

2026 Rent Increase

4.8% effective, same unit, annualized

6.4%

contract increase (rent shown on the lease)

3,179

pairs of consecutive leases, same unit

928

leases expected in 2026, known at 31 Dec 2025

9

models competing, rule set in advance

What we measure, and why

Same unit

Each apartment is compared with its own previous lease, keyed on sPropCode + sUnitCode. Never sSite + sUnitCode: 248 units would collide.

Effective rent

After the concessions recorded in the data (free months, parking, locker). It is the effective rent supplied, not a cash-receipts ledger; contract rent is shown alongside.

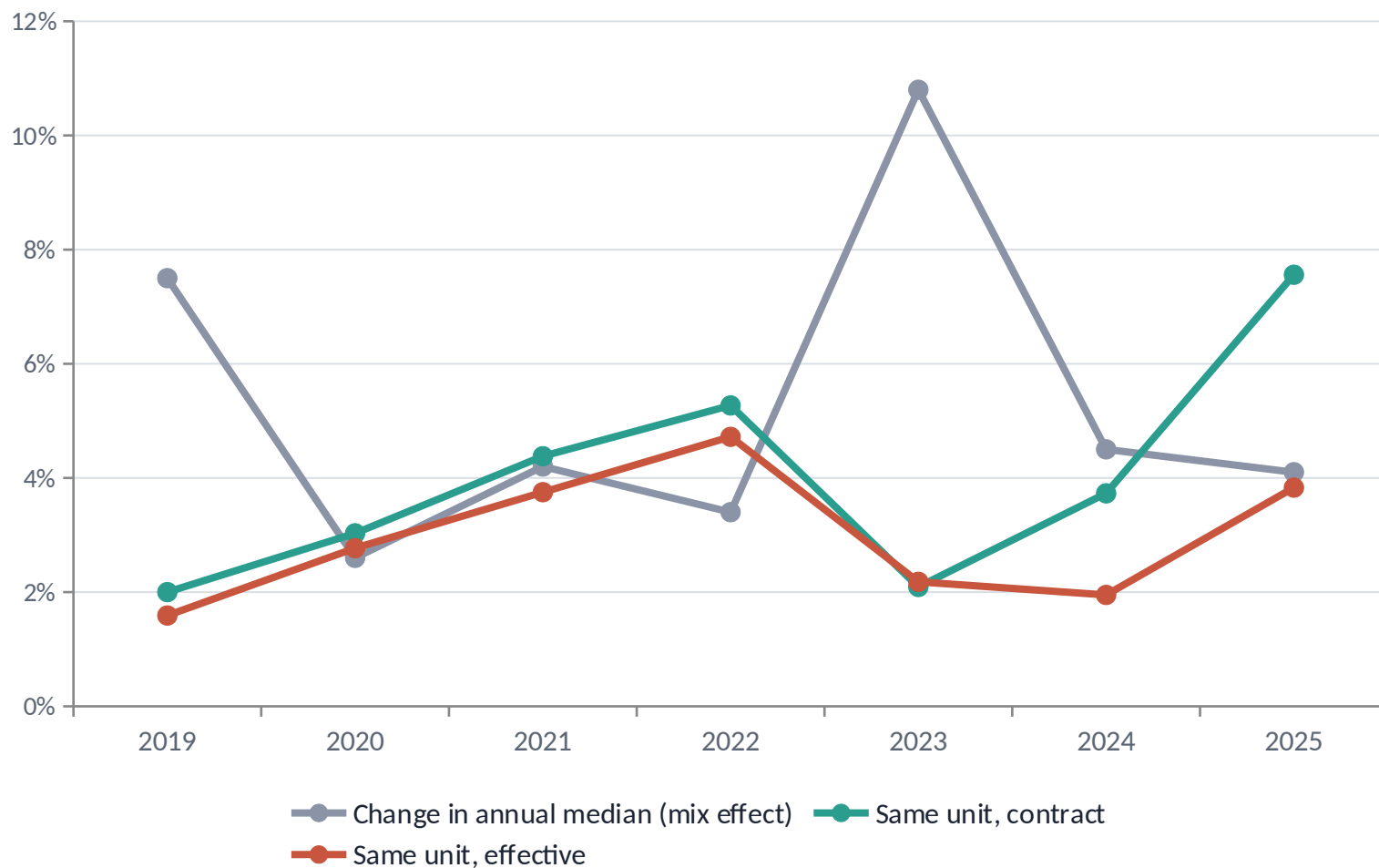
Annualized

$(\text{new} \div \text{previous})^{(1/t)} - 1$, with $0.5 < t < 2.5$ years between lease starts. An 18-month lease is not a 12-month increase.

One pair, one vote

Simple average of pairs whose new lease starts in 2026. Median as a cross-check. Not total revenue, not occupancy.

