

defendants to surrender vacant possession failed; they were served with notices to quit within 6 months. According to the plaintiff, it required the premises to carry out a scheme of remodeling and redevelopment.

The defendants resisted the plaintiff's claim. The 2nd, 4th, 5th to 11th defendants denied that the plaintiff was the owner of the property in issue; according to them they were all sitting tenants who initially had dealership agreements with G.B. Ollivant; and that when subsequently business declined owing to the unfavourable and that when economic conditions, they became ordinary tenants.

According to them even though they were served with notices to quit by Unilever, they ignored same since they were in the process of collectively negotiating for the purchase of the property.

They additionally ignored the letter requesting them to submit their tenancy agreements to the plaintiff, since they did not recognize the company as their landlord.

With regard to the 4th defendant it averred that it was offered a piece of land and that the development thereon was at its own expense and therefore it could not be described as a mere tenant.

It is the defendants' case that since they were given very short notices of the sale, same was tainted with discrimination.

They mounted a counterclaim for a declaration that they were statutory and sitting tenants entitled to the use of the shops for their business and not tenants of Lava Ltd.; and for a further declaration that the purported sale of their respective shops without due notice was tainted with utmost bad faith and discriminatory.

The 1st and 9th Defendants on their part asserted that Unilever, being aware of a judicial decision on the portion occupied by them, the pendency of an appeal as well as contempt proceedings against them were estopped from the sale. They denied being informed about the sale. According to them the suit smacked of contempt.

These issues were set down for determination;

- a) Whether or not plaintiff is the owner of the property in question, i. e. SERI/SAT Central Accra

- b) Whether or not the 1st, 2nd and 4th defts are statutory tenants.
- c) Whether or not the 5th -11th defendants are squatters.
- d) whether or not the defendants have any right of first option to purchase the property.
- e. Whether or not the purported sale pendente lite was void or voidable.
- f) whether or not plaintiff is entitled to his claim or any of the reliefs.
- g)whether or not the 2nd 4th -8th 10th and 11th defendants are entitled to their counter claim

On the 6th of December, 2004; Appau J as he then was entered judgment in favour of the plaintiff for mesne profits from 1st January, 2001, until January 2005.

Recovery of possession of the premises by the 1st of January 2005.

Being aggrieved by the decision, the appellants filed Notices of Appeal .For the 2nd, 4th, 5th, 6th, 7th, 8th, 10 and 11th defendants appellants these grounds were filed ;

1. The judgment is against the weight of evidence.
2. Having held that the plaintiffs are the landlords of the property in dispute, the trial Judge erred in law in not applying the provisions of section 17i, (i), (ii) and (iii) and the section 18 of the Rent Regulations 1964 (Li 369).
3. The learned trial Judge erred in not applying section 24 (i) of the Land Registry Act,1962 and the relevant judicial decisions as to the possession of the legal title by the plaintiff prior to commencement of the action to which the Defendants/ Appellants are entitled to enable them attorn tenant to the plaintiff herein as their new landlord.
- 4 The learned trial judge erred and was wrong in finding for the Plaintiffs/Respondents as per the Plaintiff's statement of claim and Exhibit. "S" when he stated in the judgment as follows : " it has to be noted that it is not because the Plaintiff required the property for remodeling that is why it embarked on this action despite the averment under paragraph 10 of the

statement of claim but it is because defendants have refused to recognize plaintiff's position as the new landlord to whom they should pay rent and have consistently refused to atone tenancy to the plaintiff and pay rent since January to date"

Which amounts to an abuse of process of the Court by the plaintiff since the plaintiff did not argue this point and / or disclose same.

- 5 the learned trial judge misdirected himself in holding that the defendant appellant herein were given an equal opportunity to purchase the property even though Exhibit 10 showed clearly that the defendants appellants were discriminated against and not given a fair chance to purchase the property in dispute.
- 6 The learned judge failed to take judicial notice that as a practice the sitting tenant is given a first option to purchase.
- 7 The learned judge was wrong in disputing and dismissing the claim of the 4th defendants when Exhibits 1, 3, 25, 26, and particularly Exhibit 22 and the evidence of DW1 support his claim.

