



County of Wellington

Social Services Department – Housing Services

INFORMATION BULLETIN

Directive Number: 2019- 04

Effective Date: July 15, 2019

This Information Bulletin has been developed by the County of Wellington in its role as Consolidated Municipal Services Manager (CMSM) and is intended to be made available to all housing providers.

SUBJECT: 2020 Rent Increase Guideline & Last Month Rent Deposit Interest

LEGISLATIVE REFERENCES: Residential Tenancies Act, 2006

POLICY REFERENCES: N/A

DIRECTIVE REFERENCES: N/A

ATTACHED: N/A

BACKGROUND:

On an annual basis, the Service Manager provides, for information purposes only, the Ontario Rent Increase Guideline as published by the Ministry of Municipal Affairs and Housing for residential rental unit landlords.

INFORMATION:

Social Housing providers are exempt from Section 120 (Guideline Increase) of the *Residential Tenancies Act (RTA)*. Accordingly, the rent increase decision regarding actual market rents lies with each individual social housing provider given their current market rents in comparison with neighbouring properties, their ability to fill market vacancies, and their overall budget expectations.

For market rent tenants, the rent for a unit can be increased if at least 12 months have passed since a tenant first moved in or since his or her last rent increase (*RTA, s.119*). The tenant must be given proper written notice of the rental increase at least 90 days before the rent increase takes effect (*RTA, s.116*).

For providers who are looking to apply the Ontario Rent Increase guideline,

The 2020 Rent Increase Guideline is 2.2 per cent.

This guideline is in effect from January 1, 2020 to December 31, 2020.

For providers that collect last month rent deposits, Section 106 of the *RTA* requires that interest be paid annually on the amount of the rent deposit at a rate equal to the guideline amount that is in effect at the time the interest payment is due.

The 2020 Last Month Rent Deposit Interest Rate is 2.2 per cent.

Please contact your Housing Programme Advisor if you have any questions.

Harry Blinkhorn

Director of Housing



Alternative Formats Available Upon Request