



## 2020 Maximum Allowable Rent Increase Summary

The Island Regulatory and Appeals Commission has set the maximum allowable rent increase at 1.3% effective January 1, 2020.

**This 1.3% increase may be applied to all rental units including:**

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

### CALCULATION

The amount of the allowable rent increase is primarily based on the 2019 Consumer Price Index for Prince Edward Island. The maximum allowable rent increase for 2020 is calculated by averaging the percentage increase in the Prince Edward Island All-Items Consumer Price Index for the 12-month period of August 2018 to July 2019.

In addition to CPI, other costs considered by the Commission included, among other things:

- Heating fuel: The average price of furnace oil has dropped. In 2018, the average price, excluding tax, was 94.1 cpl.; for 2019 year-to-date, the average price is down 0.8 cents to 93.3 cpl.
- Electricity: Maritime Electric has requested an increase of 0.7% in electric rates; and
- Costs such as water and sewer, insurance, property taxes, maintenance, waste watch collection, and interest rates.

The Commission also considered the submissions received from tenants, landlords, and members of the public.

### 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 by 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 Office of the Director of Residential Rental Property and provide the required information.

## PUBLIC INPUT

Each year, the Office of the Director of Residential Rental Property advertises for written submissions on the allowable rent increase from tenants, landlords and members of the public. This year, the Office broadened its advertising campaign to reach a wider audience and to encourage greater input. As a result, 52 submissions were received, a significant increase from 13 the previous year. Thirty-four tenants and 18 landlords responded by the deadline of July 26, 2019. The Commission thanks everyone who contributed to the process.

## ALLOWABLE RENT INCREASES

Year		Allowable rent increase
2020	Heated premises:	1.3%
	Unheated premises:	1.3%
	Mobile home site located in a mobile home park:	1.3%
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 only in a mobile home park:	1.50%
2016	Heated premises:	0.00%
	Unheated premises:	0.00%
	Mobile home site only in a mobile home park:	0.00%