These grounds were filed in respect of the 1st and 9th appellants:-

- (a) The learned High Court Judge erred in law by holding that plaintiff is entitled to recovery of possession when it had not complied with the mandatory provisions of section 17 (1) of the Rent Act, (Act 220) and its regulations especially when plaintiff averred that it needed the premises for remodeling and development
- (b) The learned High Court Judge misdirected himself by failing to recognize that non compliance with the mandatory provisions of sections 17 and 18 of the Rent Act raises a question of jurisdiction.
- (c) The trial judge erred in law by saying that the 1st and 9th defendants reliance upon a judgment should be by way of counterclaim.
- (d) Having found as a fact that it was a refusal of the defendants to atorn tenancy that gave birth to this action the learned

judge erred in ejecting the defendants on grounds as per writ of summons and statement of claim.

- (e) The learned judge erred in law in ejecting the tenants when plaintiff has not satisfied the Court that it wanted the property for remodeling.
- (f) The learned high court judge further misdirected himself by holding that the 1st and 9th defendants had denied plaintiff's ownership of the subject – property which action necessitated forfeiture of their tenancy.
- (g) The learned High Court Judge misdirected himself by holding that the evidence of 1st and 9th defendants in Court was a departure from their pleadings thus occasioning miscarriage of justice against 1st and 9th defendants.
- (h) The learned judge erred in law by proprio motu substituting the plaintiff's case of recovery for remodeling with a case of forfeiture thereby denying the 1st and 9th Defendants justice.
- (i) The learned High Court Judge erred in law by ordering recovery possession of plaintiff without allowing the defrayment of 26 million cedis being the proved expenditure incurred by 1st Defendants in refurbishing the property in accordance with user contemplation.
- (j) The learned High Court Judge erred in law by equating mesne profit with non – payment of rent and thereby wrongly ordering appellant to pay rent arrears when there had not been any demand for it before the commencement of the suit.
- (k) The learned High Court Judge erred in law by not considering the legal principle that the vendor of the property should have terminated the existing tenancies before the sale to the plaintiff.
- (l) The learned Judge erred in the exercise of his discretion by giving the defendant less than two months to vacate the premises they have occupied for over twenty years as commercial traders, which order is not in accordance with justice and common practice.
- (m) The learned judge failed to consider the existing practice as to offers made to possessory title holders when their landlords give them the first option of sale.
- (n) The judgment is against the weight of evidence.

Before proceeding to consider the issues raised, I wish to make this observation. Looking at the grounds filed; they do overlap; in other words some of the grounds by the two sets of appellants dealt with the same issues; in that instance I propose to deal with one ground and adopt the reasoning for the other..

In arguing grounds 1 and 7 together learned counsel for the 2nd, 4th, 5th, 6th, 7th, 8th, 10th and 11th appellants submitted that the judgment was against the weight of evidence and that the learned judge was wrong in disputing and dismissing the claim of the 4th Defendant when Exhibits 1, 3, 25, 26 and particularly Ext 22 and evidence of DW1 supported his claim.

In answer – learned counsel for the respondent argued that there was nothing in the pleadings or the evidence that the 4th Defendant had an interest more than that of an ordinary tenant and that even though as per Exhibit 4 the 4th defendant appellant was invited for further discussions he failed to honour the invitation and it cannot therefore be heard to complain. According to him there was nothing on the face of Exhibit 22 to show that the interest of the appellant superseded those of an ordinary tenant since the terms of Exb 22 could be described as standard or the usual covenants.

Even though ordinarily it is within the competency of a trial court to make findings of fact and an appellant court is not at liberty to usurp same, when an allegation is made that the judgment is against the weight of evidence an appellate court is required to analyze the entire record, take into account the testimonies and all documentary evidence adduced at the trial before arriving at a decision so as to satisfy itself that the conclusions of the trial judge are amply supported. **Boateng Vrs Boateng** 1987- 1988 2GLR 81, **Tuakwa** against **Bossom** 2001-2002 SCGLR 61.

Indeed it is provided for in Rule 8 (1) of CI 19 the Court of Appeal Rules that an appeal shall be by way of rehearing.