The median lies: a phantom +10.8% in 2023



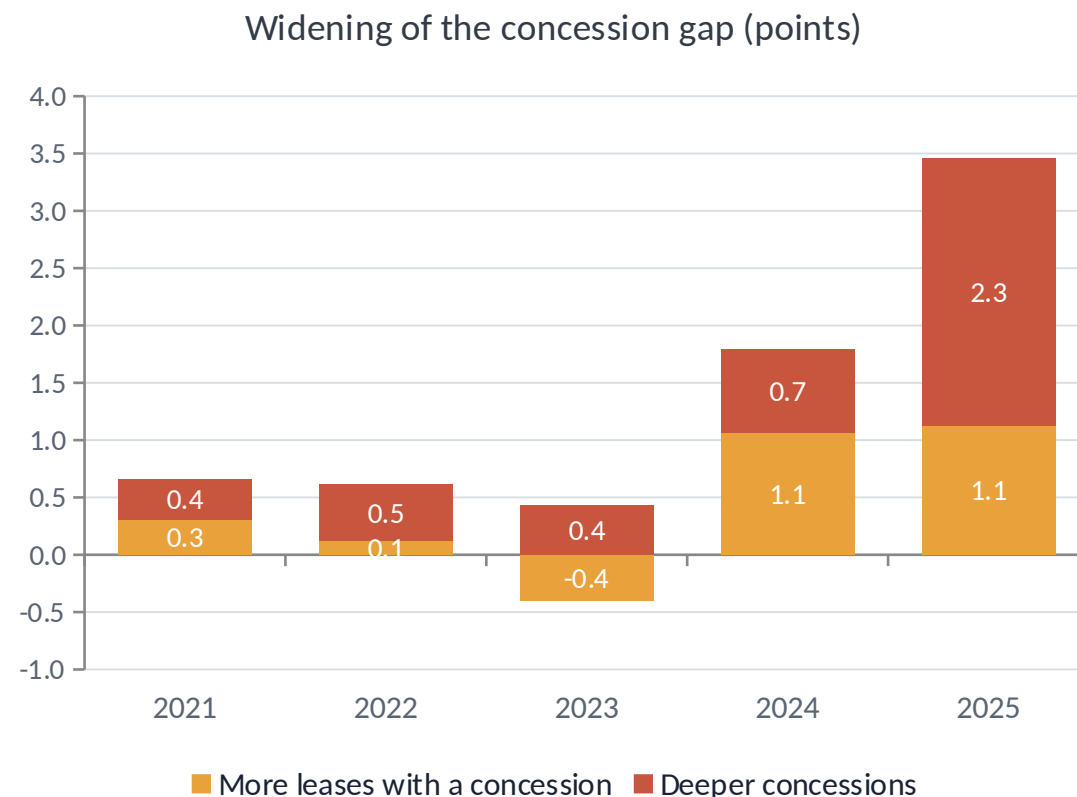
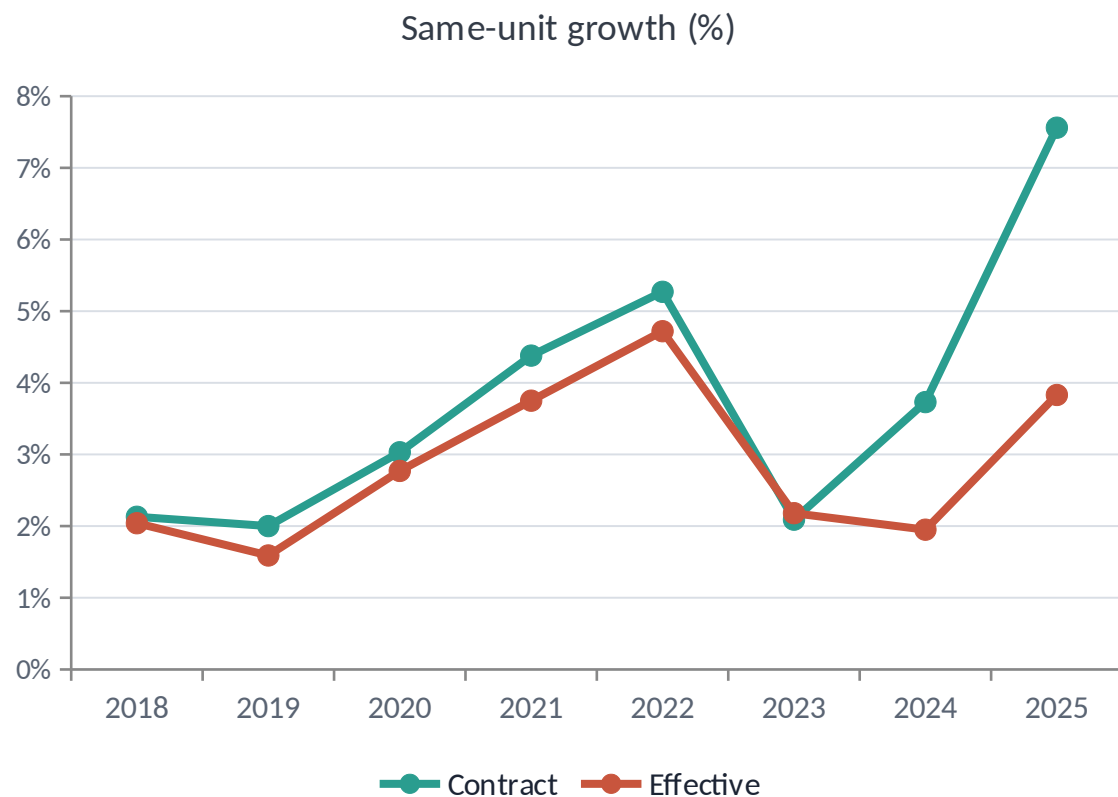
+10.8%

change in the median rent in 2023: three high-end buildings enter the sample

+2.2%

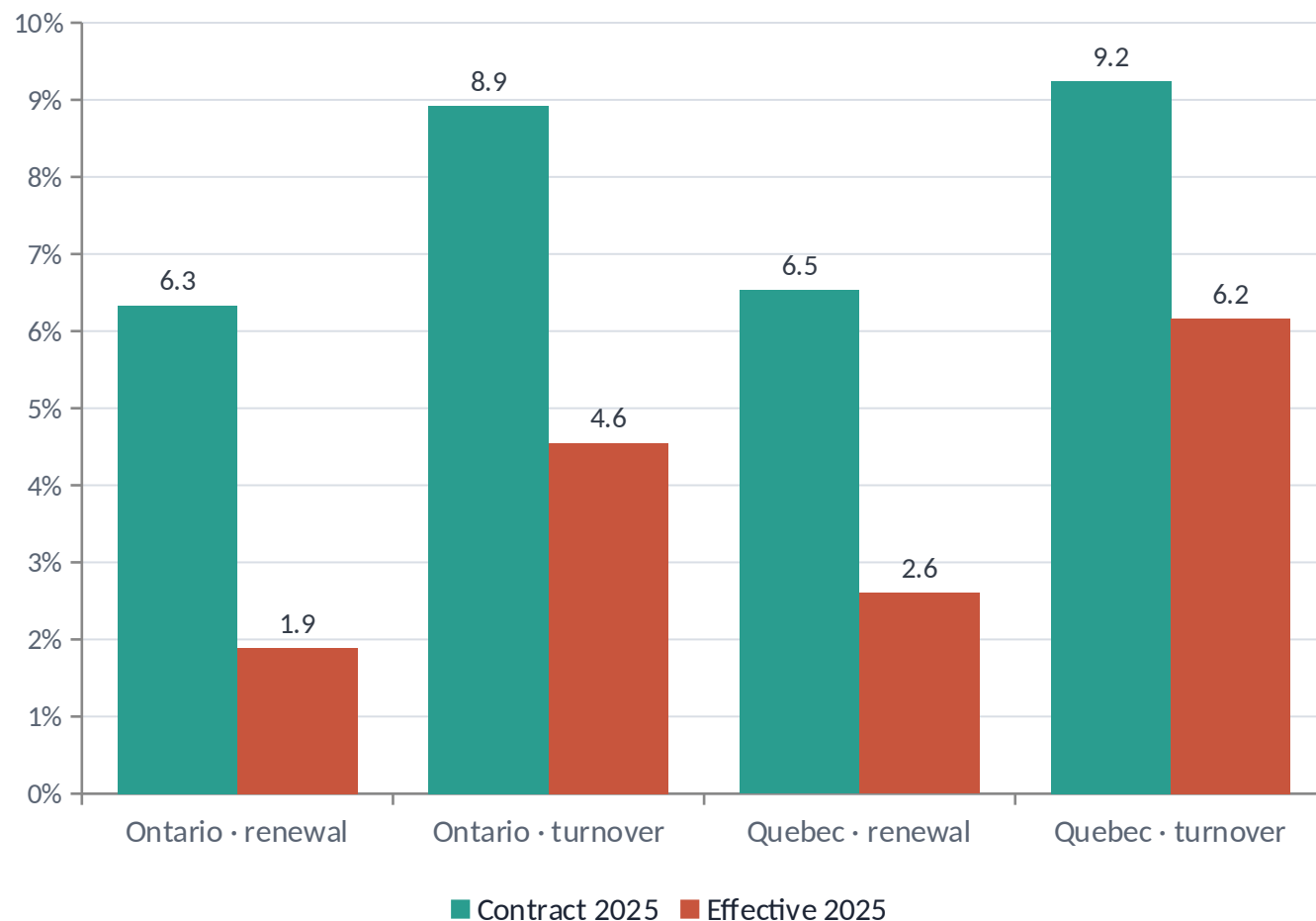
actual same-unit increase the same year (416 pairs)

