



**Thomas v Muranga Highway Pub & another (Tribunal Case  
E540 of 2022) [2023] KEBPRT 1321 (KLR) (31 May 2023) (Ruling)**

Neutral citation: [2023] KEBPRT 1321 (KLR)

**REPUBLIC OF KENYA  
IN THE BUSINESS PREMISES RENT TRIBUNAL  
TRIBUNAL CASE E540 OF 2022  
CN MUGAMBI, CHAIR  
MAY 31, 2023**

**BETWEEN**

**ADIEL MATE THOMAS ..... APPLICANT**

**AND**

**MURANGA HIGHWAY PUB ..... 1<sup>ST</sup> RESPONDENT**

**MARKIE INVESTMENT ..... 2<sup>ND</sup> RESPONDENT**

**RULING**

1. The landlords notice to alter terms of tenancy is the one dated 17.5.2022. it seeks to increase rent up to Kshs. 6,000/= with effect from 1.8.2022. The grounds upon which rent is sought to be increased are that the rent paid by the tenants is far much below the market rates.
2. By a reference to the Tribunal dated 23.6.2027, the tenant has objected to the alteration notice and hence these proceedings.
3. Both parties have filed their respective valuation reports and which I summarize as follows hereunder.

**The Landlord's Valuation Report**

4. The landlords valuation report is the one prepared by upcountry valuers. The report has the following comparables;-



	Plot No.	Lettable area Sq. ft	Rent per sq. foot (Kshs.)	Monthly rent (Kshs.)
a.	Block 2/101	130	177	10,000/=
b.	Block 2/103	139	36	5,000/=
c.	Block 2/93	130	115	15,000/=
d.	Block 2/529	123	53	6,500/=
e.	Block 2/106	308	39	12,000/=
f.	Block 2/93	116	60	7,000/=
g.	Block 2/93	204	50	5,000/=
h.	Block 2/101	277	36	10,000/=
i.	Block 2/101	204	49	10,000/=
j.	Block 2/529	120	29	3,500/=
k.	Block 2/101	179	112	20,000/=
l.	Block 2/94	1000	90	90,000/=
m.	Block 2/47	350	69	24,000
n.	Block 2/106	561	36	20,000/=
o.	Block 2/107	352	57	20,000/=
p.	Block 2/	286	70	20,000/=

5. The average rent per square foot as from the report is Kshs. 72/= per square foot per month.

### **The Tenant's Valuation Report**

6. The tenant's valuation report is the one prepared by Metropole Realtors. The report on its last page has the following remarks;
- As noted earlier in the report, application for an official title search was unsuccessful since the previous leasehold interest of the plot has expired meaning the previous registered owners have currently no existing interest in the plot.
  - Market and rental market values are based on the interest that one has in any particular property. We therefore cannot put any value in the property until the lease has been renewed. We have not been given any proof that this has been achieved yet.



- c. Subject to our terms of reference, limiting conditions and general remarks, we are not able to value L.R. No. Murang'a Municipality Block 11/102 due to lack of an existing interest.
7. It is clear from the conclusion reached by the tenant's valuers that; no market rates were assessed by the said valuers.
8. I have seen the certificate of lease for Murang'a Municipality/Block 11/102. The term of the lease is 99 years from 1.1.1983 and the certificate of lease was issued on 12.2.1997. clearly, the lease has not expired as suggested by the tenants valuers.
9. The tenant occupies shop No. A3 in L.R. No. Murang'a Municipality/Block 11/102 and according to the tenant's letter dated 16.6.2022, the tenant pays a monthly rent of Kshs. 4,060/=. The tenant's shop occupies 179 square feet, which according to the average adopted by the landlords valuers translates to a monthly rent of Kshs. (179 x 72) 12,888/=.
10. Faced with the two valuation reports and for the purposes of determining this reference, I will adopt the valuation report by the landlord's valuers as the better report.
11. Consequently, I approve the landlord's notice to alter the terms of tenancy and order that the new rent shall be Kshs. 6,000/= per month. The effective date shall be 1.6.2023.
12. The tenant's reference is dismissed with costs to the landlord assessed at Kshs. 30,000/=.

**RULING DATED, SIGNED & DELIVERED VIRTUALLY THIS 31<sup>ST</sup> DAY OF MAY, 2023**

**HON. CYPRIAN MUGAMBI**

**CHAIR PERSON**

**31.5.2023**

**In the presence of:-**

No appearance of parties

