

CALCULATION OF THE 2016 RENT INCREASES

Montréal, January 22, 2016 – The Régie du logement has established the applicable percentages for the purpose of calculating the 2016 rent increases, in accordance with the *Regulation respecting the criteria for the fixing of rent*. The percentages enable the amounts attributed to each component of the calculation to be determined on the basis of the actual expenses incurred for the building or dwelling in question.

Table: Applicable percentages

Rent component	2015	2016
Electricity	2.9%	2.4%
Gas	12.1%	- 3.2%
Heating oil and other sources of energy	3.4%	- 24.3%
Maintenance	0.7%	2.5%
Service costs	2.0%	1.9%
Management costs	1.1%	1.0%
Net income	0.6%	0.5%
Capital expenditures	2.9%	2.5%

A calculation tool is available on the Régie's website at www.rdl.gouv.qc.ca. In addition to this electronic form, entitled **Calculation 2016/How to agree on the rent**, the website provides a printable PDF version of the form.

These tools help to establish the rent increase, by taking into account the variation in municipal and school taxes, insurance, major improvements and all the building's operating costs. The paper version of the form will be available at our 25 offices and service locations as of the second week of February.

In this way, the Régie du logement provides landlords and tenants with a basis for discussion in order to encourage agreement on a rent increase.

For example, using the new percentages for the net income, maintenance, service, management and energy components, the Régie indicates below estimated average basic increases for 2016. These estimates were obtained by using, for each category of expenses, the new percentage that applies for 2016, based on the cases submitted to the Régie du logement in 2014 and 2015.

Dwellings heated with:	Estimated increases (excluding taxes and capital expenditures)
Electricity	0.7%
Gas	0.2%
Heating oil	-4.2%
Unheated dwellings	0.4%

CAUTION: The estimates do not take into account the specific features of each building. The operating expenses for a building may justify a variation in rent that differs from the estimates. **The same applies to adjustments attributable to increases in municipal and school taxes and insurance.**

Therefore, for a calculation that applies to a specific building, the calculation tools provided for that purpose must be used. Furthermore, when rent is fixed by the tribunal, the legal calculation is made on the basis of the building's operating expenses, not on average estimates.

Note that specific rules apply to residential rent increases. Explanations of these rules are found on the Régie's website, as well as models that can be used for notices of rent increase and replies to such notices.

The Régie can also be reached by phone:

Montréal, Laval and Longueuil
514 873-2245 (BAIL)

Elsewhere
1 800 683-2245 (BAIL)