Two rents, one gap: concessions widen at signing



2025: 86% of new leases carry a concession, averaging 10.7% deep. PromoPay is a one-time credit per lease, not a monthly amount; it drives most of the increase.

Renewals vs. turnover: two regimes



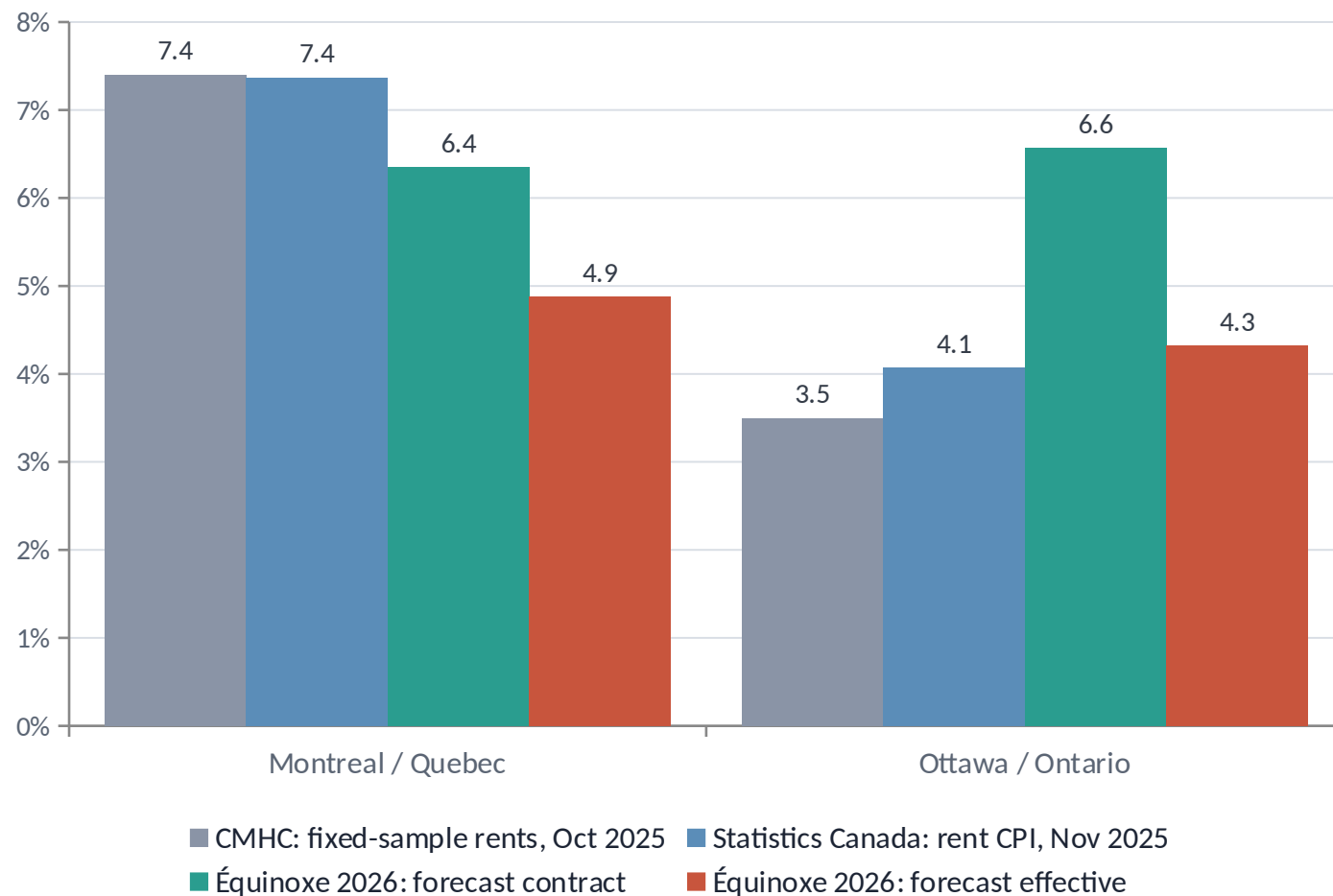
Quebec — 5 buildings

Quebec's rent tribunal (TAL) frames increases for sitting tenants; its base percentage is not a cap. 2026 base: 3.1% (new method, 3-year average CPI), vs. 5.9% recommended for 2025, published after our 31 Dec 2025 origin.

Ontario — The Met

2026 guideline: 2.1%, but units first occupied after 15 Nov 2018 are exempt. Built in 2022 per public listings: likely exempt, to be confirmed.

Reconciling with the public market



Asking rents are stalling

CMHC mid-2025: asking rents up 2.0% in Montreal and 2.1% in Ottawa, as landlords pile on free months and bonuses.

