

Rent Increases

Alberta's *Residential Tenancies Act* sets out the rules that a landlord must follow to increase the rent.

PERIODIC TENANCY

If you have a periodic tenancy, then the landlord can raise the rent. A periodic tenancy is a tenancy that does not have a specified end date and is usually referred to as a weekly or monthly tenancy.

Time Limit for Increasing Rent

A landlord can increase the rent when:

- 365 days have passed since the last rent increase; or
- 365 days have passed since the start of the tenancy.

Time Limits for Notices

The landlord must give written notice of the rent increase. The amount of notice required depends on the length of the tenancy.

- For a weekly tenancy, the written notice of the rent increase must be given at least 12 full tenancy weeks before the date of the rent increase.
- For a monthly tenancy, a written notice must be given at least 3 full tenancy months before the date of the rent increase.
- For any other period of tenancy, a written notice must be given at least 90 days before the date of the rent increase.

The time limits set out by the *Residential Tenancies Act* are strictly enforced. If the notice is not served on time, the notice is ineffective to raise the rent. This means that the landlord must serve you with a new notice, and if you have paid the increased amount of rent already, you may be able to get some of the rent money back.

Contents of The Notice

There are specific things that must be included in the notice. If these things are not included in the notice, then the notice is ineffective. The notice must:

- be in writing;
- be dated;
- state on what day the increase will take effect; and
- be signed by the landlord.

The notice must be delivered to the tenant personally, or sent by registered or certified mail. If the tenant is not home, then the landlord can serve the notice by giving the notice to an adult in the home, or by posting it on a conspicuous place (for example, taped on the front door). If the landlord has not been able to serve using any of these methods, then the landlord can serve the notice electronically (for example, by fax or email). If the landlord can establish that attempts were made to serve the tenant in one of these ways, then the notice may still be valid even if the tenant did not see it.

How a Tenant can object

If the tenant does not want to pay the increased amount of rent, or if the tenant cannot afford to pay the increased rent, then the tenant can:

- try negotiating with the landlord to see if less rent can be paid; or
- end the tenancy (the tenant must give the proper amount of notice to end the tenancy).

If the tenant remains living on the property then the tenant must pay the increased rent when it is due. If the tenant does not pay, then the landlord can terminate the tenancy for non-payment of rent.

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FIXED TERM TENANCY

A fixed term tenancy has a specified end date in the lease (for example, a one year lease). The following rules apply to increase the rent in a fixed term tenancy.

- The landlord can increase the rent if 365 days have passed since the tenant moved in, or since the last increase in rent.
- If the 365th day falls during the term, then the landlord has to wait until the fixed term agreement is over.
- The landlord does not have to provide written notice of a rent increase.

RENT INCREASE AMOUNT

For both kinds of tenancies, there is no limit on the amount that the landlord can raise the rent.

EXAMPLE

If there is a one year fixed term lease agreement in place (called “Lease 1”), then the landlord must wait until 365 days have passed since the tenant moved in to increase the rent.

This means that if the tenant and landlord enter into another fixed term tenancy (“Lease 2”), after Lease 1 is up, then the landlord can increase the rent that is payable under Lease 2, because 365 days have passed since the tenant moved in.

If there is a 6 month lease in place (“Lease A”), and the landlord and the tenant agree to enter into another 6 month lease (“Lease B”), the landlord cannot increase the rent payable under Lease B, because 365 days have not passed since the tenant moved in (only 6 months have passed since the tenant moved in).

If there is a 6 month lease in place, and then a one year lease after that, the landlord has to wait until the one year lease is over before the rent can be increased. The 365th day falls half way through the one year lease, so the landlord has to wait until that lease is over to raise the rent.

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