

**SUPERIOR COURT FOR THE DISTRICT OF COLUMBIA
CIVIL DIVISION**

EQUAL RIGHTS CENTER

820 First Street, NE
Suite LL160
Washington, D.C. 20002

Docket No. _____

Plaintiff,

vs.

**JEFFERSON APARTMENT GROUP
LLC**

1420 Spring Hill Road, Suite 420
McLean, VA 22102

Registered agent:
JAG Development Company LLC
1420 Spring Hill Road, Suite 420
McLean, VA 22102

JAG MANAGEMENT COMPANY LLC

1420 Spring Hill Road, Suite 420
McLean, VA 22102

Registered agent:
Capitol Corporate Services Inc.
1100 H Street NW, Suite 840
Washington, DC 20005

1319 SOUTH CAPITOL OWNER LLC

591 West Putnam Avenue
Greenwich, CT 06830

Registered agent:
CT Corporation System
1015 15th Street NW, Suite 1000
Washington, DC 20005

JMP APARTMENTS LLC

2001 Ross Avenue, Suite 3400
Dallas, TX 75201

Registered agent:
CT Corporation System
1015 15th Street NW, Suite 1000

Washington, DC 20005

2009 8TH STREET APARTMENTS LLC

1420 Spring Hill Road, Suite 420

McLean, VA 22102

Registered agent:

Capitol Corporate Services Inc.

1100 H Street NW, Suite 840

Washington, DC 20005

9 NEW YORK AVE LLC

14201 Park Center Drive, Suite 407

Laurel, MD 20707

Registered agent:

Incorp Services, Inc.

1100 H Street NW, Suite 840

Washington, DC 20005

Defendants.

COMPLAINT

1. Plaintiff the Equal Rights Center (“ERC”) brings this action against Jefferson Apartment Group LLC, JAG Management Company LLC, 1319 South Capitol Owner LLC, JMP Apartments LLC, 2009 8th Street Apartments LLC, and 9 New York Ave LLC (together, “Defendants”) to challenge Defendants’ rental requirements at their respective Washington, D.C. residential apartment properties: J. Coopers Row, Jefferson Marketplace, J Linea, and Pinnacle.

2. Defendants’ requirements for prospective renters unlawfully discriminate on the basis of applicants’ source of income, eviction records, and criminal history, and impose illegal fees or deposits. These policies and/or practices shut eligible tenants out of housing in violation of the D.C. Human Rights Act (“DCHRA”), the D.C. Fair Criminal Record Screening for Housing Act of 2016 (“FCRSHA”), the D.C. Rental Housing Act (“RHA”), and the Security Deposit Act (“SDA”). Because Defendants violate these laws in the context of a consumer transaction—leasing

rental housing—the ERC challenges these policies pursuant to the D.C. Consumer Protection Procedures Act (“CPPA”).

INTRODUCTION

3. Housing provides a critical foundation for residents’ health, food security, education, and economic stability and opportunity.

4. The District of Columbia is experiencing a dire housing crisis for low-income tenants. Market-rate housing is out of reach, and there are not enough affordable units to keep up with demand. Twenty-seven percent of renters are extremely low-income, and there is a shortage of nearly 38,000 affordable and available rental homes for these renters. Many native Washingtonians—who are predominantly Black—have been pushed into neighborhoods far from basic necessities like grocery stores, public transportation and well-resourced schools, or have been pushed out of D.C. altogether.

5. Unlawful discrimination on the basis of source of income (*i.e.*, using government-backed vouchers to pay for housing), eviction records, and stale criminal records exacerbates these problems for many low-income tenants.

6. Housing vouchers are a critical tool for alleviating homelessness and increasing housing choice for low-income tenants.

7. Recognizing their importance, the DCHRA protects renters with housing vouchers from discrimination on the basis of their source of income, including provisions prohibiting housing providers from implementing unnecessary screening requirements that exclude these applicants.

8. Similarly, an eviction filing against a tenant—even when the filing does not result in a judgment for the landlord—can prevent tenants from finding new housing and put them on a “blacklist” for rejection by future landlords.

9. To attempt to reduce this cycle of housing insecurity, the D.C. Council passed the Eviction Record Sealing Authority and Fairness in Renting Amendment Act of 2022 (“ERSFRA”), which amended, in part, the DCHRA and the RHA to prohibit housing providers from considering and inquiring about certain eviction records in tenant screening.

10. Stable housing is also a necessity for the long-term success of individuals with criminal records, including those returning home from prison or jail. Without housing, individuals with criminal records may be caught in a cycle of homelessness, poverty, and re-incarceration.

11. In recognition of these realities, the D.C. Council passed the FCRSHA to allow people with criminal records an opportunity to access adequate housing without fear of discrimination if an arrest or charge that is no longer pending never led to conviction, or when the conviction has long since passed or is unrelated to their ability to be a successful tenant.

12. The FCRSHA, which has now been in place for nearly a decade, limits the inquiries that a housing provider may make into an applicant’s criminal record, and when those inquiries can be made.

13. Likewise, high upfront costs like application fees, security deposits, and holding deposits constitute an added barrier to housing. These fees force low-income tenants to pay exorbitant costs only to be rejected by discriminatory screening criteria or deter them from applying at all.

14. To increase fee transparency and decrease this upfront burden, the RHA limits the cost of application fees, prohibits extraneous fees prior to lease signing, and prohibits holding deposits for applicants with vouchers.

15. Furthermore, the SDA, as codified in the D.C. Housing Code, prohibits housing providers from requiring more than the first full month's rent as a security deposit.

16. Being able to apply for and receive housing without the threat of discrimination is a necessity for all people, and D.C. laws recognize and protect this essential right for the city's residents.

17. In open defiance of D.C. fair housing, tenant screening, and consumer protection laws, Defendants have implemented policies and/or practices that unlawfully discriminate against rental housing applicants using housing vouchers, applicants with eviction records, and/or applicants with criminal records. Defendants have used these discriminatory policies and/or practices at apartment buildings owned, operated, and/or managed by Jefferson Apartment Group and/or JAG Management Company throughout the District. These apartment buildings include: **J. Coopers Row**, located at 1319 South Capitol Street SW, Washington, D.C., 20003; **Jefferson Marketplace**, located at 1550 7th Street NW, Washington, D.C., 20001; **J Linea**, located at 2009 8th Street NW, Washington, D.C., 20001; and **Pinnacle**, located at 7 New York Avenue NE, Washington, D.C., 20002.

