



## TENANCY AGREEMENT

**DATE** : \_\_\_\_\_ September 2003

**PARTIES** : 1. The Landlord.....  
P. O. Box .....  
>>>>>>>>>>.  
(as beneficial owner of the Property)

The Tenant \_\_\_\_\_  
P. O. Box \_\_\_\_\_  
.....

**PROPERTY** The Property rented is Bungalow known as the "The Otter House" together with the furniture and fittings therein situated in the ..... of that piece or parcel of land known as Land Reference Number ..... together with the fixtures and fittings.

**TERM** 1 year From: \_\_\_\_\_ 2003  
To : \_\_\_\_\_ 200-

**RENT (FIRST YEAR)** Rent payable is Forty Thousand Shillings (KShs. ....) per month clear of any deductions whatsoever payable quarterly in advance on the first day of each quarter to the Landlord.

**DEPOSIT / SECURITY** One the date of commencement of this tenancy to deposit with the Landlord and maintain through out the term an amount equivalent of three (3) months rent (the deposit) being the initial amount of Kenya Shillings One Hundred and Twenty Thousand (KShs 120,000) as security for the performance by the Tenant of the Tenant's Obligations under this Tenancy.

The Landlord may apply the Deposit towards the Tenant's obligations and may thereafter allocate any subsequent payment by the Tenant to restore the Deposit in full.

The Deposit shall be refundable without any interest to the Tenant after the expiry of this Tenancy and the Delivery up of the premises in proper condition and in accordance with the provisions of this Tenancy.

**FIRST PAYMENT OF**

**RENT:** Kenyan Shillings Forty Thousand (40,000/-) being rent for the first quarter from 1<sup>st</sup>(month) 2003 upto 31<sup>st</sup> (month)2003 to the Landlord upon execution hereof (receipt of which sum is hereby acknowledged) and the next payment is due by equal quarterly



payments in advance at the beginning of the remaining quarters.

**SECURITY:** Deposit of KShs. \_\_\_\_\_ / US\$ \_\_\_\_\_ shall be paid to the Landlord upon execution hereof and refundable without interest on expiry of lease in accordance with the terms herein contained.

- A.** It is hereby agreed that the Landlord lets and the Tenant takes the Property for the term and at the rent as stated above.
- B.** This Agreement incorporates the Letting Provisions annexed hereto.

### **LETTING PROVISIONS**

Where the context admits,

the “**Landlord**” includes the persons for the time being entitled in reservation expectant on the tenancy.

the “**Tenant**” includes the persons deriving title under the Tenant.

References to the Property includes references to any part or parts of the Property.

#### **2. The Tenant will:**

- 2.1 Pay the rent at the times and in the manner specified.
- 2.2 Pay for all electricity, water and conservancy which shall be consumed on or supplied to the Property during the tenancy and pay all charges made for the use of the telephone (if any) on the Property during the tenancy and, on termination of the tenancy, will give copies of final paid up bills for all services to the Landlord or the Landlord’s Agents provided always the Landlord shall ensure all services are duly connected at the commencement of the Term and shall ensure all utility accounts are duly cleared at the commencement date.
- 2.3 Use the Property in a tenant-like manner for a private residential dwelling only and not carry on or permit to be carried on the Property any trade or business of any kind whatsoever.
- 2.4 Not damage or injure the Property or make any alteration in or addition to it (including boundary walls and fences) without the prior written consent of the Landlord such consent not to be unreasonably withheld, provided the property is returned in its original condition at the end of the tenancy.
- 2.5 Keep the interior of the buildings on the Property including all fittings and fixtures in reasonable repair and condition, fair wear and tear excepted, and will yield up the same in like repair and condition at the expiration of the said term.



- 2.6 Cultivate the garden of the Property and keep the same in reasonable order and condition and dispose of the garbage outside of the Property.
- 2.7 Permit the Landlord or the Landlord's Agents at any arranged time to enter the Property to view the state and condition thereof upon reasonable advanced notice.
- 2.8 Execute all repairs for which the Tenant is liable in accordance with any notice reasonably given by the Landlord after inspection of the Property as aforesaid.
- 2.9 Permit the Landlord or the Landlord's Agents during the last Two (2) months of the tenancy to exhibit, in any other reasonably suitable place, a notice advertising the Property as being let and, during this period, will allow all persons holding an order to view the Property upon reasonable advanced notice.
- 2.10 On termination of the tenancy, paint all those parts of the interior of the buildings on the Property as are usually painted with two coats of paint and will grain, varnish and colour all such parts as are usually so dealt with in a proper and workmanlike manner to the reasonable satisfaction of the Landlord or the Landlord's Agents and in the same colour scheme as at the time of taking occupation.
- 2.11 Make periodic inspections of the Property and report to the Landlord any apparent defects in the structure of the buildings on the Property and any signs of white ants, bees, termites or any other destructive insects or any signs of wet or dry rot.
- 2.12 Not assign, underlet, charge or part with possession of the Property (or any part thereof) without the prior written consent of the Landlord such consent not to be unreasonably withheld.
- 2.13 Not do or suffer to be done on the Property anything which may be or become a substantial nuisance or annoyance to the Landlord or the tenants or occupiers of any adjoining premises or which may vitiate any insurance of the Property against fire or otherwise or increase the ordinary premium for such insurance.
- 2.14 Be responsible for all damages incurred as a result of negligence or wilful act of the Tenant, its servants, licences or trustees and will replace with articles of a similar quality all items which shall be lost, broken or damaged during the tenancy.
- 2.15 Yield up the Property at the end of the tenancy in reasonable and tenantable repair in accordance with the foregoing agreements.
- 2.16 The tenant shall pay for all costs associated with drawing up of this agreement including, without limitation the Advocate's costs, stamp duty and registration fees (if any).

