

MAJERLE v. D.C. RENTAL HOUSING COMMISSION, 866 A.2<sup>nd</sup> 41 (2004)

Court: D.C. Court of Appeals, opinion by Steadman, S.J.

Judicial History: Tenant filed complaint against property manager to recover for rent overcharges and diminution in services and facilities. The District of Columbia Rental Housing Commission (RHC) ruled in favor of the tenant. Manager appealed. The Court of Appeals, 768 A.2<sup>nd</sup> 1003 (2003), affirmed in part. Property manager petitioned for rehearing. The petition was granted and the case remanded. On remand, the RHC again ruled in favor of tenant and property manager appealed.

Facts: In September, 1992, tenant filed a complaint with the Rental Accommodations and Conversion Division (RACD) against property manager in which she alleged that the rent she was charged exceeded the lawful rent ceiling. After a lengthy hearing and appeals process, the RHC issued a final decision in June, 1999, awarding tenant treble damages for rent overcharges from September, 1989 through March, 1996, the date of the RACD hearing, including interest. The RHC rejected property manager's claim that because the rent amount had been charged since September, 1989, more than three years prior to the filing of the claim, the statute forbade any examination of alleged unlawful adjustments prior to that three year period so as to form the basis for the overcharge claim. The Court of Appeals affirmed in part and remanded. On remand, the RHC ruled in favor of tenant and property manager petitioned for review.

Held: The Court of Appeals held that under the unique facts of the case, tenant was entitled to challenge rental overcharge even though claim was filed outside of the three-year limitations period.

Reasoning: Tenant was entitled to challenge a rent increase, even though her rental overcharge claim was filed outside of the three-year limitations period, where a subsequent rent adjustment petition was filed by the property manager during the limitations period and the manager had acknowledged both the correct lawful rent ceiling and the possibility of the tenant overcharge in a notice it sent to tenant and in the certificate of election of adjustment of general applicability that it filed with the Rental Accommodations and Conversion Division. The RHC permissibly found that this unique set of facts distinguished this case from their past precedent and earlier RHC holdings.

Decision: Affirmed.