18. These screening policies and/or practices shut families out of housing opportunities without any legitimate basis and in direct violation of D.C. law. And, because these policies and/or practices violate the DCHRA, FCRSHA, RHA, and SDA, as codified in the D.C. Housing Code, they constitute unlawful discrimination in violation of the CPPA.

19. Accordingly, the ERC brings this action on behalf of the interests of a class of consumers, namely prospective renters in D.C. seeking to rent with the assistance of a voucher, those with eviction records, and/or those with criminal records.

PARTIES

20. **Plaintiff ERC** is a national non-profit civil rights membership corporation organized under the laws of D.C. Its principal place of business is 820 First Street NE, Suite LL160, Washington, D.C. 20002. The ERC's mission is to eliminate discrimination in housing, employment, and public accommodations based on race, source of income, eviction records, prior criminal records, and other protections covered by federal, state, and local anti-discrimination laws. The ERC is the only private fair housing organization dedicated to serving the entire greater Washington, D.C. region. The ERC's various programs and activities provide guidance and information on civil rights to the community, as well as assistance to members of classes protected under federal, state, and local laws who face discrimination.

21. **Defendant Jefferson Apartment Group LLC** is a limited liability company headquartered in McLean, Virginia, organized and existing under the laws of Delaware, and doing business in Washington, D.C. Jefferson Apartment Group specializes in multifamily apartments and mixed-use real estate investments and provides acquisition, development, construction, and property management services focused on the East Coast. Jefferson Apartment Group manages properties through JAG Management Company. According to its website, Jefferson Apartment Group owns two of the four apartment buildings in the District managed by JAG Management Company: J. Coopers Row and J Linea.

22. **Defendant JAG Management Company LLC** is a limited liability company headquartered in McLean, Virginia, organized and existing under the laws of Delaware, and doing

business in Washington, D.C. JAG Management Company is the property management arm of Jefferson Apartment Group, described on their website as providing “professional property management services for both Jefferson Apartment Group owned assets, as well as third-party owned communities.” JAG Management Company operates and/or manages four apartment buildings in the District: J. Coopers Row, Jefferson Marketplace, J Linea, and Pinnacle.

23. **Defendant 1319 South Capitol Owner, LLC** is a limited liability company with its business address in Greenwich, Connecticut, organized and existing under the laws of Delaware, and doing business in Washington, D.C. According to D.C. real property records, it owns the J. Coopers Row property.

24. **Defendant JMP Apartments LLC** is a limited liability company with its business address in Dallas, Texas, organized and existing under the laws of Delaware, and doing business in Washington, D.C. According to D.C. real property records, it owns the Jefferson Marketplace property.

25. **Defendant 2009 8th Street Apartments LLC** is a limited liability company with its business address in McLean, Virginia, organized and existing under the laws of Delaware, and doing business in Washington, D.C. According to D.C. real property records, it owns the J Linea property. It shares its business address with Defendant Jefferson Apartment Group and its beneficial owner is James Duncan, executive vice president and CFO of Defendant Jefferson Apartment Group.

26. **Defendant 9 New York Ave LLC** is a limited liability company with its business address in Laurel, Maryland, organized and existing under the laws of the District of Columbia, and doing business in Washington, D.C. According to D.C. real property records, it owns the Pinnacle property.

27. For readability, this Complaint refers to the groups of Defendants by the buildings they own, operate, and/or manage:

- “J. Coopers Row Defendants” refers to Jefferson Apartment Group, JAG Management Company, and 1319 South Capitol Owner;
- “Jefferson Marketplace Defendants” refers to JAG Management Company and JMP Apartments;
- “J Linea Defendants” refers to Jefferson Apartment Group, JAG Management Company, and 2009 8th Street Apartments;
- “Pinnacle Defendants” refers to JAG Management Company and 9 New York Ave.

JURISDICTION AND VENUE

28. This Court has jurisdiction over this action pursuant to D.C. Code § 11-921.

29. This Court has jurisdiction over Defendants pursuant to D.C. Code § 13-423(a)(1), (5) because Defendants transact business and manage real property in the District of Columbia. The discriminatory conduct at issue in this litigation arises out of these business activities.

FACTUAL BACKGROUND

A. Voucher Programs in the District

30. The Housing Choice Voucher Program (“Voucher Program”), also known as Section 8, is a federally funded housing subsidy program designed to allow low-income families to obtain safe, decent, and affordable housing in the neighborhoods of their choice. Currently assisting more than two million American families, including roughly 11,500 households in the District, the Voucher Program is the largest tenant-based rental-assistance program administered by the U.S. Department of Housing and Urban Development (“HUD”). In D.C., the designated

program administering the Voucher Program is the District of Columbia Housing Authority (“DCHA”).

31. Vouchers are tenant-based subsidies that are not linked to any particular housing complex, building, or unit, but rather enable each family with a voucher to rent housing in the private market, at market rates, provided the rent does not exceed the program’s payment standards (*i.e.*, limits on the monthly rent that are set by DCHA) and a percentage of the voucher holder’s income. The voucher holder typically pays 30% of the household’s monthly income towards rent, with the voucher paying the remaining rental amount.

32. The Voucher Program thus removes some of the barriers that would otherwise restrict low-income families from the opportunity to obtain rental housing outside of areas of concentrated poverty, allowing families to move to neighborhoods with access to additional employment opportunities, increased safety, public transportation, grocery stores, green spaces, well-performing schools, and other public services, all of which can impact a resident’s economic and educational outcomes in the long term. Obtaining a voucher can provide an unhoused or low-income resident of D.C. with a direct path to housing and enable integration in mixed-income neighborhoods. Vouchers are important in high-cost jurisdictions like D.C., where rent burdens on low-income families are particularly severe.

33. The ability to use vouchers to obtain housing is especially salient for renters in recently gentrified or gentrifying areas where housing costs have rapidly increased and forced longtime residents to relocate. These areas include the Shaw, NoMa, and Navy Yard neighborhoods which surround the four JAG-managed buildings in the District.

34. The success of the Voucher Program depends in large part on the ability of renters to obtain housing in better-resourced neighborhoods, and therefore on the participation in the Voucher Program of landlords in the private housing market.