**The Landlord agrees with the Tenant as follows:**

The Tenant paying the rent hereby reserved and performing and observing all agreements and conditions herein contained or implied and on its part to be performed and observed shall and may peacefully and quietly hold the Property during the tenancy hereby created without any interruptions from or by the landlord of any person on his behalf.



To keep the roof, main walls and main timbers lock, windows and the outside of the buildings on the Property and the water and sanitary apparatus and electric wiring and immersion heaters, in good and tenantable repair and condition and will carry out any repairs to the inside of the said buildings not caused by the default of the Tenant under this Agreement.

To pay the rates, government land rent and all other taxes and insurances and charges now or hereafter payable in respect of the property and if required provide to the Tenant copies of the receipted accounts.

### **General Terms:**

If the rent shall be in arrears for more than Fourteen (14) days after the same have become due and payable, or if the Tenant shall fail to perform and observe any of the agreements herein contained or implied and has not complied with any notices in respect of such breach or non payment, it shall be lawful for the Landlord at any time thereafter to enter into the Property and to again repossess the same without prejudice to any right of action or remedy of the Landlord in respect of any antecedent breach of any of the covenants herein contained or implied.

In the event the Rent shall be in arrears or if any such payment dishonoured then interest shall be charged on any outstanding amount at the rate of 2% above the base rate of Barclays Bank Kenya Limited as published from time to time until payment in full of the amount including bank charges and shall accrue on a daily basis.

### **Termination:**

The Tenant and the Landlord shall be entitled to terminate this Agreement on giving the other party three (3) calendar months' written notice of its intention to do so and at the expiration of such period of notice this agreement shall cease and determine but without prejudice to any right of action accrued to either party during the currency of the agreement.

If the Tenant/ Landlord after notice in writing given to it/ him by the other party requiring it/ him to carry out any work or repair or redecoration for which it/ he is lawfully liable shall fail to commence and diligently proceed with such works within (30) days it shall be lawful for the party giving such notice to carry out and execute such works and the cost thereof shall be a debt due from the other party and be forthwith recoverable by action or deductible from the Rent.

If the Tenant has substantially complied with the terms of this Agreement the Landlord agrees to give the Tenant an option to extend the tenancy for a further two (2) years subject to the rent being revised. The notice must be given by the tenant in writing not later than three (3) months prior to the end of the Term if the Tenant wishes to take up the option. In the event the parties are unable to agree the amount of the new Rent payable then the Rent shall be determined by an independent valuer to be nominated by the parties. If the parties cannot agree on a valuer each party will appoint one valuer and the two valuers so appointed shall appoint an umpire who shall also be a qualified valuer and such umpire shall determine the then current open market rental of the premises. The valuer's costs shall be borne equally by the parties.

### **Arbitration:**

Save as may be hereinbefore otherwise specifically provided all questions hereafter in dispute between the parties hereto and all claims for compensation or otherwise not mutually settled and agreed between the parties shall be referred to arbitration by a single arbitrator being a practising advocate of the High Court of



Kenya of not less than fifteen (15) years and a member of the Institute of Arbitrators Kenya Branch standing assisted by such assessors or professional advisers as the arbitrator shall deem necessary to appoint to sit with him or her to be appointed in default of agreement by the parties by the Chairman for the time being of the Institute of Arbitrators Kenya Branch and every award made under this Clause shall be expressed to be made under the Arbitration Act 1995 or any Act amending or replacing such Act. The parties hereby agree that they shall abide by any decision so made by such arbitration.

**IN WITNESS WHEREOF** the parties hereto have set their hands the day and year first hereinabove written.

**SIGNED** by ..... )  
in the presence of: )  
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 )  
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 )  
 )

**SIGNED** by < **Authorised Representative** > )  
for and on behalf of the Tenant in the )  
presence of: )  
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