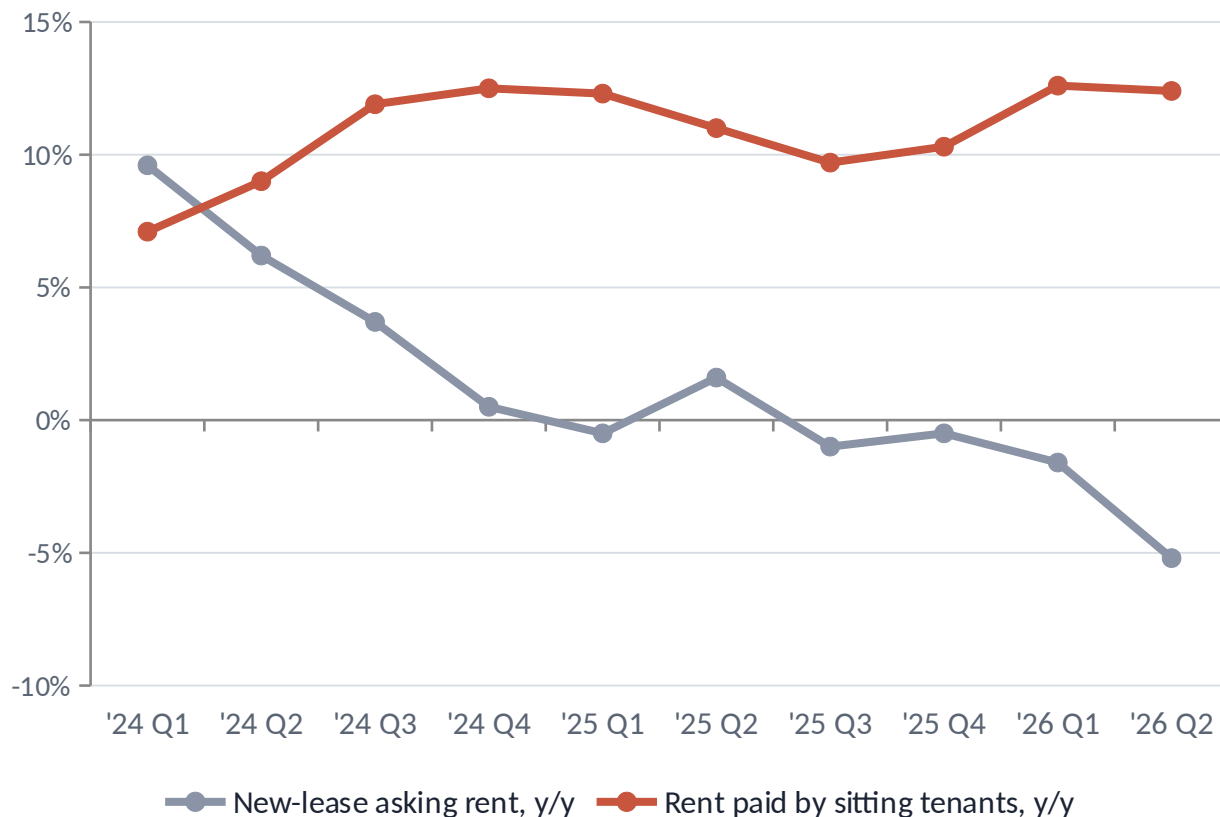
Incentives are rising

Ottawa, Q1 2026: 57% of projects offer incentives, two free months in 39% of cases (Urbanation). Our concessions follow the market.

CMHC (Rental Market Survey 2025; mid-2025 update), Statistics Canada 18-10-0004-01, Urbanation. 32 values re-verified at source. Different populations: descriptive contrast.

Market radar: two rental markets at once

Montréal 2-bedroom apartments (Statistics Canada)



-5.2%

Montréal 2-bed asking rents,
2026 Q2 vs a year earlier

-34%

Ontario study permits in 2025
(Quebec -16%), IRCC open
data

43%

Pointe-Claire renters spending
30%+ of income on rent
(Census 2021)

811

new homes permitted within 2
km of The Met since 2022
(Ottawa open data)

Statistics Canada 46-10-0092-01 (experimental) and 2021 Census; IRCC open data; City of Ottawa permits. Context only: tested, not used as forecast inputs.

Climate and location risk, building by building

Building	Nearest flood zone	Urban heat	Nearest rapid transit	Location score
Daniel-Johnson	3,011 m	Heat island (class 9/9)	Montmorency (metro), 2,127 m	58/100
Lévesque	54 m	Moderate (class 4/9)	Bois-Franc (REM), 2,047 m	32/100
Saint-Elzéar	3,538 m	Moderate (class 5/9)	Montmorency (metro), 4,566 m	19/100
Le Carlyle	5,045 m*	Warm (class 7/9)	De La Savane (metro), 526 m	59/100
Westpark	2,599 m*	Borderline: 70% hot nearby	Fairview-Pointe-Claire (REM), 1,143 m	43/100
The Met	853 m	32.2°C surface (2023, hot day)	Parliament (O-Train), 479 m	86/100

■ high risk ■ watch ■ strong transit access (score ≥ 55)