35. In the District, Black households comprise a disproportionate number of voucher holders. Specifically, nearly all Housing Choice Voucher recipients are Black (95%), even though Black residents comprise less than half of the total population in the District (approximately 44%). In contrast, almost 40% of the District population is white and non-Hispanic, but virtually no voucher holders are white and non-Hispanic (approximately 2%).

36. While vouchers cover part or all of the rent for a particular unit, vouchers frequently do not assist renters with all of the upfront costs, such as application fees and security deposits. When properties ask for excessive and illegal deposits or fees at the time of application, these fees often come straight from a voucher holder's pocket, and can create additional barriers to accessing housing.

37. Vouchers are also time-limited. Voucher applicants are placed on years-long waiting lists but only have a few months to find an apartment once they finally receive a voucher, unless they can obtain an extension on their voucher expiration date.

38. Discrimination against applicants with vouchers is thus particularly harmful because it unlawfully denies voucher holders housing and also eats up valuable time and money that a voucher holder can ill afford to lose.

39. Even before an application is denied, voucher holders experience misrepresentations, inaccuracies, and ambiguities regarding the application process, screening criteria, and whether they will be approved. These misrepresentations, inaccuracies, and

ambiguities may deter them from applying to units for which they should qualify, or lead them to apply for a unit and pay the accompanying fees only to get rejected.

40. As a result of widespread voucher discrimination, voucher holders must frequently accept subpar housing in segregated and lower-opportunity neighborhoods or risk losing their vouchers altogether.

B. DCHRA's Source of Income Protections

41. The DCHRA prohibits housing providers from denying housing or otherwise limiting the availability of housing to an applicant because of the applicant's "source of income," which includes "money . . . from federal or District payments" like vouchers. D.C. Code § 2-1402.21(a)(1), *see id.* § 2-1401.02(29). The DCHRA likewise prohibits housing providers from making statements that they will make such a denial or limitation. *Id.* § 2-1402.21(a)(5).

42. In 2022, ERSFRA strengthened protections for voucher holders. In particular, it amended the DCHRA to prohibit housing providers from denying housing to voucher holders based on the voucher holder's income level and credit issues or prior rental history involving nonpayment or late payment of rent that occurred when the applicant did not have a voucher. *Id.* § 2-1402.21(g)(1). The DCHRA likewise prohibits providers from making statements that they will make such a denial or limitation. *Id.* § 2-1402.21(a)(5), (g)(1).

43. At a legislative public hearing in 2021, the D.C. Office of the Attorney General testified in support of prohibiting housing providers from considering voucher holders' incomes and credit scores, stating: "voucher holders' rent calculations already ensure that their income is sufficient to cover their rent contribution. Allowing landlords to second-guess this determination only opens the door for discrimination."

C. Overview of Eviction Record Sealing and ERSFRA Protections

44. Recognizing the detrimental effects of using eviction records to screen rental housing applicants more broadly, the D.C. Council also enacted protections through ERSFRA explicitly making discrimination based on sealed eviction records illegal under the DCHRA and restricting the types of eviction records allowed in tenant screening under the RHA.

45. In the leadup to the passage of these new protections, the D.C. Council Committee on Housing and Neighborhood Revitalization produced a report in support of ERSFRA, recognizing that “even the mark of an eviction filing[] can create barriers to finding new housing” and that “eviction filings and records disproportionately impact tenants of color.”

46. The Committee report also found that “eviction filings are often due to ‘one-time arrearages, other nonrecurring circumstances, or indeed outright errors[.]’ . . . An eviction record serves as a veritable impediment for a prospective renter who could demonstrably be a good tenant, however, because of the accessibility and ‘unreasonable reliance on eviction records as determinants of good tenants,’ public eviction records thus ‘create a sort of ‘blacklist’. . . [and] may mischaracterize the experiences of low-income tenants.’”

47. The Committee report relied in part on research finding that about nineteen out of twenty tenants facing eviction are not formally evicted, but nonetheless face having an eviction proceeding on their record. And while more than two thirds of filed cases are dismissed, the existence of an eviction record, regardless of whether it is a filing or an executed eviction, makes it harder for tenants to find housing in the future.

48. Eviction records can therefore cause significant harm to tenants. In her introduction to ERSFRA, former District Councilmember Mary M. Cheh stated: “Landlords may charge tenants with eviction records higher rent or a larger security deposit; in many instances, landlords will

refuse to rent to a tenant with an eviction record. This harm is particularly acute for low-income residents and those who have experienced homelessness. In fact, housing-vulnerable residents report that eviction records are one of the primary barriers they face in finding safe and affordable housing. The harms caused by these records may also exacerbate the financial difficulties that resulted in the tenant being evicted from a prior residence”

49. The DCHRA, as amended by ERSFRA, prohibits housing providers from denying housing to an applicant based on the applicant’s actual or suspected sealed eviction records, or asking applicants to disclose sealed eviction records. D.C. Code § 2-1402.21(a)(1); *id.* § 2-1402.21(h). Sealed eviction records include court-ordered evictions older than three years as well as more recent eviction proceedings that did not result in a court-ordered eviction, such as cases based on nonpayment of rent resolved by settlement agreement in which a tenant agrees to pay back rent. *See id.* § 42-3505.09(a)(1), (2).

50. The RHA, as amended by ERSFRA, prohibits housing providers from making inquiries about, requiring a prospective tenant to disclose or reveal, or denying housing to any applicant based on an eviction proceeding that was filed three or more years ago, or that did not result in a judgment for possession in favor of the housing provider. D.C. Code § 42-3505.10(d)(1); *see id.* § 42-3505.10(j)(1)(A).

51. Despite the codification of protections for individuals with certain eviction records, these individuals still face significant obstacles in obtaining safe and affordable housing in the District due to ongoing discrimination and opaque tenant screening practices.

D. The District's Protections from Excessive Fees and Security Deposits

52. Excessive fees and costs when applying for a unit, such as high application costs and burdensome security deposits, can be a barrier to safe, affordable housing for low-income tenants.

53. For nearly fifty years, the District has recognized the importance of limiting upfront costs of securing housing by limiting the amount of a security deposit to no more than one month's rent.

54. In 1975, the D.C. Council passed the SDA in recognition of the fact that security deposits "constitute substantial dollar holdings by landlords" and that the regulation of security deposits is "a necessary protection for District consumers." D.C. Law 1-48, § 2 (effective Feb. 20, 1976). Section 3(b) amended the D.C. Housing Regulations to restrict security deposits to no more than the first full month's rent charged to the tenant. *Id.* § 3(b).

