

Notice of Rent Increase

Form N1

Instructions

Use this form if you are increasing the tenant's rent. Do not use this form if the rental unit is partially exempt from the *Residential Tenancies Act*, or the rental unit is in a care home.

A Notice of Rent Increase must be properly filled out and given before the rent can be increased. These instructions will help you complete the form. It is your responsibility to make sure that the Notice of Rent Increase complies with the requirements of the *Residential Tenancies Act*.

You can obtain this form at the Landlord and Tenant Board office in your area or from the Board's website at www.LTB.gov.on.ca.

January 31, 2007

About this notice...

You must give the tenant notice of any rent increase at least 90 days before the date of the increase. There are many ways you can give this notice to the tenant.

You can:

- hand it directly to the tenant or to an adult in the rental unit,
- leave it in the tenant's mailbox or where mail is ordinarily delivered,
- place it under the door of the rental unit or through a mail slot in the door,
- send it by fax to a fax machine where the tenant carries on business or to a fax machine in their residence,
- send it by courier (if you courier it, you must allow one business day for delivery),
- send it by mail (if you mail it, you must allow five days for delivery).

You cannot give the tenant this notice by posting it on the door of the tenant's rental unit.

You can increase the rent if at least 12 months have passed since the date of the last rent increase or since the date the tenant moved into the rental unit. If the previous tenant assigned the rental unit to the current tenant within the 12 months before the increase date, you can increase the rent if at least 12 months have passed since the previous tenant's last increase.

When to use Other Forms...

Most landlords must use this form (**Form N1**) when increasing the rent.

However, there are **three exceptions**:

- If the rental unit is exempt from certain sections of the *Residential Tenancies Act*, use **Form N2**.

- If the rental unit is in a care home, use **Form N3** (Notice to Increase the Rent and/or Charges for Care Services and Meals).
- You do not have to give the tenant this notice if you and the tenant have signed an Agreement to Increase the Rent Above the Guideline (**Form N10**).

How to complete the form...

To: Fill in the tenant's name and complete address, including the unit number. If there is more than one tenant living in the rental unit, fill in the names of all of the tenants.

From: Fill in the landlord's name and address. If there is more than one landlord, fill in the names of all the landlords.

Address of Rental Unit: Fill in the address and unit number of the rental unit covered by this notice.

Your New Rent: Fill in the date the rent will increase and the total amount, in dollars and cents, that you will charge the tenant on that date. The new rent is the total of the rent for the rental unit and all charges the tenant pays to you separately.

Write in whether the new rent will be charged each month or week. If you charge rent by some other period (for example, quarterly), write in the period that the rent covers.

Explanation of the Rent Increase: On the form, fill in the amount of the rent increase to the current rent in dollars and cents. Write in whether the new rent will be charged each month or week. If you charge rent by some other period (for example, quarterly), write in the period that the rent covers. Write in the percentage by which the new rent will increase.

Each year the Ministry of Municipal Affairs and Housing sets a guideline for rent increases. If you don't know what the rent increase guideline is, call the Landlord and Tenant Board.

On the form, indicate whether the rent increase is less than or equal to the rent increase guideline or whether it is more than the rent increase guideline.

If you are increasing the rent by more than the guideline, check **box 1 or 2** to show why. You cannot increase the rent by more than the guideline unless it is for one of these two reasons.

1. Check **box 1** on the form if the rent increase is more than the guideline but has been approved by an order under the *Tenant Protection Act* or the *Residential Tenancies Act*.
2. Check **box 2** on the form if the rent increase is more than the rent increase guideline and you have applied to have the rent increase approved by an order under the *Tenant Protection Act* or the *Residential Tenancies Act*.

If the rent increase needs approval by an order under the *Tenant Protection Act* or the *Residential Tenancies Act*, before the order is issued, the tenant may choose to pay:

- the increased rent set out in this notice,
- or
- the current rent plus the guideline increase.

**Examples of
Rent Increase
Calculation:**

Example 1 - Increasing the rent by the rent increase guideline:

Andrew McCabe is the landlord. He wants to raise the rent on September 1, 2007 by the rent increase guideline. The current rent is \$700.00. For 2007, the rent increase guideline is 2.6%.

Here is how Mr. McCabe would calculate the rent increase:

$$\frac{\$700.00 \times 2.6}{100} = \$18.20$$

$\$700.00 + \$18.20 = \$718.20$. The new rent is \$718.20

Example 2 - Increasing the rent by the amount proposed in an application to increase the rent above the guideline:

Cheryl Brown, the landlord, has made an application to increase the rent above the guideline. The current rent for Bill Smythe is \$600.00. The rent increase proposed in Cheryl's application for Bill's rental unit is the rent increase guideline plus 3.5%. Cheryl intends to increase Bill's rent on November 1, 2007. The rent increase guideline for 2007 is 2.6%.

Here is how Cheryl would calculate the rent increase:

$$2.6\% + 3.5\% = 6.1\%$$

$$\frac{\$600.00 \times 6.1}{100} = \$36.60$$

$\$600.00 + \$36.60 = \$636.60$. The new rent is \$636.60.

Signature: If you are the landlord, check the box marked “landlord” and sign your name. Print your name above your signature. Include your telephone number and the date you are signing this notice.

If you are the landlord’s agent, check the box marked “agent”, sign your name and include the date you are signing this notice. In the space marked “Agent Information”, fill in your name, company name (if applicable), mailing address, telephone number, and fax number, if you have one.

If you need more information...

If you need more information or have any questions, call the Landlord and Tenant Board at 416-645-8080 or toll-free at 1-888-332-3234. You can also visit the Board’s website at www.LTB.gov.on.ca.