What it adds

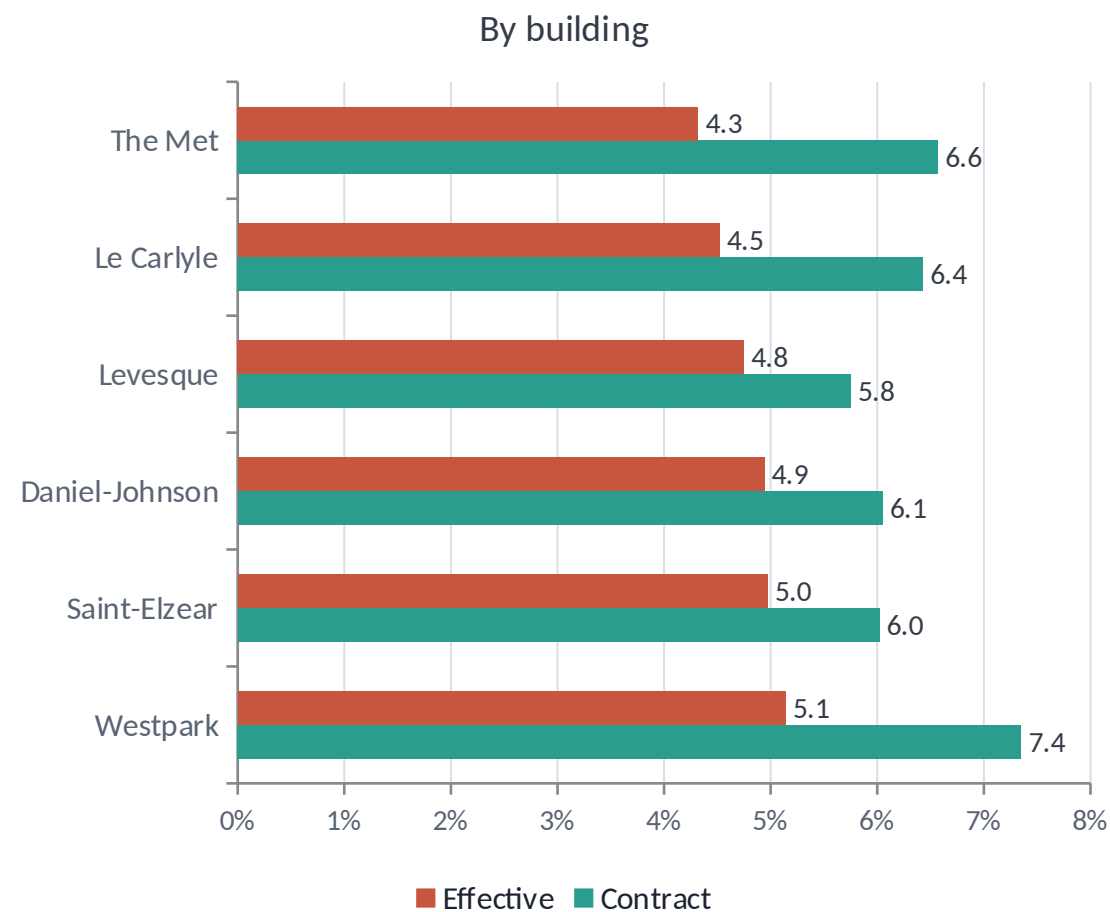
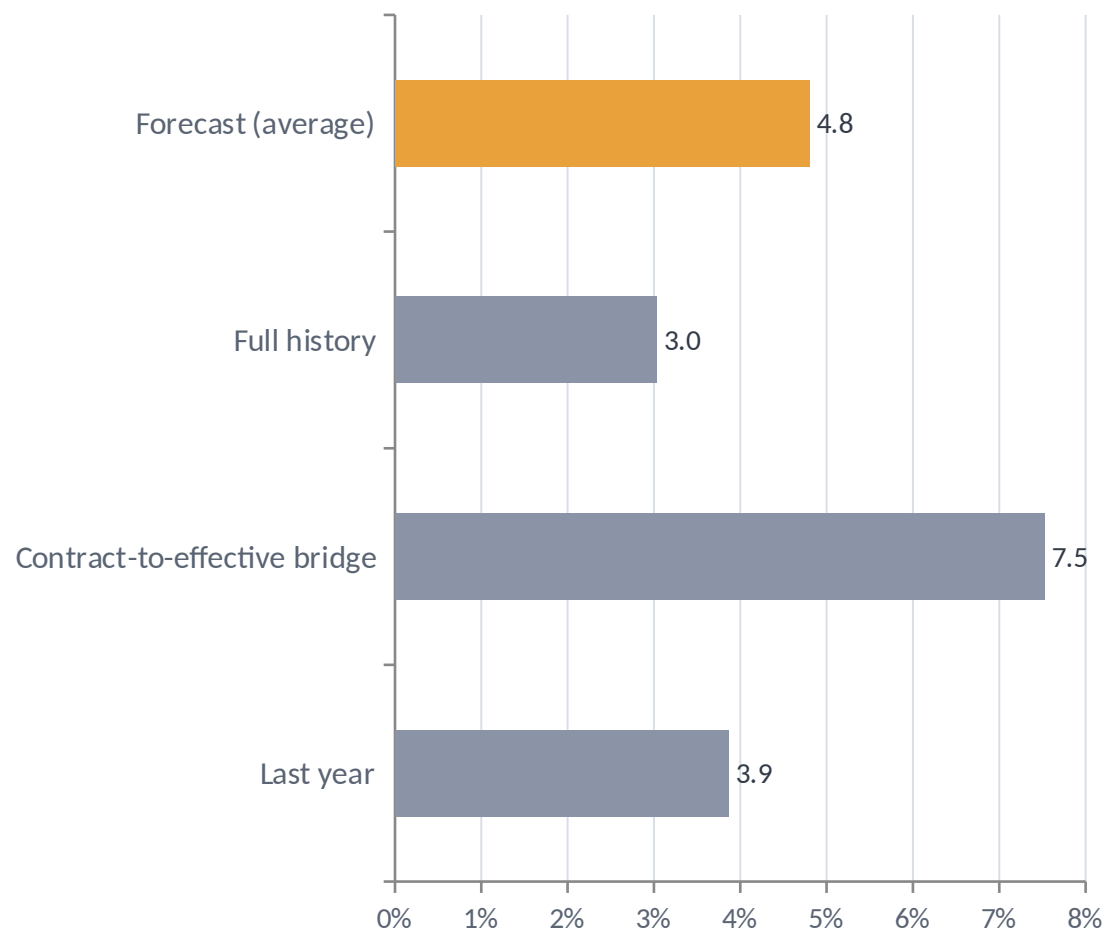
Lévesque sits 54 m from a mapped flood zone: worth checking insurance and resilience.

Daniel-Johnson is a confirmed urban heat island: summer comfort and cooling costs.

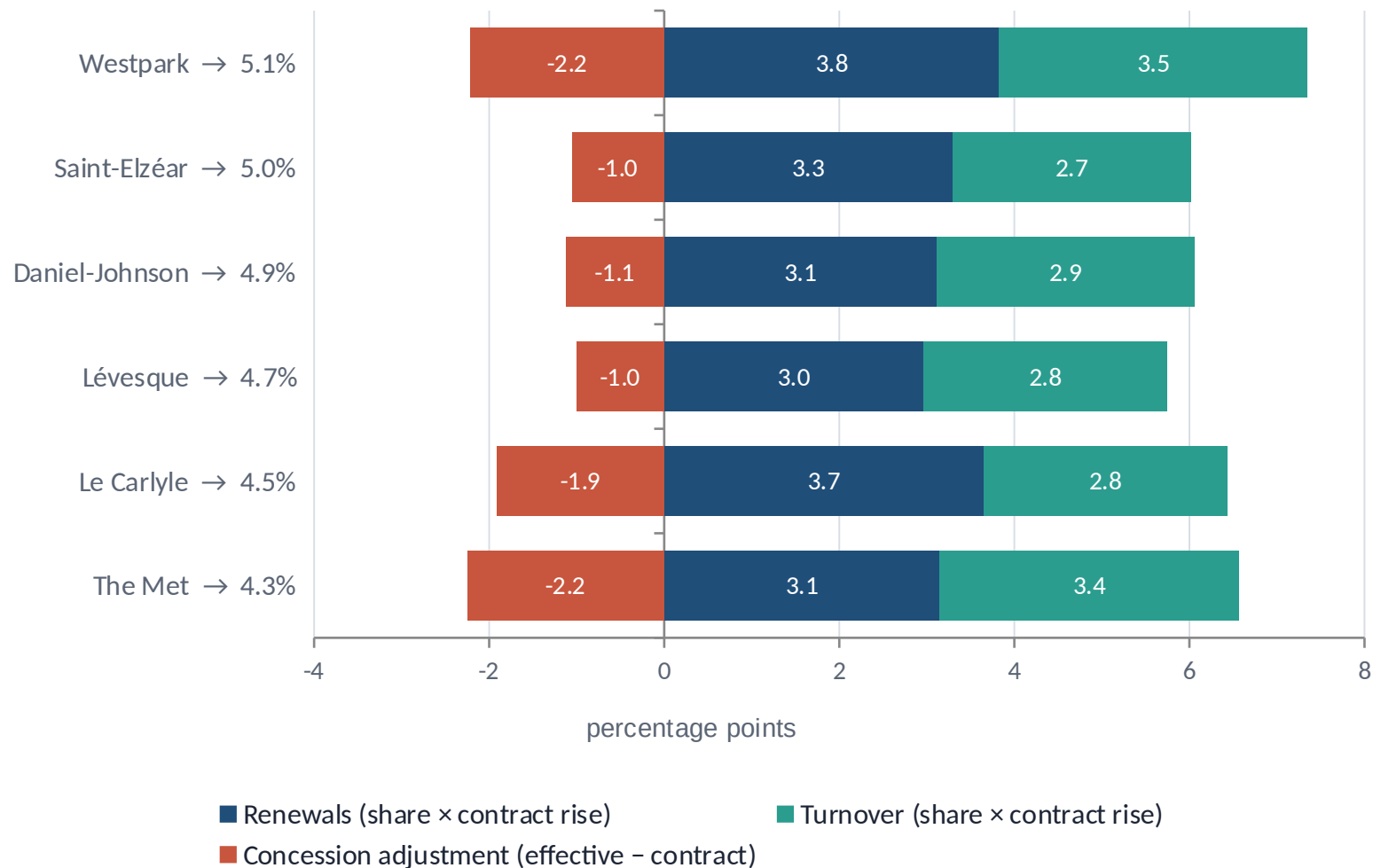
The Met and Le Carlyle are about 500 m from rapid transit; Saint-Elzéar is the most car-dependent.

