

chapter T-15.01, r. 2

Regulation respecting the criteria for the fixing of rent

Act respecting the Administrative Housing Tribunal
(chapter T-15.01, s. 108, subpars. 3 and 6).



The former alphanumerical designation of this Regulation was chapter R-8.1, r. 2.

O.C. 738-85; O.C. 454-94, s. 1.

TABLE OF CONTENTS

DIVISION I	
INTERPRETATION.....	1
DIVISION II	
DETERMINING RENT.....	3
DIVISION III	
RENT REDUCTION OR REDRESS.....	8
DIVISION IV	
ROOMS, MOBILE HOMES AND LAND INTENDED FOR THE INSTALLATION OF A MOBILE HOME.....	10
DIVISION V	
MISCELLANEOUS.....	13
DIVISION VI	
TRANSITIONAL AND FINAL.....	16

SCHEDULE 1 (*Revoked*).

DIVISION I

INTERPRETATION

1. Unless the context indicates otherwise, in this Regulation:

“capital expenditure” means spending on a building for major repairs and renovations or the offering of a new service, less:

(1) any subsidy toward such expenditure granted by a department or agency of the Government of Canada or of Québec, by a municipality or by a public utility;

(2) any compensation paid or payable by a third party as consideration for such expenditure or for the loss that caused it; (*dépenses d’immobilisation*)

“comparable dwelling” means an equivalent dwelling in the same or like building, having comparable services, accessories and dependencies and located in similar surroundings; (*logement comparable*)

“end of the lease” means the date preceding the beginning of the period for which the rent is to be determined; (*terme du bail*)

“estimated rent” means the rent assessed in relation to that for a comparable dwelling, where the dwelling:

- (1) is vacant;
- (2) is occupied by the lessor or his family;
- (3) is occupied by an employee whose work is related to the building;
- (4) is used for operating the building; (*loyer estimé*)

“income” means the amount of rent charged for a building and any estimated rent for the last month of a period considered, multiplied by 12, as well as any other operating income from the building during the reference period; (*revenus*)

“net income” means income generated by the building, less its operating expenses, for the reference period; (*revenu net*)

“operating expenses” means expenses incurred with respect to a building including the value of work done by the lessor if such be the case, comprised of the following:

- (1) property and services taxes;
- (2) fire and liability insurance;
- (3) energy costs;
- (4) maintenance costs;
- (5) service costs; and
- (6) management costs; (*dépenses d’exploitation*)

“preceding period” means the period of 12 consecutive months preceding the reference period; (*période précédente*)

“preferential rent” means the rent for a dwelling that is less than what is usually charged for a comparable dwelling where:

- (1) the tenant is the lessor’s relative or a person connected by marriage or a civil union, or the lessor’s employee;
- (2) the lessor supports or supported the tenant;
- (3) the dwelling is located in a building that was inherited and the amount of the rent is attributable to bad management by the deceased;
- (4) the lessor is a department or agency of the Gouvernement du Québec; (*loyer de faveur*)

“reference period”:

- (1) for leases expiring between 1 April and 31 December: the calendar year preceding the end of the lease;
- (2) for leases expiring between 1 January and 31 March: the second to last calendar year preceding the end of the lease; (*période de référence*)

“rent” means the monthly price for the enjoyment of a dwelling with its services, accessories and dependencies, whether or not they are covered by a contract separate from the lease; (*loyer*)

“service” means a service other than one whose price is payable upon each use or on a unit basis. (*service*)

O.C. 738-85, s. 1; O.C. 505-95, s. 1; O.C. 1506-97, s. 1.

2. This Regulation applies to a dwelling covered by article 1892 of the Civil Code, to places deemed to be dwellings within the meaning of that article, as well as to attached services, accessories and dependencies.

O.C. 738-85, s. 2; O.C. 505-95, s. 2.

