 3(c) of the tenancy agreement, as the 3rd floor of the premise was unusable from 28 June 2023 to 24 October 2023. The latter date represents the date on which Summer claimed that works were concluded. There was an assertion by Junie that works had been completed sometime towards the end of September 2023. I preferred Summer's evidence as her evidence demonstrates meticulousness in detailing the claimant's experience with the leakages and its repairs. For instance, her evidence was replete with details such as the exact

dates on which leaks were experienced, complete with videographic evidence. To the contrary, Junie's own testimony was that she could not be expected to keep track of the details of repairs. In this regard, she stated (at [57] of her affidavit:

> …there was no need or expectation from Nasax for me to be directly involved in their conducting of the repairs once the engagement was confirmed. There was no need (nor did I have the expertise) to micromanage Nasax and they were given the full mandate to get the repairs done in accordance with the terms of our engagement. In other words, I trusted Nasax to get the job done and did not expect them to give me moment-by-moment updates but only milestones ones.

25 I turn now to address the claim vis-à-vis noisy construction works. The claimant alleged breach of quiet enjoyment arising from the said works. The repair works allegedly caused noise which was sufficiently audible within the premises such as to "disrupt the normal operation of an office environment".[20] This claim was disallowed on two evidential grounds. Firstly, the claimant – bearing the burden of proof – did not provide any objective evidence of the noise levels. Simply put, there was neither evidence as to decibel levels nor the persistence or frequency of the noise. Second, the defendant raised the prospect that the noise heard emanated from significant renovation works conducted on an office unit a few units down from the premise. It was undisputed that such works took place.

26 The claim for loss of manhours was dismissed. The claimant's quantification of the number of manhours lost was unsubstantiated. It was said that Mr Tai spent 18 hours while Summer spent 25 hours "liaising with the Defendants to remedy the roof leakage and noisy construction work issues".[21]

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20 Affidaivt of Mr Tai at [30].

21 Closing submissions of the claimant at [33].

Apart from an estimation of the amount of time provided verbally by Mr Tai and Summer, no other evidence to support this claim was advanced which could justify the quantification. The alternative claim for anxiety and loss of enjoyment is dealt with summarily. Dealing with operational issues, including defects in the office environment, is to be expected of any company. Further, the loss of enjoyment of the premise is duplicitous insofar as it overlaps with the claim for loss of use.

On the defendant's case

27 The claimant withheld rent from the defendants since 22 December 2023. This is undisputed. Prima facie the claimant breached their obligation to pay rent. However, they contended that clause 4(g) of the tenancy agreement entitled them to do so. The clause reads:

> In case the Premises or any part thereof shall at any time during the said tenancy be destroyed or damaged by fire, lightning, riot, explosion or any other cause not within the control of the parties so as to be unfit for occupation and use, then and in every such case (unless the insurance money shall be wholly or partially irrecoverable by reason solely or in part of any act of default of the Tenant) the -Rent hereby reserved or a just and fair proportion thereof according to the nature and extent of the damage sustained shall be suspended and cease to be payable in respect of any period while the Premises (or part thereof) shall continue to be unfit for occupation and use by reason of such damage.

28 The defendants highlighted that the claimant's reliance on the above clause is "inherently contradictory".[22] This is because the clause envisioned withholding of rent based on factors beyond the control of either party, while the claimant's case for loss of use of the premise was based on the assertion that it was within the power of the defendants to prevent the leakage. I agree with

22 Defendant's closing submissions at [59].

the defendant's submission. The leak did not fall within the ambit of clause 4(g), which rendered rent suspended only in circumstances which were beyond the control of the parties. The defendant's claim for rental arrears is thus allowed.

29 The defendants' claim vis-à-vis fire insurance is disallowed. The objective of the relevant clause was to ensure that the defendants' interests were protected in the event of a fire. This was done. The claimant complied with the clause almost to a tee. Fire insurance was obtained from MSIG – the stated insurer at clause 4(s)(i) – for the required quantum of not less than $1,500,000. The defendants' sole quarrel with the claimant's actions in this regard was that the policy was in the names of both the claimant and the defendants, instead of solely the latter. The legal consequences of the difference are trite. Two parties' interests are protected instead of one, and payouts – in the event an insured incident took place – would have been payable to both parties instead of the defendants alone. However, the fact remains that the clause required the defendants' interests to be protected by a stipulated insurer for a stated quantum and this was facilitated by the claimant. Further, even if the claimant's actions amounted to a breach of the clause no losses were alleged to have flowed from such breach.

On damages

30 In light of my decision above, damages were to be awarded for the claimant's loss of use of the premise from 28 June 2023 to 24 October 2023. In addition, the defendants were entitled to rent plus interest from the time the claimant ceased making payments. Quantification of the latter presented no issue. I sought submissions from parties as to their positions vis-à-vis the first issue. The defendant took the position that the claimant had not proven actual loss, hence nominal damages ought to be awarded. The claimant initially

adopted the position that loss of use ought to be quantified by reference to the entire rent quantum payable between the material dates. I was not with the claimant on this point. As an alternative argument, the claimant contended that damages ought to be awarded based on the floor area of the third floor as a proportion of the total size of the premise, with reference to rent payable during the period. This alternative submission was made without reference to authority. Upon review of jurisprudence, I agreed with the alternative submission of the claimant and awarded damages on the basis that the third floor of the premise accounted for 35 percent of the total floor area. This percentage was calculated based on the floor plan of the premise, which was tendered into evidence. I explain my decision below.