* Class-level flood maps are not public for the Montréal agglomeration; distance to the highest known water level. Sources: Laval/CMM flood zones, City of Ottawa flood lines, INSPQ heat islands 2020–22, OpenStreetMap. No per-building energy data is public.

2026 forecast: three views, one number



Why each building moves



How to read it

Blue + green = the rise written in the leases. Red = concession adjustment: the gap between the model's effective and contract forecasts. The label is the effective forecast.

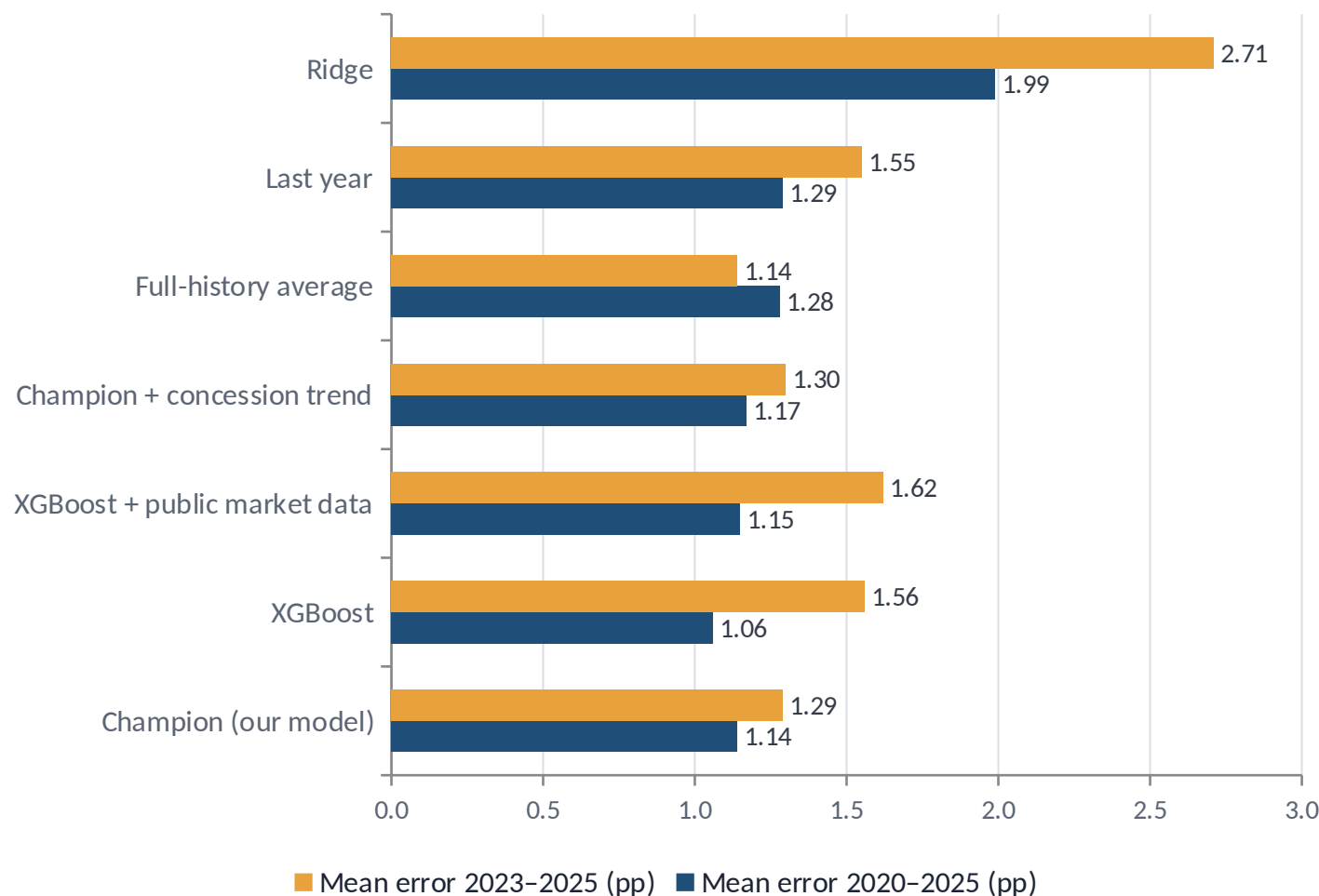
Westpark leads: new tenants at +9.3% on paper.

The Met is lowest: the concession adjustment takes back 2.2 points.

The notebook adds public context per building: construction nearby, transit, flood and heat risk.

Reconciliation of the fixed model by building (notebook section 8b): each bar sums to the building's effective forecast. The red bar reconciles two forecasts; it is not an isolated causal effect of free months.