55. The SDA was incorporated into the D.C. Rental Housing Act of 1985, *see* D.C. Code § 42-3502.17(a), and its directive is codified in the D.C. Housing Code, *see* 14 D.C.M.R. § 308.2.

56. When the D.C. Council passed ERSFRA, it recognized that fees beyond security deposits can also form a barrier to housing for low-income tenants.

57. These fees are inseparable from the discrimination that prevents renters with vouchers or eviction records from obtaining affordable housing in the neighborhood of their choice. As the Racial Equity Impact Assessment for ERSFRA pointed out, "[h]igh application fees can be a form of income discrimination" and in the District, "this means high fees can also be a form of racial discrimination, as Black households are overrepresented in low-income brackets." As one advocacy organization pointed out in their testimony in support of the bill, extraneous fees

can serve as a “pretext to deny people housing based on race, family size, disability, source of income, or other protected classes.” The Office of the Attorney General for D.C. noted in its testimony in support that its office has seen “extra one-time fees serve as an end run around antidiscrimination protections.”

58. As noted in testimony in support of ERSFRA, these fees cause particular harm to low-income tenants, who “are often drawing from extremely limited financial resources in their housing search.” Low-income individuals “can spend hundreds of dollars on application fees and screening reports during their housing search, leaving them little to no money left for a first month’s rent, move-in deposit, or moving expenses.”

59. The fees can also cause particular harm for voucher recipients. The Office of the Attorney General noted that extraneous application fees “sometimes exceed a voucher holder’s monthly rental contribution, are often not clearly explained, might be charged to voucher holders but waived for unsubsidized tenants, and can ultimately shut voucher holders out of a property.”

60. As one long-time resident testified, “When you are looking for housing or rentals[,] \$50 to \$100 is a lot for an application fee. They take your application money knowing they aren’t going to rent to you, because of race, income, . . . and lack of or bad credit and rental history.”

61. To address these prohibitive fees, ERSFRA limited an application fee to \$50 (adjusted annually by the Consumer Price Index).

62. After ERSFRA went into effect, however, “tenants and tenant attorneys noticed a pattern of housing providers charging application fees *plus* other similar fees that were named something else.” The D.C. Council passed the Fairness in Renting Clarification Amendment Act of 2023 to close that loophole and fulfill ERSFRA’s intent “to reduce barriers for people seeking

access to rental housing in the District” and prohibit “housing providers [from] charg[ing] the same costs by another name.”

63. The bill added a broad definition of “application fee” to the RHA to clarify that the \$50 limit on application fees applies to *all* costs and fees a tenant has to pay prior to signing a lease as a prerequisite for approving the tenant’s application. D.C. Code § 42-3501.03(2A); *see also id.* § 42-3505.10(b)(1), (b)(3).

64. The bill also amended the RHA so that it now prohibits housing providers from collecting holding deposits—deposits that tenants may have to pay after their application is approved to reserve the unit while they decide whether to accept the unit—from voucher holders. D.C. Code § 42-3501.03(13A); *id.* § 42-3505.10(b)(5).

E. Overview of Criminal Records Screening and the FCRSHA Protections

65. Having a criminal record poses an additional barrier to accessing affordable housing and puts individuals at risk of housing instability, homelessness, and, ultimately, recidivism.

66. Yet many housing providers implement overly broad criminal background check policies, including policies that exclude individuals with arrests or charges that never led to conviction, stale records, or convictions entirely unrelated to their potential for safe and successful tenancy.

67. The criminal legal system disproportionately affects communities of color, and Black people in particular, through more stops by police, arrests, and convictions, as well as longer sentences.

68. Recognizing this racial disparity, HUD issued guidance in 2016 stating that overly broad criminal record screening policies, such as those that institute blanket bans on individuals

with criminal histories, disproportionately impact people of color. “Because of widespread racial and ethnic disparities in the U.S. criminal justice system,” the guidance stated, “criminal history-based restrictions on access to housing are likely disproportionately to burden African Americans and Hispanics.”

69. D.C. is no exception. A 2019 report from the American Civil Liberties Union of D.C. states that “[f]rom 2013 to 2017, Black individuals composed 47% of D.C.’s population but 86% of its arrestees. During this time, Black people were arrested at 10 times the rate of white people.”

70. Racial disparities in criminal conviction rates in D.C. are just as stark. In 2019, Black individuals comprised 89% of the total incarcerated population of the District, but only 44% of the general District population. In contrast, white individuals comprised 37% of the general District population, but only 5% of the total incarcerated population of the District. These disparities have been persistent and enduring over time such that they are reflected in the proportions of District residents with criminal records.

71. As a result of discrimination based on criminal records, individuals with such records face a significant obstacle in obtaining safe and affordable housing in the District.

72. To address this obstacle, the FCRSHA provides that housing providers may not inquire into arrests that did not result in a conviction or charges that are no longer pending and did not result in a conviction. D.C. Code § 42-3541.02(a), (d). Housing providers may only inquire about or consider pending criminal accusations or criminal convictions that have occurred within the past seven years. *Id.* § 42-3541.02(d). They can also only make this inquiry into someone’s criminal history after making a conditional offer of housing. *Id.* § 42-3541.02(b), (d). And even then, the housing provider may consider only a pending criminal accusation or criminal conviction

that falls within a list of enumerated offenses, including aggravated assault, arson, murder, robbery, fraud, and various other offenses. *Id.* § 42-3541.02(d)(1)-(48). Finally, a housing provider may only deny a rental application based on the above record if the provider determines, after an individualized assessment based on specific factors, that the denial “achieves a substantial, legitimate, nondiscriminatory interest.” *Id.* § 42-3541.02(e).

73. Despite this prohibition, many people with involvement in the criminal legal system continue to experience discriminatory denials or screening processes that ask about old charges or arrests, do not follow the individualized assessment process, or do not clearly state up front what aspects of an applicant’s criminal history they consider.

