



Kangai & 11 others v East Coast Horizon Limited & 3 others (Tribunal Case E997, E926 & E850 of 2023 (Consolidated)) [2024] KEBPRT 337 (KLR) (14 March 2024) (Ruling)

Neutral citation: [2024] KEBPRT 337 (KLR)

REPUBLIC OF KENYA

IN THE BUSINESS PREMISES RENT TRIBUNAL

TRIBUNAL CASE E997, E926 & E850 OF 2023 (CONSOLIDATED)

A MUMA, AG. CHAIR & J ROP, MEMBER

MARCH 14, 2024

BETWEEN

BRENDAH KANGAI	1 ST APPLICANT
EMMACULATE AUGUSTINE	2 ND APPLICANT
LYDIA MUTHOKA	3 RD APPLICANT
DAN KANOKA	4 TH APPLICANT
PAUL OMIDO	5 TH APPLICANT
JANE GAKII	6 TH APPLICANT
BRENDA MAINA	7 TH APPLICANT
KASSAM MOHAMMED	8 TH APPLICANT
MARY MBUTHI	9 TH APPLICANT
VERONICA MUMBE KINYILI	10 TH APPLICANT
ANGELLA MUTINDI KIVIU	11 TH APPLICANT
VICTOR WAWERU	12 TH APPLICANT
AND	
EAST COAST HORIZON LIMITED	1 ST RESPONDENT
JOSEPH KAMAU	2 ND RESPONDENT
MAPKA INVESTMENT LIMITED	3 RD RESPONDENT
PETER MACHARIA KARIUKI	4 TH RESPONDENT

RULING

A. Parties and Representatives

- 1. The Applicants (hereinafter as "the Sub-tenants") rented space for the purposes of carrying out business activities at the business premises located at Lords House erected on L.R 209/136/247 within Nairobi County (hereinafter referred to as "the suit premises").
- 2. The Sub-tenants have no legal representatives hence collectively appear in person.
- 3. The 1st Respondent is the Tenant (hereinafter referred to as "the Tenant") and has sublet the suit premises to the Sub-tenants. The 2nd Respondent is the Director of both the 1st Respondent and Geetech Limited, an Applicant in case no. BPRT E926/2023.
- 4. The 1st and 2nd Respondents have no legal representatives hence both appear in person.
- 5. The 3rd Respondent herein is the Landlord and the registered owner of the suit premises (hereinafter referred to as "the Landlord") and has sublet to the Tenant. The 4th Respondent is the Director Shareholder of the 3rd Respondent.
- 6. The firm of Messrs Othieno & Company Advocates is on record for both the 3rd and 4th Respondents respectively.

B. The Dispute Background

- 7. On 30th August 2023, the Tenant moved this Honourable Tribunal vide a Reference and Application seeking to challenge the Landlord's notice of termination dated 25th July 2023. The Tenant sought to be allowed access into the suit premises and removal of barriers mounted at the entrance. The said application gave rise to BPRT E850/2023.
- 8. Thereafter, the matter was certified as urgent and orders were issued restraining the Landlord and/or its employees from evicting the Tenant and interfering with its quiet occupation. The Tribunal further ordered that the barriers at the entrance be removed and Tenant be allowed access into and out of the suit premises. The matter was later scheduled for hearing on 16th November 2023.
- 9. However, on 1st December 2023, the Landlord file a Preliminary objection alleging that this Tribunal lacks jurisdiction. Further, the Landlord averred that 1st Respondent, East Coast Horizons Limited, lacked proper standing to sue and further denied any tenancy relationship as ever been in existence.
- 10. On 21st September 2023, Geetech Limited ("Geetech") filed a Reference and Application seeking to challenge the Landlord's termination notice dated 25th July 2023 which culminated to BPRT E926/2023. The Applicant, Geetech, sought orders restraining the Landlord from evicting the Applicant and it be allowed access into the suit premises. The Tribunal ordered the application be served and matter be heard for inter-partes hearing.
- 11. On 14th November 2023, the Landlord through their advocates notified the Tribunal that BPRT E850/2023 was still pending for determination and sought to consolidate the matters on the ground that they both relate to the same parties and same suit premises as the subject matter.
- 12. The Tribunal allowed the prayer to consolidate BPRT E850/2023 and BPRT E926/2023. The matter was schedule for mention. However, on 1st December 2023, the Landlord file a Preliminary objection alleging that this Tribunal is stripped off jurisdiction.