DIVISION II

DETERMINING RENT

3. The tribunal hearing an application to determine or adjust rent modifies the rent at the end of the lease by applying the following factors in the proportion attributable to the dwelling:

- (1) the variation in municipal property taxes and services due in the reference period and those due in the following year as well as the variation in school taxes due in the year preceding the reference period and those due in the reference period;
- (2) the variation in insurance premiums included in operating expenses, for a maximum period of 12 months, due in the year preceding the reference period and those due during the reference period;
- (3) the percentage applicable for the reference period with respect to electricity and fuel; notwithstanding the foregoing, if that percentage is not representative for the building in question, the tribunal, if it has the required information at its disposal, shall take into account the variation, on a percentage basis, of the unit cost in the reference period and that in the preceding period;
- (4) the percentage applicable to maintenance costs for the reference period;
- (5) the percentages applicable to service costs for the reference period;

(6) the percentage applicable to management costs for the reference period which are established at 5% of income without supporting documents and up to 10% with supporting documents;

(7) operating expenses relating to a new service or accessory or dependency during the reference period, estimated for the entire year;

(8) the percentage applicable to net income for the reference period;

(9) the percentage applicable to capital expenditures for the reference period; notwithstanding the foregoing, if a capital expenditure is subsidized by way of a loan at reduced interest, the annual increase of rent corresponding to the portion of the expenditure financed by that loan may not exceed the amount of annual reimbursement of capital and interest.

The tribunal shall also take into account any change in rent during the 12 months prior to the end of the lease so as to ensure the rent that may be charged conforms to all applicable laws and the provisions of this Regulation.

O.C. 738-85, s. 3; O.C. 454-94, s. 2; O.C. 1506-97, s. 2; O.C. 1045-2023, s. 1.

3.1. The percentages applicable to the criteria are established annually pursuant to this section.

For operating expenses, the indicator used is that which is most representative of each category of expense among those established by Statistics Canada for Québec. In the case of the costs of services of a personal nature provided to the lessee of a dwelling situated in a private seniors' residence, the indicator is the Consumer Price Index for health care services established by Statistics Canada. The difference between the indicator for the reference period and that of the preceding year is divided by the indicator of the reference period; notwithstanding the foregoing, the percentage applicable to maintenance costs shall not be less than that applicable to net income.

For net income, the percentage of variation between the cost index of rent for the year preceding the reference period and that for the reference period established by Statistics Canada for Québec is applied; that percentage is reduced by 2% when it is 4% or more and reduced by one-half when it is less than 4%.

For capital expenditures, the average interest rates administered by Canadian trust companies during the reference period on 5-year guaranteed investment certificates is increased by 1%. These interest rates are published in the Bank of Canada Review.

The minister responsible for the application of title I of the Act respecting the Administrative Housing Tribunal (chapter T-15.01) notifies the public of the calculations in the *Gazette officielle du Québec* and, if he considers it appropriate, by any other means.

O.C. 1506-97, s. 3; O.C. 1045-2023, s. 2.



See notice of indexation (French); (2024) 156 G.O. 1, 82.

4. (*Revoked*).

O.C. 738-85, s. 4; O.C. 1506-97, s. 4.

4.1. (*Revoked*).

O.C. 454-94, s. 3; O.C. 1506-97, s. 4.

5. The portion attributable to the dwelling equals the proportion of rent at the end of the lease with respect to income.

If capital expenditures, operating expenditures, arising from a new service, accessory or dependency, fuel costs or taxes for services apply only to certain dwellings, proportions are determined in relation to the rent and estimated rent of the dwellings benefiting from that service, accessory or dependency.

No share is attributable to a dwelling in respect of an expenditure insofar as it relates to premises rented for non-residential purposes or in respect of the net income resulting from the operation of such premises.

O.C. 738-85, s. 5; O.C. 1430-85, s. 1; O.C. 1506-97, s. 5.

6. If at the end of the lease, the rent for a dwelling is preferential, the tribunal shall determine the amount of rent that may be charged by considering that usually paid for a comparable dwelling.

O.C. 738-85, s. 6.

7. If at the end of the lease, the rent is not payable monthly, the tribunal shall determine the amount of rent that may be charged on the basis of the period provided under the lease.

O.C. 738-85, s. 7.

DIVISION III

RENT REDUCTION OR REDRESS

8. The tribunal shall reduce the amount of rent which may be charged to the extent that the lessor has failed to maintain the quality of services or secure the use of an accessory or dependency for the building or dwelling concerned during the 12-month period preceding the period for which the rent is to be determined.

O.C. 738-85, s. 8; O.C. 1506-97, s. 6.

9. The tribunal shall redress the rent that may be charged where:

(1) the rent reduction granted by a lessor during the 12-month period preceding the period for which the rent is to be determined to allow his tenant to carry out repairs, renovations or install a new service at the tenant's expense, proves to be greater than expenditures incurred;

(2) the lessor has remedied the situation that gave rise to the rent at the end of the lease being a reduction of rent under section 8.