F. Defendants’ Operations in the District of Columbia

74. During the time period relevant to this action:

a. The J. Coopers Row Defendants controlled, supervised, and/or managed, either directly or indirectly, J. Coopers Row, residential apartments located at 1319 South Capitol Street SW, Washington, D.C. 20003;

b. The Jefferson Marketplace Defendants controlled, supervised, and/or managed, either directly or indirectly, Jefferson Marketplace, residential apartments located at 1550 7th Street NW, Washington, D.C. 20001;

c. The J Linea Defendants controlled, supervised, and/or managed, either directly or indirectly, J Linea, residential apartments located at 2009 8th Street NW, Washington, D.C. 20001; and

d. The Pinnacle Defendants controlled, supervised, and/or managed, either directly or indirectly, Pinnacle, residential apartments located at 7 New York Avenue NE, Washington, D.C. 20002.

75. All Defendants in the ordinary course of business lease housing to tenants and/or otherwise operate rental housing in the District.

76. As the owners, operators, and/or managers of residential real estate, all Defendants and their agents are required to comply with anti-discrimination laws, including the DCHRA and the FCRSHA, landlord-tenant laws, including the RHA and SDA, as codified in the D.C. Housing Code, and consumer protection laws, including the CPPA.

G. The ERC's Mission and Activities

77. The ERC's mission is to identify and eliminate discrimination in the Washington, D.C. metro area, including the District. Specifically, it is dedicated to promoting equal opportunity in the provision of housing, public accommodations, and employment.

78. One of the ERC's primary purposes is to protect consumers seeking housing in the District from discrimination based on protected characteristics, including source of income, eviction record history, and criminal record history. This includes identifying and working to remove systemic barriers in tenant screening and application processes for prospective renters.

79. The ERC's activities include assisting individuals in the area who have experienced housing discrimination, including helping them file fair housing complaints and independently investigating allegations of housing discrimination.

80. In connection with its multi-disciplinary Fair Housing Program dedicated to advancing equal housing opportunities in the District, the ERC also conducts and participates in programs to educate both consumers and the real estate industry about their rights and obligations under federal, state, and local fair housing laws.

81. In addition, the ERC has frequently been awarded grants from HUD to conduct fair housing education and outreach. The ERC often conducts fair housing education and outreach at DCHA briefings for voucher holders.

H. The ERC's Investigation of Discrimination at the Four JAG-Managed Buildings in the District

82. Civil rights testing is an investigative tool used to gather evidence regarding whether an entity is following antidiscrimination laws. Fair housing testing involves one or more testers engaging in a transaction or interaction with a housing provider to observe and document the housing provider's compliance with fair housing requirements.

83. The ERC conducted an investigation in which it used fair housing testing to ascertain whether Defendants were engaging in unlawful discrimination against individuals attempting to rent units at the four buildings operated and/or managed by JAG Management Company in the District.

J. Coopers Row

84. On July 15, 2024, an ERC tester called J. Coopers Row and spoke to an agent who confirmed there were multiple one-bedroom apartments available, including one for \$2,281 per month. The agent said applicants must pay a \$50 application fee.

85. The agent also stated that residents must pay a security deposit that can range from \$500 to the amount of one month's rent "based upon screening results."

86. The agent stated that applicants undergo a background check that considers criminal history, credit history, and rental history, including "any evictions." She also stated that a bankruptcy¹ would result in an automatic denial. She did not provide any time restrictions or exceptions regarding the history that J. Coopers Row would consider.

¹ A bankruptcy appears on an individual's credit report and will remain there for 7-10 years.

87. When the tester asked about income requirements for voucher holders whose vouchers cover the entire rent, the agent was not sure and referred the tester to the Community Manager for J. Coopers Row.

88. The tester also asked, if voucher holders were denied based on late rent payments made prior to receiving a voucher, whether or not they could provide a letter or otherwise be individually assessed explaining those circumstances.

89. In response, the leasing agent stated that those individuals would have to go directly through the building's third-party screening company. The leasing agent confirmed that the third-party screening company determines whether someone will be denied. "If they were late or had a file against them, it will deny them," she stated. The agent again confirmed that the building does not "personally assess anything," and an individual can only challenge the rejection through the third-party screening company.

90. That same day, the tester emailed the Community Manager and asked "if there are any minimum income or credit score requirements for someone with a voucher that covers the full rent and utilities."

91. The Community Manager replied the same afternoon with a document titled "Resident Screening Criteria."

92. The Resident Screening Criteria ("J. Coopers Row Criteria") confirm that applicants must pay a nonrefundable application fee.

93. The J. Coopers Row Criteria also state that applicants must pay "an Application Deposit that may or may not be refundable. The Application Deposit is not a security deposit; however, it will be applied to the required deposit and/or any open charges at time of move-in,

refunded in the case of non-approval (via check), or retained as liquidated damages if application is cancelled for any reason.”

94. A Rental Application for J. Coopers Row reviewed by the ERC in April 2024 states that an application would not be considered complete and would not be processed until both the application fee and the application deposit have been paid. The Rental Application also states that the application deposit will be credited toward the security deposit once the lease is signed.

95. Upon information and belief, J. Coopers Row waives the application deposit for voucher holders, but does not state this in the J. Coopers Row Criteria or J. Coopers Row Rental Application.

96. Regarding income requirements, the J. Coopers Row Criteria state that “[t]he apartment monthly rental rate must be no more than 33% of the applicant’s total monthly income” and “[i]ncome less than three (3) times the rental rate will result in the requirement of an additional deposit, guarantor, or denial.”

97. Regarding credit requirements, the J. Coopers Row Criteria state that the building, through a screening agency, “evaluates credit and rental history against indicators of future rent payment performance. An unsatisfactory finding may result in the requirement of an additional deposit, guarantor, or denial.” The Criteria also state that “[a]n acceptable credit score may be approved depending on satisfactory income requirements as [described in the document], as well as criminal screening.”

98. Under “Rejection Policy,” the J. Coopers Row Criteria state that an applicant who “has been evicted within the past three (3) years or owes landlord monies” will be rejected, as will applicants with “[a]ny active bankruptcy” or “bankruptcies that were discharged within the past three (3) years.”

99. Regarding criminal history, the J. Coopers Row Criteria state: “Our application investigation includes criminal background screening. It is possible that your application may be denied due to criminal convictions or charges.” Applicants who are denied based on criminal history “may provide evidence demonstrating inaccuracies within the criminal record or evidence of rehabilitation or other mitigating factors,” such as “evidence of errors in your criminal background report, evidence of your good conduct since the conviction or pending accusation occurred, or other information you would like a housing provider to use when evaluating your criminal background.”

100. The J. Coopers Row Criteria also state that “J. Coopers Row does not discriminate on the basis of . . . any additional classes protected by state or local municipalities.”