It is not disputed that Exhibit 22 is the agreement between the 4th appellant and the Respondents predecessors in title neither is it in issue that at the right hand corner thereof appears the following “H/ND 957/3 Accra land only area 260 square ft”.

Even though it could be argued that the subject matter was land; immediately in the first paragraph of the said Exhibit is the following; “we propose to let you the above premises. In Blacks Law Dictionary the 8th edition, premises have been defined as a house or a building along with its grounds. I must say that there is nothing in the said Exhibit to suggest that bare land was being let and that the 4th Defendant appellant was required to put up shops etc. indeed a reading of all the clauses leaves one in no doubt that the agreement related to a building; for example clause 5- HAND BACK. Satisfactory arrangements should be completed for the hand back of the keys and the property left in good order. There was a rent element; - clause 7 required the tenant to hand back the premises in good and decorative repair and to be responsible for all repairs to the property during occupation.

Under clause 12 matters concerning major repairs to the structure of the building should be submitted in writing to the property manager.

It is clear from Exhibit 22 that the tenant was in occupation of the premises owned by U.A.C. Ghana limited; it was required to pay rents, keep the premises in tenantable conditions, not to sublet, undertake any major repairs to the structure without the consent of the U.A.C. and to handover the keys and the property in good condition upon the termination of the lease.

Exhibit 22 is the governing agreement which clearly defines their rights and duties. A reading of the whole document does not show that the 4th defendant appellant had interest which superseded those of an ordinary tenant. More importantly, since the whole tenor of agreement suggests that a building or premises was let to the 4th defendant appellant I do not feel able to disturb the findings made by the learned judge on the issue; for it is trite learning that findings of facts are primarily within the province of the trial Court and an appellate court should tread gingerly in upsetting those findings unless there is ample evidence that such findings cannot be supported.

Adorkor vrs Gatsi 1966 GLR 31, **Domfeh vrs Adu** 1984- 1986 1GLR 655. At any rate, there is nothing on the face of Exhibit 22 to show that the tenant was required to be reimbursed for expenditures made; it was rather required to deliver the premises back in good shape.

Where parties have voluntarily reduced a transaction into writing; it is my view that all issues arising therefrom should be settled within the four corners of the agreement and that extrinsic evidence should not generally be admissible to vary the terms expressly stated.

Therefore contrary to assertions of learned counsel that the judgment was against the weight of evidence and that the learned judge erred in dismissing Exhibit 22 and the evidence led; it is my view that the findings are ably supported by the evidence on record.

The appeal accordingly fails on grounds 1 and 7 and is hereby dismissed.

With regards to grounds 2 and 4, learned Counsel submitted that the learned judge erred when he substituted his own reasons for the claim when the plaintiff had expressly pleaded that he required the premises for remodeling and redevelopment. According to learned Counsel, in so far as the plaintiff failed to comply with regulation 18 of LI 369, the plaintiff ought to have failed and that the attempt by the learned judge to change the complexion of the claim was bound to fail.

In reply, learned Counsel submitted that the issue of the applicability of the Rent Act sec. 17 (1) was dealt with exhaustively by the learned judge in his ruling dated the 13th of February, 2004. He held that the provisions did not apply to the facts of this case. The appellants did not appeal against the decision and therefore since the applicability of Sections 17 and 18 of the Rent Act and Regulations respectively was determined prior to the trial and therefore did not form part of the issues for trial, the appellants could not belatedly raise same now. He relied on *Fidelitas shipping company limited vrs V/O Exportchleb* 1965 2 AER 42 for support.