Engine v3: seven models, one rule



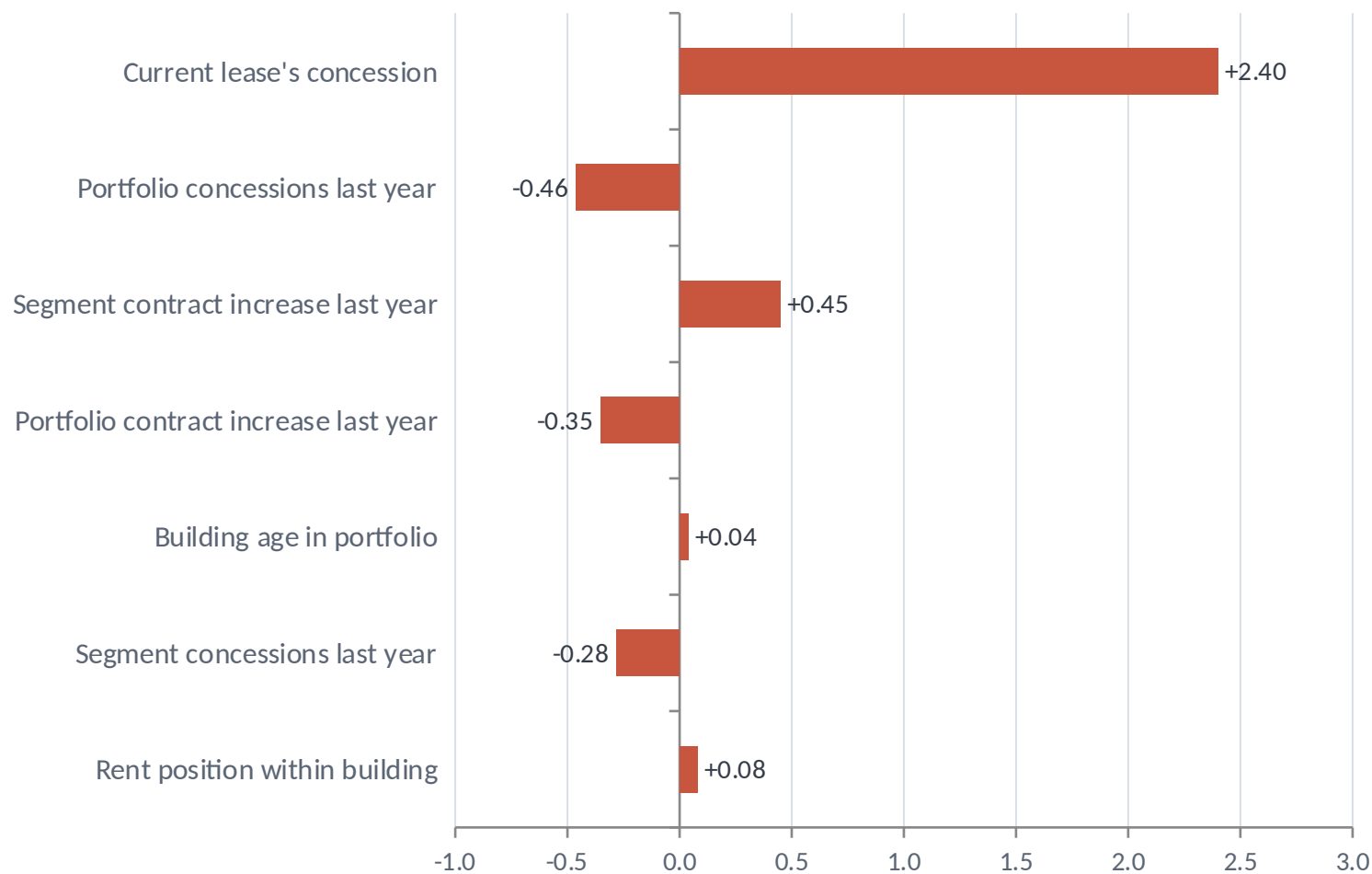
The rule

Replace the champion only if it beats both the champion and the full-history average, over 2020-25 and 2023-25, with no worse worst-year.

The verdict

XGBoost wins on 2020-25 but loses on 2023-25: not promoted. Public data improves no model. The champion stays. On the required 2023-25 window the full-history average (1.14) beats it (1.29): we show it rather than hide it.

What the AI learned: concessions expire



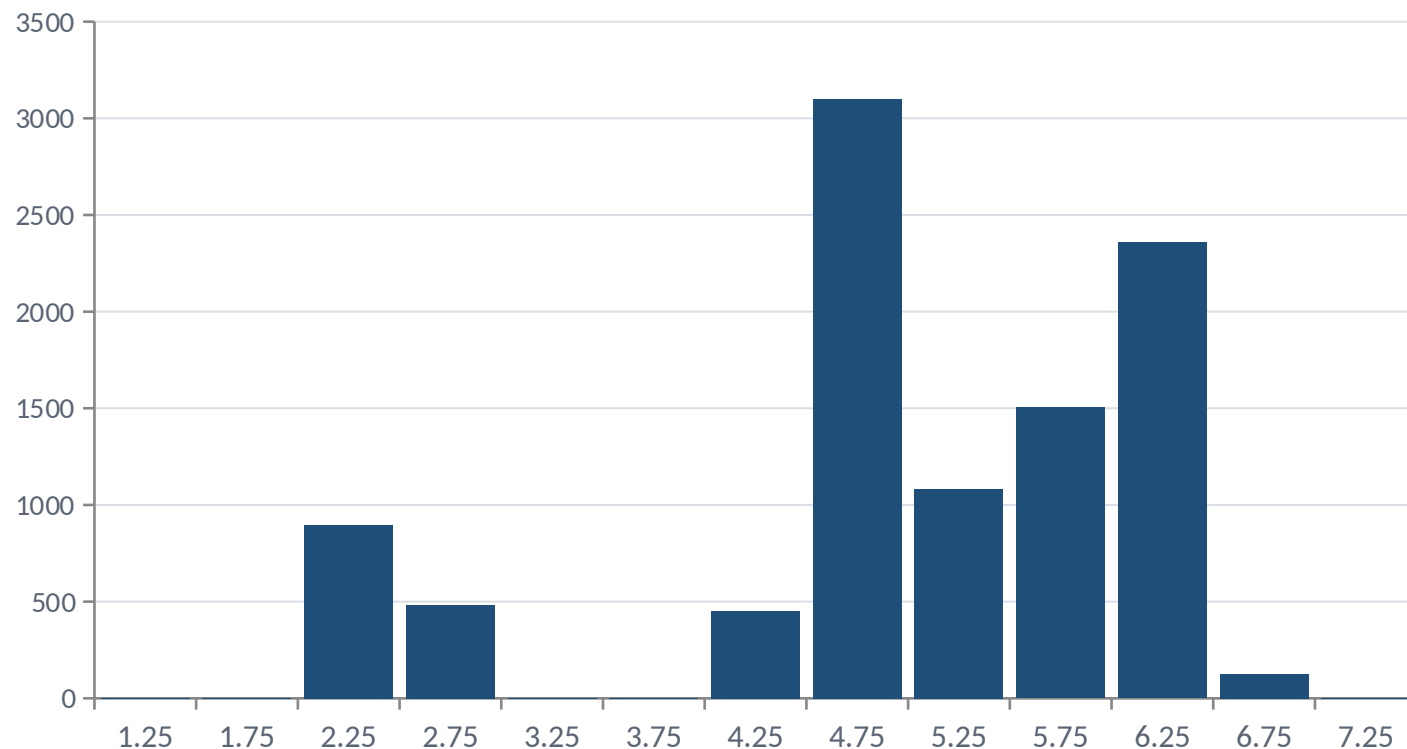
+2.4 pt

added to the 2026 XGBoost forecast by the concession that current leases carry

A tenant who signed with two free months will see their effective rent jump when the perk lapses, even if the asking price barely moves. SHAP explanation, feature by feature.