101. The J. Coopers Row Criteria do not contain any exceptions from these income requirements or screening criteria for voucher holders.

102. The J. Coopers Row Criteria do not contain any exceptions from screening criteria for sealed eviction records or evictions otherwise prohibited from screening.

103. The J. Coopers Row Criteria do not mention any limitations on the criminal records that will be considered.

104. Because the J. Coopers Row Criteria did not mention voucher holders specifically, the tester followed up with the Community Manager at J. Coopers Row by email on July 15, 2024, and again on July 18, 2024, regarding voucher holders specifically.

105. On July 19, 2024, the Community Manager responded that “[t]he Screening Criteria applies [sic] to all applicants.”

106. The Community Manager further clarified that a voucher would be considered income, but that an applicant would still need to show proof of income for “any additional a la cart[e] items” like trash, utilities, parking, and other fees.

107. Responding to the tester’s inquiry about whether “a client [who] has bad credit due to late rent payment prior to starting to receive the housing voucher but now has a full voucher[] could . . . explain what happened before the voucher and be individually reassessed by J. Coopers Row,” the Community Manager stated that if an applicant fails the “criminal, rental history, or credit screenings[,] their application will unfortunately be denied even if the voucher is sufficient enough to cover their full rent.”

108. The tester followed up with the leasing office and the Community Manager by email multiple times to ask about criminal history screening at the building, but received no response.

109. On September 4, 2024, an ERC tester called J. Coopers Row and spoke to an agent in the leasing office. The ERC tester said that she had spoken to someone a few weeks ago and had additional questions.

110. The tester asked if the building had a policy regarding applicants with criminal records, such as a lookback policy. The leasing agent told the tester that they would not know what would be flagged on a person’s record until they applied and do not have a particular lookback policy.

111. The tester then asked if the building looks at criminal charges as well as convictions. The leasing agent said that they do.

112. When the tester asked whether the application of a client with a five-year-old charge that was ultimately dropped would still affect the person's application, the leasing agent said she would not know until the person was screened.

113. When the tester asked if that same applicant would then be individually assessed if she was denied after screening, the leasing agent said she did not know and said she would need to speak with the Community Manager.

114. Upon the leasing agent's instructions, the tester called back twice on September 5, 2024, to attempt to speak with the Community Manager, but both times was told the Community Manager was not in the office.

115. On September 5, 2024, the tester emailed the Community Manager about the criminal record policy.

116. On September 10, 2024, the Community Manager responded and confirmed that they do not have a lookback period policy and that charges are also considered in an application. When the tester asked if they would allow an applicant to explain what happened and be reassessed if they were denied, the Community Manager responded, "[i]f criminal activity reflects, in any capacity, the application will be denied."

117. The Rental Application for J. Coopers Row reviewed in April 2024 asks applicants to check a box if they have "ever[] . . . been evicted or asked to move out[,] . . . declared bankruptcy[,] . . . been sued for rent[,] . . . [or] been charged, detained, or arrested for a felony or sex crime that has not been resolved by ant [sic] method[.]" If yes, the application notes that "[w]e may need to discuss more facts before making a decision." This part of the application does not provide any time restrictions or explain any exceptions regarding the history applicants have to disclose.

118. The assertion in the J. Coopers Row Criteria that J. Coopers Row “does not discriminate on the basis of . . . classes protected by state or local municipalities” misrepresents that J. Coopers Row is employing tenant screening policies that are in accordance with the law when, in fact, their policies violate D.C. law.

119. By its acts, policies, and/or practices, the J. Coopers Row Defendants and their agents refuse to rent to and/or make statements indicating a preference or limitation based on: (1) voucher holders unable to meet a minimum income requirement; and (2) voucher holders with rental history involving nonpayment or late payment of rent or credit issues prior to the applicant receiving a housing voucher.

120. By its acts, policies, and/or practices, the J. Coopers Row Defendants and their agents require applicants to disclose eviction proceedings that were filed three or more years ago, records of eviction proceedings that did not result in a judgment for possession in favor of the housing provider, and/or sealed eviction records, which are protected by the RHA, D.C. Code § 42-3505.10(d), and the DCHRA, D.C. Code § 2-1402.21(a)(h)(2).

121. The J. Coopers Row Defendants and their agents also collect costs or fees from applicants prior to lease signing as a prerequisite to processing the application that are more than the application fee allowed by the RHA, D.C. Code § 42-3505.10(b)(1)-(3).

122. The J. Coopers Row Defendants’ policies or practices constitute source of income and sealed eviction record discrimination in violation of the DCHRA.

123. The J. Coopers Row Defendants’ policies or practices constitute unlawful tenant screening and fee practices under the RHA.

124. By its acts, policies, and/or practices, the J. Coopers Row Defendants and their agents inquire about, consider, and/or deny prospective renters based on: (1) criminal records more

than seven years old; (2) arrests that have not been resolved; and (3) pending criminal accusations and/or convictions not on the list of enumerated offenses in the FCRSHA, D.C. Code § 42-3541.02(d).

125. The J. Coopers Row Defendants and their agents also do not perform individualized assessments for applicants with a criminal history as required under the FCRSHA, D.C. Code § 42-3541.02(e).

126. The J. Coopers Row Defendants' policies or practices constitute unlawful discrimination on the basis of criminal history in violation of the FCRSHA.

127. By violating the DCHRA, RHA, and FCRSHA in the context of consumer transactions, the J. Coopers Row Defendants and their agents also committed violations of consumer protection law under the CPPA, D.C. Code § 28-3904.

128. By representing that applicants and renters have to fulfill obligations prohibited by law as part of their transaction; by conveying through misrepresentations, omissions, or ambiguity that J. Coopers Row can or does impose conditions on applicants and renters prohibited by law; and by misrepresenting that their tenant screening policies are in accordance with the law when, in fact, their policies violate D.C. law, the J. Coopers Row Defendants and their agents committed violations of consumer protection law under the CPPA, D.C. Code § 28-3904(e), (e-1), (f), (f-1).

129. Specifically, J. Coopers Row's statements, in conjunction with the J. Coopers Row Criteria, regarding minimum income requirements for voucher holders, such as the statement that a voucher holder applicant must show proof of income beyond their voucher, tend to mislead and therefore discourage voucher holders from applying to the property and constitute unfair trade practices in the context of real estate transactions in violation of the CPPA.