It is evident from the proceedings that a preliminary issue was raised as to the applicability of section 17 (1) and 18 of the Rent Act and Regulations respectively jointly by both Counsel for the defendants. On the 13th of February 2004; the learned judge delivered a ruling dismissing the objection and took the view that those provisions did not apply to the peculiar facts of this case. There is no record of an appeal filed against the interlocutory decision. The case therefore proceeded on the basis that the respondent was not under a duty to satisfy the requirements set under the Rent Act. Since the defendants failed to appeal then;

In **Fidelitas shipping Co. Ltd vrs. V/O Exportchleb** 1965 2AER 42 which was cited in **Rawanji Bros. & ors Vrs. Patterson Zochonis Co.Ltd** 1975 2GLR 352, Diplock LJ stated the position in these terms: “ it is concerned with facts only in so far as they give rise to legal consequences .The final resolution of a dispute between parties as to their respective rights or duties may involve the determination of a number of different issues; that is to say, a number of decisions as to the legal consequences of particular facts; each of which constitutes a necessary step in determining what are the legal consequences rights and duties of the parties resulting from the totality of the facts..... In the case of litigation the fact that a suit may involve a number of different of issues is recognized by the Rules of the Supreme Court which contain provisions enabling one or more questions (whether of fact or law) in an action to be tried before others. Where the issue separately determined is not decisive of the suit the judgment on that issue is an interlocutory judgment and the suit continues. Yet I take it to be too clear to need citation of authority that the parties to the suit are bound by the determination of the issue. They cannot subsequently in the same issue advance argument or adduce further evidence directed to show that the issue was wrongly determined. Their only remedy is by way of appeal from the interlocutory judgment”

Undoubtedly the issue was raised as a preliminary point and the learned judge ruled on it. If they were dissatisfied with same they ought to have lodged an appeal, having failed to take that step can they now be heard to complain and be raising the same matter on appeal? I think not. For support I rely on **Fidelitas Shipping co. ltd. vrs V/O Exportchleb** supra

Assuming I were wrong in so holding I must say the conduct of the appellants does exercise my curiosity. The respondent purchased the unexpired term from Unilever the appellants’ landlord. The appellants were at the relevant time statutory tenants their agreements having long expired but have however remained in occupation. Unilever served them with notices to quit after having offered them the option to purchase which they had accepted, collectively put in a bid which they had lost. They ignored the notices. After the sale transaction, the respondents wrote to them requesting them to submit the agreements to them in order to know the position. They refused on grounds that they did not recognise the respondent as their landlord. Indeed in their statement of defence filed as per paragraphs 7, 10, 11,&18 they were emphatic that they did not recognize the respondent as their landlord. Undoubtedly therefore they were denying the

respondents title as landlord. Since they were consistent in denying the respondent's title can they be heard to complain of the fact that the respondent has failed to fulfill the conditions required of landlords? It is my considered view that the appellants cannot be allowed to blow hot cold. I am of the view that the learned Judge did not substitute his own case for the respondents' but that his findings were consistent with his findings in his interlocutory decision and of the case of the appellants as per both their pleadings and evidence.

It could be argued that since the respondent sought the protection of the court under section 17 (1) of Act 220 having failed to lead credible evidence on the elements thereof its claim should fail. It is common learning that it is an implied condition in every lease that a tenant shall not deny the title of his landlord and that a breach of it automatically entitles the landlord to a right of forfeiture; for it is difficult to see how a tenant can logically remain so if he denies the title of the landlord. The acceptance of the landlord forms the basis of the relationship and therefore by denying such title the very basis of the relationship is destroyed by the tenant. I must say that in this instance the denial was specific and does not admit of any ambiguity. The appeal on those grounds fails and is hereby dismissed. The appeal accordingly fails on grounds 2 & 4

With regard to ground 3, it was contended that the learned Judge erred in not applying sec. 24 (1) of the Land Registry Act 122 as to the possession of the legal title by the respondent prior to the commencement of the action.

In reply, learned Counsel submitted that the argument was not tenable since there no competing interests.

That Unilever was the undisputed owner of the property is beyond question and that it sold the property to the respondents, executed a deed of transfer and indeed as per Exb. V asked that its application for the Land Certificate which was pending should be duly registered in the name of the respondent is clear from the record. Since it was not the appellants' case that there was a prior competing unregistered instrument; at best they were claiming to be tenants, I share the views expressed by the Learned Judge that the arguments advanced on the issue were the least attractive and I therefore have no hesitation in dismissing the appeal on that ground.

It was argued under grounds 5 and 6 that the learned Judge misdirected himself in holding that the appellants were given equal

opportunity to purchase the property even though there was evidence that they were discriminated against. It was further submitted that the learned judge failed to take judicial notice of the fact that as a matter of practice, the sitting tenant is given the 1st option to purchase.

