

Gouvernement du Québec

O.C. 1455-2025, 3 December 2025

Regulation to amend the Regulation respecting the criteria for the fixing of rent

WHEREAS, under subparagraph 3 of the first paragraph of section 108 of the Act respecting the Administrative Housing Tribunal (chapter T-15.01), the Government may make regulations for the application of articles 1952 and 1953 of the Civil Code, establishing, for such categories of persons, of leases, of dwellings or of land intended for the installation of a mobile home as it may determine, the criteria for the fixing of rent or for the revision of rent and the rules of implementation of these criteria;

WHEREAS, under subparagraph 6 of the first paragraph of section 108 of the Act respecting the Administrative Housing Tribunal, the Government may make regulations for prescribing, subject to section 85, what must be prescribed by regulation under the Act and articles 1892 to 2000 of the Civil Code;

WHEREAS, under the first paragraph of section 1953 of the Civil Code, where the court has an application before it for the fixing or adjustment of rent, it takes into consideration the standards prescribed by regulation;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), a draft Regulation to amend the Regulation respecting the criteria for the fixing of rent was published in Part 2 of the *Gazette officielle du Québec* of 3 September 2025 with a notice that it could be made by the Government on the expiry of 45 days following that publication;

WHEREAS it is expedient to make the Regulation with amendments;

IT IS ORDERED, therefore, on the recommendation of the Minister Responsible for Housing and the Minister Responsible for Seniors and Caregivers:

THAT the Regulation to amend the Regulation respecting the criteria for the fixing of rent, attached to this Order in Council, be made.

DAVID BAHAN
Clerk of the Conseil exécutif

Regulation to amend the Regulation respecting the criteria for the fixing of rent

Act respecting the Administrative Housing Tribunal (chapter T-15.01, s. 108, 1st par., subpars. 3 and 6).

Civil Code of Québec
(Civil Code, art. 1953, 1st par.).

1. The Regulation respecting the criteria for the fixing of rent (chapter T-15.01, r. 2) is amended in section 1

(1) by striking out the definition of “operating expenses”;

(2) by replacing the definition of “capital expenditure” by the following:

“capital expenditure” means spending on a building for major repairs or renovations, including in particular those provided for in Schedule 1, the offering of a new service, or the addition of an accessory or dependency;

(3) by inserting the following definitions in alphabetical order:

“consumer price index” meaning the Consumer Price Index, not seasonally adjusted, established by Statistics Canada for Québec;

“health care costs indicator” meaning the component of the Consumer Price Index related to health care services;

(4) by striking out the definition of “net income”.

2. Sections 3 and 3.1 of the regulation shall be replaced as follows:

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:

(1) the base percentage applicable to the rent;

(2) the variation in municipal property and service taxes;

(3) the variation in school taxes;

(4) the variation in fire and liability insurance premiums;

(5) the 5% percentage applicable to capital expenditures for the reference period;

(6) the expenses, excluding capital expenditures, relating to a new service or accessory or dependency during the reference period, estimated for the entire year.

The criteria referred to in subparagraphs 2 to 6 of the first paragraph are applied in the proportion attributable to the dwelling.

The tribunal must 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 to this Regulation.

For the purposes of subparagraph 5 of the first paragraph, 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.

3.1. The percentage referred to in subparagraph 1 of the first paragraph of section 3 is determined using the following formula:

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$$\frac{[(A - B) \div B] + [(B - C) \div C] + [(C - D) \div D]}{3}$$

In the formula in the first paragraph,

(1) A is the average Consumer Price Index for the reference period;

(2) B is the average Consumer Price Index for the preceding period;

(3) C is the average Consumer Price Index for the 12 months preceding the preceding period;

(4) D is the average Consumer Price Index for the 12 months preceding the period referred to in subparagraph 3.

If the result of the formula in the first paragraph is negative, the amount that may be attributed by applying the percentage referred to subparagraph 1 of the first paragraph of section 3 is deemed to be nil.

4. For the purposes of subparagraphs 2 to 4 of the first paragraph of section 3, the tribunal takes into account

(1) the variation between municipal property and service taxes due in the reference period and those due in the following year;

(2) the variation between school taxes due in the year preceding the reference period and those due in the reference period; and

(3) the variation between fire and liability insurance premiums, for a maximum period of 12 months, due in the year preceding the reference period and those due during the reference period.

Every variation referred to in the first paragraph is expressed as a positive or negative percentage. If the percentage is positive, the tribunal must subtract from that percentage the absolute value of the percentage referred to in the first paragraph of section 3.1, without regard to the third paragraph of section 3.1. If the result of that subtraction is a negative percentage, it is deemed to be nil.

The tribunal must also

(1) for the purposes of applying subparagraph 1 of the first paragraph, apply the percentage obtained under the second paragraph to the monthly amount of municipal property and service taxes due for the reference period;

(2) for the purposes of applying subparagraphs 2 and 3 of the first paragraph, apply the percentage obtained under the second paragraph to the monthly amount of school taxes or insurance due for the preceding period.