130. Likewise, J. Coopers Row's statements, in conjunction with the J. Coopers Row Criteria and Rental Application, regarding rental history requirements and credit issues that occurred prior to a voucher holder receiving a voucher, such as the statement that an applicant who "owes landlord monies" or has had a bankruptcy discharge in the past three years will be rejected, regardless of whether this happened prior to them receiving a voucher, tend to mislead and therefore discourage voucher holders from applying to the property and constitute unfair trade practices in the context of real estate transactions in violation of the CPPA.

131. Likewise, J. Coopers Row's statements, in conjunction with the J. Coopers Row Criteria and Rental Application, regarding their screenings for eviction records, such as the statement that their screening includes "any evictions," along with the requirement that applicants check a box on the application if they have ever been evicted, tend to mislead and therefore discourage applicants with such records from applying to the property and constitute unfair trade practices in the context of real estate transactions in violation of the CPPA.

132. Likewise, J. Coopers Row's statements, in conjunction with the J. Coopers Row Criteria and Rental Application, regarding their screenings for criminal records, such as the statements that their screening for criminal records is not time limited, as well as their statement that they will deny applicants "[i]f criminal activity reflects[] in any capacity," tend to mislead and therefore discourage applicants with such records from applying to the property and constitute unfair trade practices in the context of real estate transactions in violation of the CPPA.

133. Likewise, J. Coopers Row's statements, in conjunction with the J. Coopers Row Criteria and Rental Application, such as the statements that the application deposit is required prior to lease signing on top of a \$50 application fee, tend to mislead and therefore discourage applicants

who may have limited funds for upfront costs from applying. This constitutes unfair trade practices in the context of real estate transactions in violation of the CPPA.

134. In addition, stating without qualification that the application deposit is retained after application approval and applied to the security deposit implies that voucher holders have to pay a holding deposit to J. Coopers Row when, upon information and belief, voucher holders at J. Coopers Row are in reality exempt from this deposit. This constitutes unfair trade practices in the context of real estate transactions in violation of the CPPA.

Jefferson Marketplace

135. On September 16, 2024, an ERC tester called Jefferson Marketplace and spoke to a leasing consultant who confirmed there were multiple studio apartments available, including one available immediately for \$2,214 per month, and one available in October for \$2,088 per month. The leasing consultant said applicants must pay a nonrefundable \$50 application fee.

136. The consultant also stated that residents must pay a security deposit that can range from \$250 to the amount of one month's rent "based on your credit and background check."

137. The leasing consultant said that applicants must have income that is three times the monthly rent and that the background check includes a full credit report, including rental history. She stated that the screening results tell her whether someone is approved, denied, or approved with conditions, and she does not have control over those decisions, although an individual can appeal.

138. The leasing consultant told the tester that Jefferson Marketplace accepts vouchers, but that there is a waitlist for affordable dwelling units. When the tester pointed out that voucher holders can apply for market rate units, the leasing agent said she was not quite sure and she would process applications "however they come to me."

139. The leasing consultant stated that voucher holders are still required to make income that is three times the monthly rent. However, she could not clearly explain the specifics (*i.e.*, whether the voucher would count as income) and said she would look into it for particular applicants.

140. The leasing consultant did not know whether charges, not just convictions, were part of the criminal screening process or if there was a particular lookback period from which convictions would be considered.

141. The tester followed up with emails and an additional phone call but only received generic responses.

142. On September 27, 2024, the tester called again and spoke to a leasing consultant to ask whether there is a criminal record policy or lookback period. The leasing consultant told the tester, “not that I’m aware of.” She stated that once someone applies, their credit and background check is automatically run, and the building only knows whether a person passed, failed, or was approved with conditions. The building has no say over whether someone is approved or not.

143. The leasing consultant also did not know whether charges would be flagged.

144. When the tester asked if an applicant could be individually reassessed following a denial based on their criminal record, the leasing consultant said, “anything’s possible,” but it would depend on the property manager or regional manager.

145. The Jefferson Marketplace website includes the Equal Housing Opportunity logo. According to the U.S. Department of Housing and Urban Development, the logo is “a means of educating the homeseeking public that the property is available to all persons” protected by fair housing law. It implies compliance with nondiscrimination in housing.

146. The inclusion of the Equal Housing Opportunity logo on Jefferson Marketplace's website misrepresents and/or suggests to prospective tenants that Jefferson Marketplace is employing tenant screening policies that are in accordance with the law, when in fact its policies violate D.C. law.

147. By its acts, policies, and/or practices, the Jefferson Marketplace Defendants and their agents refuse to rent to, misrepresent availability for, and/or make statements indicating a preference against or limitation on voucher holders, including voucher holders unable to meet a minimum income requirement.

148. The Jefferson Marketplace Defendants' policies or practices constitute source of income discrimination in violation of the DCHRA.

149. By violating the DCHRA in the context of consumer transactions, the Jefferson Marketplace Defendants and their agents also committed violations of consumer protection law under the CPPA, D.C. Code § 28-3904.

150. By representing that applicants and renters have to fulfill obligations prohibited by law as part of their transaction; by conveying through misrepresentations, omissions, or ambiguity that Jefferson Marketplace can or does impose conditions on applicants and renters prohibited by law; and by misrepresenting that their tenant screening policies are in accordance with the law when, in fact, their policies violate D.C. law, the Jefferson Marketplace Defendants and their agents committed violations of consumer protection law under the CPPA, D.C. Code § 28-3904(e), (e-1), (f), (f-1).

151. Specifically, Jefferson Marketplace's statements regarding their requirements for voucher holders, such as the statements that voucher holders may be subject to a waitlist or have to show some income, tend to mislead and therefore discourage voucher holders from applying to

the property and constitute unfair trade practices in the context of real estate transactions in violation of the CPPA.

152. Likewise, Jefferson Marketplace’s statements regarding their screenings for criminal records, such as the leasing consultant stating she was not aware of a lookback period, and opaqueness regarding what criminal history is considered, such as whether charges, not just convictions, were part of the criminal screening process, tend to mislead and therefore discourage applicants with such records from applying to the property and constitute unfair trade practices in the context of real estate transactions in violation of the CPPA.

J Linea

153. On September 24, 2024, the J Linea website showed multiple one-bedroom apartments available, including one as low as \$2,577 per month.

