

Residential rent increases

Learn about the rules for rent, including rent increase guidelines and resolving issues about rent control.

Rules for rent increase

In most cases, the rent for a residential unit can be increased if at least 12 months have passed since the:

- last rent increase, or
- date the tenancy began

The landlord must give a tenant written notice of a rent increase in the proper form at least 90 days before it takes effect.

The proper forms (<https://tribunalsontario.ca/ltb/forms/>) for this notice are available from the Landlord and Tenant Board. If your landlord has not provided the proper notice, or you believe that your rent has been raised by an improper amount, you can dispute it at the Landlord and Tenant Board (<https://tribunalsontario.ca/ltb/application-and-hearing-process/>) within 12 months after the amount was first charged.

Rent increase guideline

The rent increase guideline for 2025 is 2.5%.

The guideline is the maximum a landlord can increase most tenants' rent during a year without the approval of the Landlord and Tenant Board.

For most tenants, your rent can't go up by more than the rent increase guideline for every year.

The guideline applies to most private residential rental units covered by the *Residential Tenancies Act, 2006* (<https://www.ontario.ca/laws/statute/06r17>). This applies to most tenants, such as those living in:

- rented houses, apartments, basement apartments and condos
- care homes
- mobile homes

- land lease communities

The guideline does **not** apply to:

- new buildings, additions to existing buildings and most new basement apartments that are occupied for the first time for residential purposes after November 15, 2018 (<https://www.ontario.ca/page/residential-rent-increases#exception>)
- rental units upon turnover of a tenancy (the landlord and new tenant agree on the rent amount)
- community housing units
- long-term care homes
- commercial properties

Social housing is covered by the *Residential Tenancies Act, 2006* (<https://www.ontario.ca/laws/statute/06r17>), but has different rules regarding rent control and rent increase notices (<https://www.ontario.ca/laws/statute/06r17#BK8>).

Exceptions

- In some cases, landlords can apply to the Landlord and Tenant Board for approval to raise your rent (<https://tribunalsontario.ca/ltb/forms/>) (PDF) by more than the rent increase guideline.
- In care homes (such as a retirement home), the rent increase guideline only applies to the rent portion of your bill but does not apply to the cost of services like nursing, food or cleaning.
- New buildings, additions to existing buildings and most new basement apartments that are occupied for the first time for residential purposes after November 15, 2018 are exempt from rent control.

How we calculate the guideline

It is calculated using the Ontario Consumer Price Index (<http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/cpis01g-eng.htm>), a Statistics Canada tool that measures inflation and economic conditions over a year. Data from June to May is used to determine the guideline for the following year.

The rent increase guideline is capped at 2.5% to prevent significant rent increases.

A sample calculation of a rent increase

Your monthly rent is \$1,000 when you sign a lease on June 1, 2024. The guideline for 2025 is 2.5%. Therefore:

- an increase of 2.5% on \$1,000 = \$25.00
- \$1,000 + \$25.00 = \$1,025.00

Your landlord could lawfully increase your rent payment 12 months later, on June 1, 2025, to \$1,025.00 per month

Your landlord would need to provide you written notice at least 90 days before June 1, 2025, in the proper form available from the Landlord and Tenant Board.

Previous rent increase guidelines

The chart below illustrates yearly rent increases, in Ontario, from 1991 to 2025.

Year	guideline (%)
2025	2.5
2024	2.5
2023	2.5
2022	1.2
2021	0 ^[1]
2020	2.2
2019	1.8
2018	1.8
2017	1.5
2016	2.0
2015	1.6
2014	0.8
2013	2.5
2012	3.1

Year	guideline (%)
2011	0.7
2010	2.1
2009	1.8
2008	1.4
2007	2.6
2006	2.1
2005	1.5
2004	2.9
2003	2.9
2002	3.9
2001	2.9
2000	2.6
1999	3.0
1998	3.0
1997	2.8
1996	2.8

Year	guideline (%)
1995	2.9
1994	3.2
1993	4.9
1992	6.0
1991	5.4

Additional information

For more information on the rent increase guideline, contact the Landlord and Tenant Board:

- ltb@ontario.ca (mailto:ltb@ontario.ca)
- 416-645-8080
- Toll-free: 1-888-332-3234

Resolving issues about rent control

As a tenant or a landlord, you can contact the Landlord and Tenant Board (<https://tribunalsontario.ca/ltb/contact/>) to determine whether a unit is exempt from the rent increase guideline.

To show that a unit is exempt from rent control, landlords can:

- include an additional term under section 15 of the lease (<https://www.ontario.ca/page/guide-ontarios-standard-lease-newcomers#section-2>) stating that the unit is exempt from the rent increase guideline, and
- keep records that prove the exemption – in case the tenant asks, or there is a dispute.

New buildings and additions

If there is a dispute about **new buildings and additions**, the landlord must prove that the building or addition was first occupied for residential purposes after November 15, 2018.

Landlords might want to keep records, such as:

- building permits, permit applications and plans
- occupancy permits
- new home warranty documents
- documents from the builder

New units in existing houses

If there is a dispute about **new units in existing houses**, the landlord must prove that the new unit was completed after November 15, 2018.

The landlord must also prove either:

- the unit was built in a previously unfinished space like a basement or attic
- the owner lived in another part of the house when the new unit was first occupied

Landlords might want to keep records, such as:

- documents from the builder or invoices from the contractor
- “before and after” photographs
- building permits, permit applications and plans

Updated: June 28, 2024

Published: June 17, 2016

Footnotes

- [1] ^ The 2021 rent increase guideline was 0% due to a government-imposed rent freeze to help tenants during COVID-19. Otherwise, it would have been 1.5%.