

Legal Notice No. 198.

**THE ESTATE AGENTS ACT
(Cap. 533)**

IN EXERCISE of the powers conferred by section 22 (3) of the Estate Agents Act, the minister for Lands and Settlement makes the following Rules:-

**THE ESTATES AGENTS (REMUNERATION) (AMENDMENT)
RULES, 2002**

1. These Rules may be cited as the Estate Agents (Remuneration) (Amendment) Rules, 2002.
2. The Estate Agents (Remuneration) Rules are amended by deleting the schedule and substituting therefore the following new schedule:

**SCHEDULE
Scale 1**

Sales:

On the first Ksh. 100,000	10%
On the next Ksh. 900,000	6%
On the residue	3%

SCALE 1A

Purchases:

On the first KSH. 100,000	5%
On the next Ksh. 900,000	3%
On the residue	1.5%

SCALE 1B

On Sales of Plant and Machinery:

Ten per cent of the total value realized.

SCALE 1C

Sale and Purchases Effected by a Transfer of shares:

Scales 1 and 1A shall apply undiminished by any loan or other charges upon the property or the Company's assets.

SCALE 2

LETTINGS

Residential:

Lease up to one year	7.5% of annual gross rent.
Lease of over one year	One month's rent

Commercial:

Sole agency	7.5% of annual gross rent
General agency	10% of annual gross rent.

Fees by negotiation if management services involved but not less than half scale.

SCALE 3

- (a) For seeking and negotiating the tenancy or lease of a property to suit a client's requirements:

The fees payable as per the appropriate letting scale and by arrangement if negotiations abort.

- (b) For negotiating the tenancy or lease of a particular property named by the client:

SCALE 4

MANAGEMENT

Residential:

10 per cent of the gross rents or less according to the circumstances but not less than 5 per cent.

Commercial:

7.5% per cent of the gross rents or by arrangement but not less than 2.5% per cent

SCALE 5

Mortgages:

For negotiating the terms of mortgages or charges as an intermediary between or on behalf of either of the principals:

- (a) In case of a successful deal, the agent is entitled to a negotiated commission but no fees.
- (b) Where agent is instructed to fund and negotiate a mortgage without handling the sale:

Fees to be not more than 0.25% per cent of the capital value of the mortgage.

Dated the 19th November, 2002.

N. K. NGALA,
Minister for Lands and Settlement.