



NOTICE – September 1, 2020

2021 Maximum Allowable Rent Increase Summary

The Island Regulatory and Appeals Commission has set the maximum allowable annual rent increase at 1.00% effective January 1, 2021.

This 1.00% increase may be applied to all rental units including:

- Heated premises
- Unheated premises
- Mobile home site located in a mobile home park

Public input

Each year, the Director of the Office of Residential Rental Property advertises for written submissions on the allowable annual rent increase from tenants, landlords, and members of the public. This year, 48 submissions were received from 39 tenants and 9 landlords by the deadline of August 14, 2020. The Commission thanks everyone who contributed to the process.

Calculation

In calculating the amount of the allowable rent increase, the Commission takes a number of factors into consideration. First, it reviews the submissions received from the public; second, it reviews the costs of a number of housing-related items including:

- 2020 All-items PEI Consumer Price Index for the twelve-month period of July 1, 2019 to June 30, 2020;
- Furnace oil (the average price of furnace oil dropped by 14.7 cents per litre for the period July 1, 2018 to June 30, 2019 compared with July 1, 2019 to June 30, 2020);
- Electricity (rates have not increased since 2018; the Commission will be reviewing rates in the near future);
- Water and sewer rates, insurance, property taxes, maintenance costs, waste watch rates, and interest rates.

Notice Required

Under the *Rental of Residential Property Act*, landlords are permitted to raise the rent once every 12 months and are required to provide tenants with three months' written notice on an approved form before the rent increase can take effect.

Rent increase beyond the allowable amount

Landlords seeking rent increases greater than the allowable amount must apply to the Director of the Office of Residential Rental Property and provide the required information.

Permitted timing of a rent increase

If a tenant rents a unit beginning September 1, 2020, the date of the first allowable increase is September 1, 2021, provided the tenant received three months' written notice on an approved form.

Previous Allowable Rent Increases

Year		Allowable Rent Increase
2021	Heated premises	1.00%
	Unheated premises	1.00%
	Mobile home site located in a mobile home park	1.00%
2020	Heated premises	1.30%
	Unheated premises	1.30%
	Mobile home site located in a mobile home park	1.30%
2019	Furnace oil or other petroleum source heated premises	2.00%
	Electric heated premises	1.75%
	Unheated premises	1.50%
	Mobile home site located in a mobile home park	1.50%
2018	Heated premises	1.75%
	Unheated premises	1.50%
	Mobile home site located in a mobile home park	1.50%
2017	Heated premises	1.50%
	Unheated premises	1.50%
	Mobile home site located in a mobile home park	1.50%