

NOTICE

2024 Annual Allowable Rent Increase

Charlottetown, Prince Edward Island, September 18, 2023 – The Director of Residential Tenancy has set the maximum Annual Allowable Rent Increase, effective January 1, 2024, at **3% on all rental units, heated or unheated.**

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 2024 maximum Annual Allowable Rent Increase is based on Subsection 49(2) of the *Residential Tenancy Act*, which sets out the formula and requires the Director of Residential Tenancy to establish the allowable increase. The *Act* also requires that the Annual Allowable Rent Increase be published in the Royal Gazette.

Each year, the Director of Residential Tenancy requests written comments from tenants and landlords to gather public feedback about the allowable annual rent increase. The Residential Tenancy Office advertises this opportunity with a public notice. This year, submissions closed on August 11, 2023 and a total of 106 submissions from landlords and tenants were received.

In determining the maximum annual allowable increase, the Director of Residential Tenancy considered the year over year percentage change in All-Items Consumer Price Index (CPI) for Prince Edward Island, which was provided by the Commission.

The Commission averaged the monthly change in CPI, as reported by Statistics Canada, over the 12-month period that ends at the end of June of the previous calendar year and rounded to the first decimal point. This resulted in an average percentage change of 6.1% for the period July 2022 to June 2023.

Average Percentage change from July 2022 to June 2023	
Avg Jul 2021 to Jun 2022	151.3
Avg Jul 2022 to Jun 2023	160.6
1 yr Change	
22/23 over 21/22	6.1%

Based upon the factors set out in the Residential Tenancy Act, including a limit of 3% increase per calendar year, the 106 written submissions from landlords and tenants, the average percentage change in CPI of 6.1%, and no additional factors specified in the regulations, the Director has determined that the 2024 annual allowable rent increase for all residential properties will be 3%.

Landlords 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 [here](#).