

For Immediate Release

2026 Annual Allowable Rent Increase

Charlottetown, Prince Edward Island, September 22, 2025 – The Director of Residential Tenancy has set the maximum Annual Allowable Rent Increase, effective January 1, 2026, at **2% on all rental units, heated or unheated, including mobile home sites.**

On April 8, 2023, the Government of Prince Edward Island proclaimed the *Residential Tenancy Act* and the *Residential Tenancy Act* regulations. Under Subsection 49(3) of the *Residential Tenancy Act*, the annual allowable rent increase cannot exceed 3%.

The 2026 maximum Annual Allowable Rent Increase is based on Subsection 49(2) of the *Residential Tenancy Act*, which sets out the factors that must be considered by the Director to establish the annual allowable increase. Analysis must consider the written representations from landlords and tenants, the percentage change from year to year in the All-Items Consumer Price Index, “CPI” for Prince Edward Island, and any factors set out in the regulations. The *Act* also requires that the Annual Allowable Rent Increase be published in the Royal Gazette.

In determining the annual allowable rent increase for 2026, the Director of Residential Tenancy reviewed and analyzed the 34 representations submitted by landlords and tenants and considered the general themes that emerged. The Director also reviewed and analyzed the year-to-year change in the All-Items Consumer Price Index for Prince Edward Island, which indicated an increase of 1.2%. Considering the items that are relevant to the operation of rental units, the Director also compared the increase in All-Items CPI to the Owned Accommodation CPI. A full analysis of the Director’s decision can be found in the 2026 Annual Allowable Rent Increase decision.

Based upon the factors set out in the *Residential Tenancy Act*, including a limit of 3% increase per calendar year, the representations received from landlords and tenants, the average percentage increase in CPI of 1.2 %, and no additional factors specified in the regulations, the Director has determined that the 2026 annual allowable rent increase for all residential properties will be 2%, effective January 1, 2026.

The Director wishes to remind landlords that they must provide proper notice to tenants and at least 3 months’ notice if there will be a rent increase. The Tenant Notice of Annual Allowable Rent Increase form can be found on the Rental Office website.