In a counter argument it was contended that Unilever was under no obligation to make a 1st offer to the appellants and therefore the issues raised in those grounds were non issues.

Unilever it is not disputed was the owner of the property the fact of its sale to the respondent was clearly borne out by the evidence. It is of significance that the tenancies of the appellants had expired at the relevant time and they were not paying rents. Since there was no implied covenant in the Rent Act or their respective tenancy agreements that the sitting tenants are entitled to any right of 1st option Unilever was at liberty to sell to anyone more so since it did not make a prior commitment of selling to any particular party. The Learned Judge rightly in my view held that there was no authority to support that contention.

The appeal therefore fails and is dismissed on that ground as well. The appeal of the 2nd, 4th, 5th, 6th, 7th, 8th, 10th and 11th appellants therefore fails and same is accordingly dismissed.

With regard to the 1st and 9th appellants the Learned Counsel argued grounds a, b and e together. I must say that the issues raised under those grounds namely non compliance with regulation 18 ,jurisdiction and the substitution of the respondents' case were argued under grounds 2 and 4 of the appeal filed in respect of 2nd 4th -11th appellants. I do not therefore propose to repeat my reasons suffice it to say that I rely on them and hold that grounds a, b, and e fail and same dismissed

On grounds f, g, and h again it must be stated that those were essentially argued under 2 and 4 of the grounds filed in respect of 2nd, 4th _11th appellants. I again rely on my reasons given on those issues in dismissing the appeal on grounds f, g, and h.

With regard to grounds k and m, it was submitted that the learned judge erred in not considering the legal principle that the vendor of the property should have terminated the existing tenancy before the sale to the respondent and additionally, that the learned judge failed to consider the existing practice as to offers to possessory title holders when the tenant is given the option to purchase. Ground (m) was considered under ground 6 of the submissions made in respect of the 2nd, 4th, 5th, 6th, 7th, 8th, 9th, 10 and 11th appellants; I rely on the reasons given and dismiss the appeal under ground (m).

On ground (k) it must be stated that no authority was cited for the proposition that a vendor of a property should firstly terminate the existing tenancies before a sale to a third party. It can not be said to be a sound proposition of law and I accordingly reject same. The appeal on this ground is clearly devoid of merit and I unhesitantly dismiss same.

With regards to grounds (i) (j) and (c), it was argued that in so far as the learned judge ordered recovery of possession without making an order that proven costs incurred by the appellants in remodeling the property, they were put in double jeopardy and the order should be reversed. It was further submitted that the learned judge erred in ordering payment of mesne profits since it was only another term for rent arrears and no prior demand had been made therefor.

It was additionally argued that the learned judge erred in holding that the 1st and 9th appellants' reliance on the judgment should have been made by a way of counterclaim; in answer learned counsel argued that there was a misapprehension on the full effect of mesne profits. He asserted that since the renovations were neither pleaded nor were they issues of trial the attack mounted against the learned judge was misguided.

Mesne profits have been defined in Blacks Law Dictionary the 8th Edition as "the profit of an estate received by a tenant in wrongful possession between two dates." The learned author professor Kludze in his book Ghana Law of Landlord and Tenant at page 414 defines it thus " mesne profits represent damages for loss of possession during the period that the tenant remains in occupation after the issue of the writ. In practice the mesne profits amount to the rent due for the period between the date of the issuance of the writ and date of judgment. In Hasnen Enterprises Limited Vrs. I.B.M. World Trade Corporation 1993- 1994 1GLR 172. the term was defined as the pecuniary benefits deemed lost to the person entitled to possession of the land or to rent by reason of his been wrongly excluded therefrom. Since there is ample evidence that Unilever sold the property to the respondents and the appellants remained in occupation despite the fact of notices and the expiration of their tenancies, the respondent was undoubtedly entitled to mesne profits.

With regards to the renovation it is evident from the pleadings and the issues filed that they were not part of the case for the 1st and 9th appellants and the learned judge rightly in my view made no orders in that regard.