10,000 versions of 2026, unit by unit

Simulated effective increase 2026 (% , bin centers)



2.5 – 6.3%

10th to 90th percentile; median 5.0%

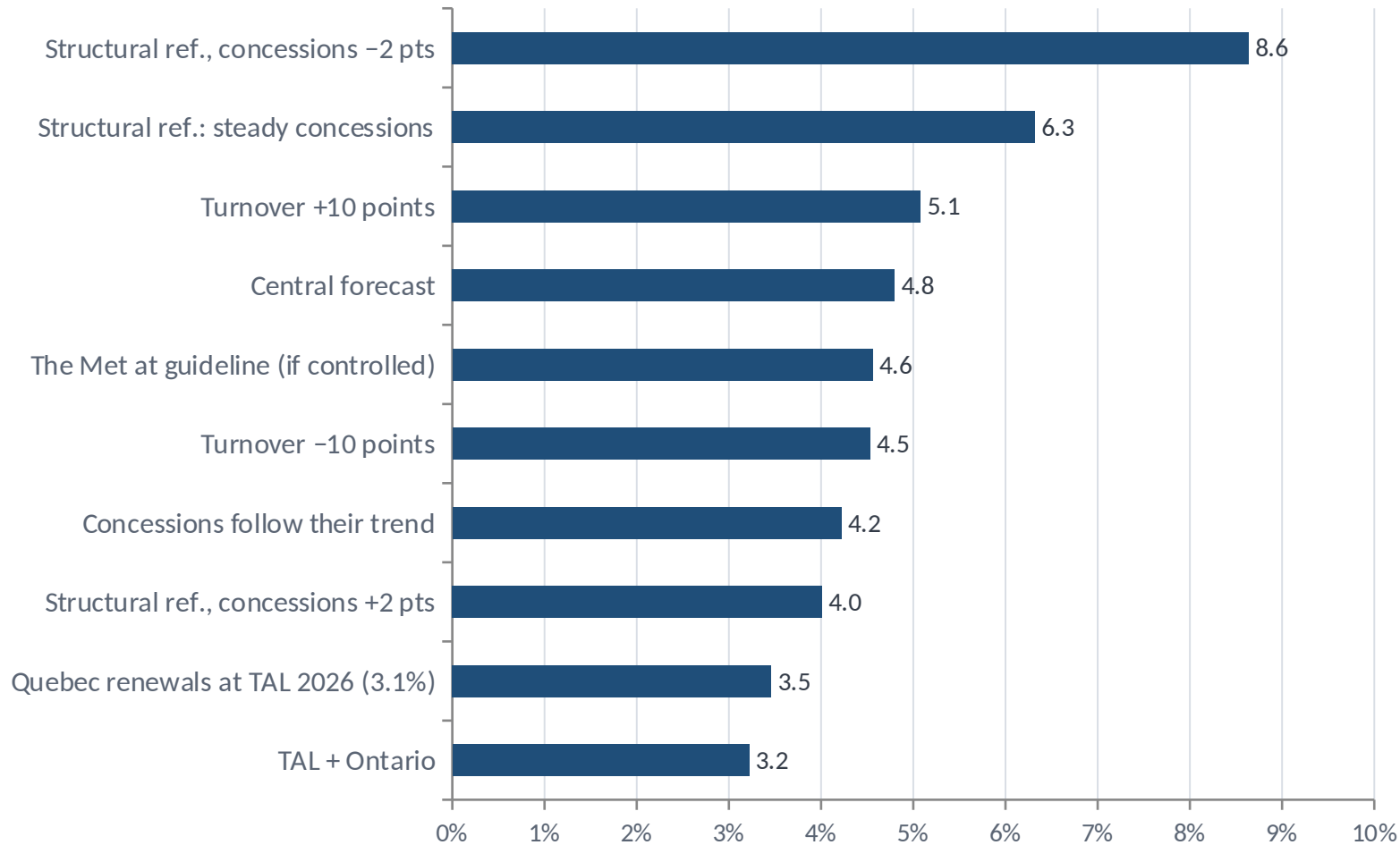
36%

of simulations end below our 4.8% forecast

Honest caveat: over 2021–2025, the band covered the actual outcome only 2 times out of 5. It is a scenario tool, not a confidence interval.

Each unit on the 2026 roster draws renewal or turnover, contract increase and concession; market shocks replay past years as pairs (price and concessions together).

2026 budget scenarios



Takeaway

The #1 lever is concessions: around the structural reference (6.3%), ± 2 points of concession move the effective increase by 2 to 2.3 points. The 2026 TAL base is the main downside risk for Quebec renewals.

What we tested — and refused

Hypothesis	Test fixed before looking	Verdict
The TAL predicts our renewals	Error 2.45 pp vs. 1.70 for a simple average	Refused
Asking rents foreshadow turnover	Must beat persistence on average and in the worst year	Refused
We can predict who renews	Must beat a constant rate (Brier score)	Refused
Bedroom count changes the increase	Beats “no effect” 2 times out of 6	Refused
XGBoost replaces our model	Must win on 2020–25 and 2023–25: wins the first, loses the second	Refused
Market data improves the forecast	Same rule as the challengers	Refused
The simulation gives a reliable interval	Covers 2 of 5 past years (threshold: 4)	Refused
Concession trend beats persistence	Lower error and lower worst year	Retained

The brief says it plainly: method matters more than the number. A documented refusal is an answer.

To budget 2026

4.8% effective · **6.4%** contract

Dashboard

Streamlit app: live scenarios, buildings × bedrooms, backtest, market, news.

Departure risk

Tie each proposed increase to turnover risk and the cost of a concession.

Tenant panel

MiroFish-style agent simulation to test a renewal policy before applying it.

3 questions for JADCO

First occupancy of The Met; exact meaning of PromoPay; what sRenewal codes.

Notebook, modules, 84 tests and dashboard: reproducible from the four original CSVs.