- 13. On 11th October 2023, the Sub-tenants filed a Reference and Application both evenly dated requiring matter be certified as urgent, orders issued restraining the Respondents from evicting them and access to the suit premises. The application resulted into BPRT E997/2023.
- 14. The Tribunal having considered the Sub-tenants' Application issued Orders dated 18th October 2023 allowing the Sub-tenants access into the suit premises without any hindrances pending inter-partes hearing.
- 15. Following a hearing on 7th November 2023, the Court further ordered the Sub-tenants to deposit rent for October and November 2023 with the Tribunal pending a mention on 24th November 2023 to confirm compliance. However, on 24th November 2023 when the matter came up for mention to confirm compliance, the Sub-tenants had not complied and the Tribunal ordered the matter be transferred for hearing and disposal together with BPRT E850/2023 and BPRT E926/2023.
- 16. On 14th December 2023, the Tribunal ordered the Sub-tenants/Applicants to pay rent for November, December and January failure to which the Landlord had authority to evict and distress for rent.
- 17. On 26th January 2024, during the hearing, the Tribunal was notified by the 8th Applicant, Kassam Mohammed, that the Sub-tenants had vacated the suit premises. The 1st and 2nd Respondents also notified the Tribunal that they had vacated. Therefore, this matter was set for ruling on transitionary period arrears.
- 18. It is on this basis that the matter is coming up for ruling.

C. Sub-tenant's Case

- 19. The Sub-tenants aver that they have been paying rent since they took possession of the suit premises for purposes of their business activities.
- 20. The Sub-tenants also allege that they have not refuted paying rent. However, they are in utter confusion as to whom should be the proper beneficiary as Landlord.

D. Tenant's Case

- 21. On the other hand, the 2nd Respondent as the Director of the Tenant states that the Sub-tenants are in default as they have failed to pay rent for the month of October 2023 to the Tenant for subletting the suit premises to them.
- 22. The Tenant seeks the Sub-tenants to be ordered to pay all outstanding arrears duly owed failure to which the Tribunal be pleased to allow the Tenant levy distress.

E. Landlord's Case

- 23. The 4th Respondent as the Director Shareholder of the Landlord alleges that the Sub-tenants have not complied with the orders requiring them to pay rent for November, December 2023 and January 2024.
- 24. The Landlord seeks permission from the Tribunal to be allowed to levy distress for rent from the Subtenants.

F. Issues for Determination

25. After careful considerations, the Tribunal takes notice that both the Tenant and the Sub-tenants have moved out of the suit premises which is in compliance with the orders issued and therefore the Tribunal is devoid of jurisdiction to make a finding on most issues.



26. Therefore, in my respectful view, I find that the sole issue I can make a finding on is Whether there is any rent duly owed for payment?

G. Analysis and Findings

- 27. Section 3 (3) of the *CAP 30*1 Laws of Kenya provides:
 - "(3) The landlord of a controlled tenancy shall keep a rent book in the prescribed form, of which he shall provide a copy for the tenant and in which shall be maintained a record, authenticated in the prescribed manner, of the particulars of the parties to the tenancy and the premises comprised therein, and the details of all payments of rent and of all repairs carried out to the premises."
- 28. The 4th Respondent on behalf of the Landlord claims that failure by the Sub-tenants to comply with the orders of this Honourable Tribunal, the Sub-tenants have accrued rent arrears for November, December, 2023 and January 2024. However, the Landlord has not filed any statements of accounts including a rent book as proof of such rent arrears duly owed.
- 29. In the same vein, the Tenant alleges that the Sub-tenants are in default of rent arrears for October 2023. However, nothing has been placed before this Honourable Tribunal to buttress this claim.
- 30. In light of the above, this Tribunal is not in a position to determine the true assertions from both the Landlord and the Tenant claiming rent arrears duly owed without further evidence.
- 31. In any event it appears the sub tenants were blocked and left and could no longer pay rent for premises they did not have as they were on month to month tenancies the head Tenant had a contractual obligation to the Landlord which he met and a refund is not recoverable from either the subtenants or the Landlord that said I find as follows;

H. Orders

- 32. In the upshot, the following orders shall abide:
 - a. That the reference and application stand dismissed and
 - b. Each party to bear their own costs.

HON. A MUMA - AG. CHAIR/MEMBER

HON JACKSON ROP - MEMBER

BUSINESS PREMISES RENT TRIBUNAL

Ruling dated, delivered and signed at Nairobi on this 14^{th} day of March 2024 in absence of the landlord and subtenants in the presence of Joseph Kamau 2^{nd} Respondent Head Tenant.

HON. A MUMA AG. - CHAIR/MEMBER

HON JACKSON ROP - MEMBER

BUSINESS PREMISES RENT TRIBUNAL