I therefore dismiss the appeal on those grounds as well.

The appeal fails in respect of 1st and 9th appellants.

In conclusion I will dismiss the appeal and affirm the orders made by the learned judge with regards to the order for recovery of possession. We take note of the fact that the respondent has about 12 years for the huge investment of \$235,000 U.S. and the time spent in litigation in the Courts and order the appellants to surrender vacant possession on or before

**V. AKOTO-BAMFO [MRS.]
JUSTICE OF APPEAL**

ANIN YEBOAH, JA - I had the opportunity to read the judgment of my sister Justice Akoto-Bamfo in this appeal. I agree that the appeal be dismissed. I, however, wish to add my views on some of the matters addressed in her judgment.

At the trial court, there was no dispute at all that at the time of the purchase of the property in dispute by the Respondents, the appellants were tenants. The evidence on record shows that all of them had become statutory tenants as their leases had expired. At the time of the purchase of the property, the Respondent herein had by operation of law under Section 36 of the Rent Act 1963 (Act 220) become the landlord of the appellants as all the appellants were in possession of their respective premises as tenants of the original landlord. It has been urged on us that as the appellants were statutory tenants, the Respondents ought to have complied with the Rent Act (Act 220) and the statutory regulations made thereunder, specifically Rent Regulations, 1964 (LI 369). Much emphasis was placed on the Supreme Court decision in **AFRANIE II V. QUARCOO & ANOR.** [1992] 2 GLR 561 SC which authoritatively pronounced on LI 369 of 1964 to the effect that non-compliance with the statutory requirement under the regulations denies the assumption of jurisdiction at the trial court. I would have applied the principle in the **AFRANIE II** case, supra, without any inhibitions whatsoever, but the facts of this case clearly differs from the **AFRANIE II** case. In this case, the

Respondents upon the purchase of the property were fixed with clear notice of the rights of the tenants

as they physically inspected the property and met them in possession of their respective stores. The defendants represented by Mr. Accam denied the title of the Respondents in paragraph 3 of the Statement of defence filed on 30/5/02. Exhibits C, F & H which were letters from the solicitors of the Respondents seeking to recover possession of the premises were responded to by the Appellants denying the title of the Respondents as the owner of the property and a new landlord by operation of law.

No wonder therefore that the learned trial judge held, inter alia, that having disputed the title of the Respondent as the landlord the appellants ought to forfeit their leases. Such is a clear statement of the common law which the trial judge rightly applied.

Another point which was raised by Mr. Accam as counsel for majority of the Appellants was to the effect that the Respondent had no title to the property. He proceeded to cite several decided cases on non-registration of the title of the Appellants, notably; **ASARE V. BROBBEY [1971] 2 GLR 331** and **AMUZU V. OKLIKA [1998-1999] SCGLR 141**. The evidence on record clearly points to the fact that the Respondent after the purchase of the property took all the elementary steps necessary to have his title registered. However, learned counsel Mr. Accam had in a letter addressed to the Land Title Registry warned them not to proceed to register the title of the Respondent. The trial judge observed in his judgment that the Land Title Registry succumbed to the threats or warnings of defendants' counsel and therefore did not proceed to register the title of the Respondent. Having prevented the Land title Registry to register the title deeds for the Respondent I find it unacceptable to hear the same counsel urging on this court to find against the Respondent on the issue of non-registration.

I remind myself of the observation made by Fletcher-Moulton L. J when he said in **KISH V. TAYLOR [1911] 1 KB 625 at 634 CA** as follows:

“A man may not take advantage of his own wrong. He may not plead in his own interest a self-created necessity.” [Emphasis mine]

With due respect to learned counsel, I think it is clearly wrong on his part to raise this issue against the Respondent when by his deliberate conduct he prevented the Respondent from registering the title deeds to this property.

For the above reasons, I also concur that the appeal be dismissed.

**ANIN YEBOAH
JUSTICE OF APPEAL**

I agree.

**K. TWENEBOA KODUA
JUSTICE OF APPEAL**

COUNSEL - E.A. ACCAM FOR APPELLANTS.

PHILIP ADDISION FOR RESPONDENT

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