O.C. 738-85, s. 9; O.C. 1506-97, s. 7.

DIVISION IV

ROOMS, MOBILE HOMES AND LAND INTENDED FOR THE INSTALLATION OF A MOBILE HOME

10. The tribunal shall determine, reduce or redress the amount of rent that may be charged for a room, mobile home or land intended for the installation of a mobile home according to the provisions that apply to a dwelling, with the necessary modifications.

O.C. 738-85, s. 10.

11. Notwithstanding section 5, the share attributable to a room, mobile home or land intended for the installation of a mobile home shall be calculated with reference to the margin of profit earned on the operating expense or capital expenditure concerned, where this profit can be determined.

O.C. 738-85, s. 11.

12. In the case of a room located in a dwelling, the tribunal will also take into account the rent for the dwelling, in proportion to the value of the room.

O.C. 738-85, s. 12.

12.1. Where the rent to be determined or adjusted is that of land intended for installation of a mobile home, the tribunal takes into account the variation in the cost of snow removal during the year preceding the reference period and that during the reference period.

O.C. 1506-97, s. 8.

DIVISION V

MISCELLANEOUS

13. The tribunal shall take an operating expense or capital expenditure into account only once and only if borne by the lessor.

O.C. 738-85, s. 13.

14. *(Revoked).*

O.C. 738-85, s. 14; O.C. 1506-97, s. 9.

15. Where information required for determining rent under this Regulation is lacking, the tribunal may make up for the lack by relying on any relevant information at its disposal.

O.C. 738-85, s. 15.

15.1. The rent established for the purposes of this Regulation shall be reduced to the nearest dollar where it contains a fraction of a dollar less than \$0.50; it shall be increased to the nearest dollar where it contains a fraction of a dollar equal to or greater than \$0.50.

O.C. 454-94, s. 4.

DIVISION VI

TRANSITIONAL AND FINAL

16. *(Obsolete).*

O.C. 738-85, s. 16.

17. This Regulation replaces the Regulation respecting the criteria for the fixing or for the revision of rent (R.R.Q., 1981, c. R-8.1, r. 1).

O.C. 738-85, s. 17.

18. *(Omitted).*

O.C. 738-85, s. 18.

19. *(Obsolete).*

O.C. 1506-97, s. 10.

20. *(Obsolete).*

O.C. 1506-97, s. 10.

SCHEDULE 1

(Revoked).

O.C. 738-85, Sch. 1; O.C. 562-86, s. 1; O.C. 1047-87, s. 1; O.C. 688-88, s. 1; O.C. 528-89, s. 1; O.C. 344-90, s. 1; O.C. 519-91, s. 1; O.C. 637-92, s. 1; O.C. 580-93, s. 1; O.C. 454-94, s. 5; O.C. 825-94, s. 1; O.C. 505-95, s. 3; O.C. 692-96, s. 1; O.C. 337-97, s. 1; O.C. 1045-2023, s. 3.

TRANSITIONAL

2023

(O.C. 1045-2023) SECTION 4. Section 3.1 applies, as it reads on 31 July 2023, to an application for the fixing of rent whose notice referred to in article 1942 of the Civil Code has been given before 1 August 2023 or to an application for the adjustment of rent to take effect before 1 August 2023.

UPDATES

O.C. 738-85, 1985 G.O. 2, 1511
O.C. 1430-85, 1985 G.O. 2, 3655
O.C. 562-86, 1986 G.O. 2, 717
O.C. 1047-87, 1987 G.O. 2, 2240
O.C. 688-88, 1988 G.O. 2, 2115
O.C. 528-89, 1989 G.O. 2, 1813
O.C. 344-90, 1990 G.O. 2, 666
O.C. 519-91, 1991 G.O. 2, 1495
O.C. 637-92, 1992 G.O. 2, 2553
O.C. 580-93, 1993 G.O. 2, 2670
O.C. 454-94, 1994 G.O. 2, 1465
O.C. 825-94, 1994 G.O. 2, 2197
O.C. 505-95, 1995 G.O. 2, 1323
O.C. 692-96, 1996 G.O. 2, 2769
O.C. 337-97, 1997 G.O. 2, 1274
O.C. 1506-97, 1997 G.O. 2, 5802
S.Q. 2019, c. 28, ss. 74 and 158
O.C. 1045-2023, 2023 G.O. 2, 1732

