

Date: [Current Date]

Tenant Name(s): [Tenant Names]

Property Address: [Full Property Address]

Subject: Notice of Annual Utility Cost Adjustment and Rent Increase

Dear [Tenant Name],

This letter serves as formal notice regarding a change in your monthly rent due to the annual adjustment of utility costs. As per the terms of your lease agreement, the rent is subject to an annual review based on the actual costs of utilities provided to the premises.

After reviewing the utility expenditures for the past 12 months (including water, sewer, trash, and electricity), we have observed a significant increase in the overall operating costs. To account for these rising expenses, your monthly rent will be adjusted as follows:

- **Current Monthly Rent:** \$[Amount]
- **Utility Cost Adjustment:** \$[Amount]
- **New Monthly Rent:** \$[Amount]

This change will take effect on **[Date - e.g., June 1, 2024]**. All other terms and conditions of your existing lease agreement remain in full force and effect.

Please update your payment records accordingly to reflect the new amount starting on the effective date mentioned above.

If you have any questions regarding this adjustment or would like to review the utility cost summary, please contact the management office at [Phone Number] or [Email Address].

Thank you for your continued residency.

Sincerely,

[Landlord or Property Manager Name]

[Company Name, if applicable]

[Contact Information]