31 With respect to first principles, the Court of Appeal in *Alvin Nicholas Nathan v Raffles Assets (Singapore) Pte Ltd* [2016] SGCA 18 discussed the concept of reliance loss in reiterating the key objective of damages which is to restore a claimant to the position he or she would have been had the contract been performed (at [24]):

> Following this principle, damages for breach of contract are ordinarily assessed in terms of the claimant's expectation loss, which refers to the value of the benefit that the claimant would have obtained but for the breach of contract, or, to put it another way, the gains the claimant expected as a result of the full performance of the contract: Andrew Phang Boon Leong, The Law of Contract in Singapore (Academy Publishing, 2012) ("The Law of Contract") at para 21.033. On occasion, damages for breach of contract may be quantified in terms of the claimant's reliance loss – that is, the costs and expenses the claimant incurred in reliance on the defendant's contracted-for performance, but which were wasted because of the breach of contract: The Law of Contract at para 21.034. The basis for awarding reliance loss is the assumption that were the contract performed, the claimant would have at least fully recovered the costs and expenditure incurred: Van Der Horst Engineering Pte Ltd v Rotol Singapore Ltd [2006] 2 SLR(R) 586 at [54]–[55]. Indeed, in cases where a claimant enters into a bad bargain and would not have recovered all his costs/expenditure even if the contract had been performed, his losses may not be quantified

> by reference to his reliance expenditure: C & P Haulage v Middleton [1983] 1 WLR 1461 at 1468. Thus, the underlying principle, even in cases where reliance loss is awarded, is to place the innocent party in the position he would have been in had the contract been performed.

32 To my knowledge, damages for partial loss of use a rented property have not been awarded based on abatement locally. However, the principle has been applied in the context of the sale of property. *Chong Ah Kwee & Anor v Viva Realty Pte Ltd* [1990] 2 MLJ 389 ("*Chong Ah Kwee*") involved litigation over a 16.47 percent shortfall in the floor area of a property that was the subject of a sale. In the sale agreement, the estimated area of the property was overstated. Chan J awarded damages with abatement as a principle, and in so doing cited the following passage from *Owmist Pty Ltd v Twynam Pastoral Co Pty Ltd* [1983] 3 NSWLR 196 (at p. 198):

> Normally, I suppose, a compensateable misdescription of property arising from deficiency of area is conveniently assessed by simple calculation. It may be the only sensible way of making such an assessment in contracts that lend themselves to that sort of approach. But if one bears in mind that it is the diminution in value that the standard condition is directed at and that compensation is really to provide recompense to a purchaser for what he did not get as a result of the misdescription or error, that the false approach, of merely choosing between two acreages is demonstrated.

33 Damages were awarded on the basis of proportionate abatement on the purchase price of the property.

34 The UK courts have applied the principle of abatement in the context of tenanted properties. In *McCoy & Co v Clark* (1984) 13 HLR 87, the plaintiff sued his landlord for damages arising from water ingress through the roof of the unit. Damages were awarded based on a proportional reduction of the rent payable.

35 Such an approach to damages was identified as one of three approaches towards damages vis-à-vis tenancy agreements in *Wallace v Manchester CC* (1998) 30 HLR 1111. The three approaches were:

(a) A proportionate reduction of rent;

(b) Valuing inconvenience and discomfort arising from the breach; and

(c) A combination of the two above.

36 Proportionate reduction of rent appears to be an often-applied method of assessing damages in the UK, and *Moorjani v Durban Estates Ltd* [2015] EWCA Civ 1252 represents a more recent example.

37 In my view, proportionate reduction of rent – with reference to the floor area rendered unusable by the defendants' breach – is an appropriate method of assessing damages in this case. I elaborate. The third floor of the premise was unusable because of the prospect of rain. The claimant was unable to utilise the area as he deemed fit, which he was entitled to do so as part of the bargain. He used the space as a meeting room to host high net worth individuals. He could not do so. The loss was not nominal. Had he rented an alternative meeting room for the material period, the additional rent suffered as a result of the defendants' breach would have been the measure of damages. It is in light of these considerations that proportionate reduction of rent is appropriate, in line with English precedents and an extension of *Chong Ah Kwee*.

Conclusion

38 In light of my findings above, damages of $10,360 (35 percent of the rent payable for the material period amounting to $29,600) was awarded to the

claimant. The defendant was awarded $26,000 in rental arrears, and contractual interest of $5,776.99.

Andrew Tan Shao Weng
District Judge

Wong Soo Chih and Tan Yong Quan (SC Wong Law Chambers LLC) for the Claimant;
Quek Mong Hua and Cheryl Sim Yin Ching (Lee & Lee LLP) for the Defendants