The amounts obtained under subparagraph 1 or 2 of the third paragraph are added to the amount obtained by applying the percentage referred to in subparagraph 1 of the first paragraph of section 3.

4.1. The tribunal hearing an application to determine or adjust the rent of a dwelling situated in a private seniors' residence or in another lodging facility where services of a personal nature provided to the lessee are provided to seniors must apply sections 3 and 3.1, with the following modifications:

(1) the percentage referred to in subparagraph 1 of the first paragraph of section 3, determined in accordance with section 3.1, is applied to the part of the rent obtained, excluding the costs of services of a personal nature provided to the lessee;

(2) the percentage referred to in subparagraph 1 of the first paragraph of section 3, determined in accordance with section 3.1 but replacing the Consumer Price Index with the health care services indicator, is applied to the part of the rent that relates to the costs of services of a personal nature provided to the lessee, whether or not they are covered by a contract separate from the lease.

4.2. 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 results of the calculations referred to in sections 3.1 and 3.4.1 in the *Gazette officielle du Québec* and, if the minister considers it appropriate, by any other means.”

3. Section 5 is amended

(1) by replacing the second paragraph by the following:

“If a capital expenditure or an expense referred to in subparagraph 6 of the first paragraph of section 3 applies only to certain dwellings, proportions are determined in relation to the rent and estimated rent of the dwellings benefiting from that capital expenditure or expense.”

(2) by striking out “or in respect of the net income resulting from the operation of such premises” in the third paragraph.

4. Section 11 is amended by striking out “operating expense or capital expenditure”.

5. Section 13 is amended

(1) by striking out “operating expense or capital expenditure”;

(2) by adding the following at the end:

“Where a capital expenditure or an expense referred to in subparagraph 6 of the first paragraph of section 3 is the object of a subsidy granted by a department or agency of the Gouvernement du Québec or the Government of Canada, by a municipality or by a public utility, the capital expenditure or expense is reduced by the amount of the subsidy.

A capital expenditure must also be reduced by the amount of any compensation paid or payable by a third party as consideration for such expenditure or for the loss that caused it.

If a subsidy referred to in the second paragraph and granted in respect of an expense referred to in subparagraph 6 of the first paragraph of section 3 has been paid for a period of more than 12 months and ends, the tribunal must take the end of that subsidy into account.”

6. Sections 1, 3, 3.1, 5, 11 and 13 continue to apply as they read on 31 December 2025 to an application for the fixing of rent whose notice referred to in article 1942 of the Civil Code was given before 1 January 2026 or to an application for the adjustment of rent to take effect before that date.

7. This regulation is amended by adding the following schedule at the end:

8. This Regulation comes into force on 1 January 2026.

SCHEDULE I

(Section 1)

1. Work to maintain the physical integrity of the building:

(1) Structure and foundations:

(a) Repair or reinforcement of foundations in relation to, among other things, cracks or subsidence;

(b) Repair or reinforcement of the framework, including beams, columns, or load-bearing walls;

(2) Roofing and exterior envelope:

(a) Repair of the roof, including, among other things, replacement of shingles, membrane, or attic insulation;

(b) Repair or replacement of exterior siding;

(c) Repair of balconies, stairs, or railings;

(d) Repair of cornices, flashings, or gutters;

(3) Masonry:

(a) Rejoining (repointing) bricks;

(b) Repairing cracks and delamination;

(4) Exterior woodwork:

(a) Replacement or major repair of damaged doors or windows;

(b) Major repair of frames or thresholds;

(5) Drainage and foundations:

(a) Replacement or installation of French drains;

(b) Waterproofing of foundations;

(6) Upgrading safety systems, including sprinklers, smoke detectors, fire extinguishers, or emergency stairs.

2. Improvement or modernization work:
- (1) Kitchen and bathroom:
- (a) Major renovation, including replacement of cabinets, countertops, plumbing, or ceramic fixtures;
- (b) Plumbing brought up to code;
- (2) Interior coverings:
- (a) Repair or replacement of floors;
- (b) Repair or painting of walls or ceilings;
- (3) Electrical work:
- (a) Addition of electrical outlets or recessed lighting;
- (b) Replacement or addition of electrical panels;
- (c) Upgrading electrical installations to current standards;
- (4) Addition or improvement of soundproofing between units;
- (5) Modern amenities:
- (a) Installation of private or shared laundry facilities;
- (b) Addition of storage space, including lockers in the basement or sheds;
- (c) Renovation of common areas, including the entrance hall or stairways.
3. Energy-related work, energy efficiency, and adaptation to climate change:
- (1) Add insulation to walls, roofs, or floors;
- (2) Replacing or upgrading the heating or air conditioning system;
- (3) Renewable energy:
- (a) Installation of photovoltaic or thermal solar panels;
- (b) Installation of electric vehicle charging stations;
- (4) Adaptation to climate change:
- (a) Flood prevention measures, including pumping systems or backflow valves;
- (b) Greening, including green roofs or tree planting to reduce heat islands;
- (c) Renovation of impervious areas, including paving.
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