154. On September 25, 2024, an ERC tester called J Linea and spoke to an employee who said that the leasing team was unavailable but provided the email for the Community Manager. After exchanging scheduling emails, the tester tried to reach the Community Manager by phone later that same day, but she was unavailable. The tester continued the rest of the communications by email.

155. On September 26, 2024, the ERC tester asked about the price for the earliest one-bedroom apartment available, security deposit, fees, and qualification criteria. That same day, the Community Manager confirmed via email that there were one-bedroom apartments available, and that the best-priced unit was currently \$2,254 per month.

156. The Community Manager also sent an attachment with that email to provide “details on [the] screening process.” The attachment is titled “Rental Criteria” (“J Linea Rental Criteria”) and also includes a “Rental Application” (“J Linea Rental Application”).

157. The J Linea Rental Criteria and Rental Application state that applicants must pay a nonrefundable application fee. Upon information and belief, that application fee is \$50.

158. The J Linea Rental Criteria and Rental Application also state that applicants must pay an “Application Deposit” or “Holding Fee” that “may or may not be refundable.” It explains that the “Application Deposit is not a security deposit; however, it will be applied to the required deposit and/or any open charges at time of move-in, refunded in the case of non-approval, or retained as liquidated damages if application is cancelled for any reason.”

159. The J Linea Rental Application states that an application will not be considered complete and will not be processed until both the application fee and the application deposit have been paid. The J Linea Rental Application also states that the application deposit will be credited toward the security deposit once the lease is signed.

160. Upon information and belief, J Linea waives the application deposit for voucher holders, but does not state this in the J Linea Rental Criteria or J Linea Rental Application.

161. Regarding income requirements, the J Linea Rental Criteria state: “The apartment monthly rental rate must be no more than 33% the applicant’s total monthly income. Income less than three (3) times the rental rate will result in the requirement of an additional deposit, guarantor, or denial.”

162. Regarding credit requirements, the J Linea Rental Criteria state that the building, through a screening agency, “evaluates credit and rental history against indicators of future rent payment performance. An unsatisfactory finding may result in the requirement of an additional deposit, guarantor, or denial.” Furthermore, “[a]n acceptable credit score may be approved depending on satisfactory income requirements as [described in the document], as well as criminal screening.”

163. The J Linea Rental Application asks applicants to check a box if they have “ever[] . . . been evicted or asked to move out[,] . . . declared bankruptcy[,] . . . [or] been sued for rent.” The application also notes that “[w]e may need to discuss more facts before making a decision.” This part of the application does not provide any time restrictions or any exceptions regarding the history applicants have to disclose.

164. Under “Rejection Policy,” the Rental Criteria state that “[i]f [the] applicant has been evicted within the past three (3) years or owes landlord monies the application will be declined.”

165. The J Linea Rental Criteria also include a statement that J Linea “does not discriminate on the basis of . . . any additional classes protected by state or local municipalities.”

166. The J Linea Rental Criteria and Rental Application do not contain any exceptions from these income requirements or screening criteria for voucher holders.

167. The J Linea Rental Criteria and Rental Application do not contain any exceptions from screening criteria for sealed eviction records or evictions otherwise prohibited from screening.

168. Because the J Linea Rental Criteria and Rental Application do not mention voucher holders specifically, the tester emailed the Community Manager and asked whether vouchers are accepted and if there were any minimum income or credit score requirements for voucher holders.

169. On September 26, 2024, the Community Manager responded that they accept vouchers and “all buildings are required to accept them.” She then stated that “[a]ll qualifications are listed in the screening criteria sent.”

170. The tester responded that same day to clarify the income requirement for someone with a voucher. On September 30, 2024, the Community Manager responded, “[T]he voucher holder would be responsible for showing 3 times the amount they are responsible for.”

171. The tester then asked by email if late rent or eviction prior to receiving the voucher would affect a voucher holder's application. The Community Manager first reiterated that "[w]hat is stated on the criteria is accurate for all applicants."

172. After the tester asked again if late rent or eviction prior to receiving the voucher would affect a voucher holder's application, the Community Manager responded, "Yes, it will." The Community Manager did not carve out any time limitations in her answer.

173. The assertion in the J Linea Criteria that J Linea "does not discriminate on the basis of . . . classes protected by state or local municipalities" misrepresents that J Linea is employing tenant screening policies that are in accordance with the law when, in fact, their policies violate D.C. law.

174. By its acts, policies, and/or practices, the J Linea Defendants and their agents refuse to rent to and/or make statements indicating a preference or limitation against: (1) voucher holders unable to meet a minimum income requirement; and (2) voucher holders with rental history involving nonpayment or late payment of rent or other credit issues prior to the applicant receiving a housing voucher.

175. By its acts, policies, and/or practices, the J Linea Defendants and their agents require applicants to disclose eviction proceedings that were filed three or more years ago, records of eviction proceedings that did not result in a judgment for possession in favor of the housing provider, and/or sealed eviction records, which are protected by the RHA, D.C. Code § 42-3505.10(d), and the DCHRA, D.C. Code § 2-1402.21(h)(2).

176. The J Linea Defendants and their agents also collect costs or fees from applicants prior to lease signing as a prerequisite to processing the application that are more than the application fee allowed by the RHA, D.C. Code § 42-3505.10(b)(1)-(3).

177. The J Linea Defendants' policies or practices constitute source of income and sealed eviction record discrimination in violation of the DCHRA.

178. The J Linea Defendants' policies or practices constitute unlawful tenant screening and fee practices under the RHA.

179. By violating these laws in the context of consumer transactions, the J Linea Defendants and their agents also committed violations of consumer protection law under the CPPA, D.C. Code § 28-3904.

180. By representing that applicants and renters have to fulfill obligations prohibited by law as part of their transaction; by conveying through misrepresentations, omissions, or ambiguity that J Linea can or does impose conditions on applicants and renters prohibited by law; and by misrepresenting that their tenant screening policies are in accordance with the law when, in fact, their policies violate D.C. law, the J Linea Defendants and their agents committed violations of consumer protection law under the CPPA, D.C. Code § 28-3904(e), (e-1), (f), (f-1).

181. Specifically, J Linea's statements, in conjunction with the J Linea Rental Criteria, regarding minimum income requirements for voucher holders, such as the statement that a voucher holder applicant must show proof of income for their portion of the rent, tend to mislead and therefore discourage voucher holders from applying to the property and constitute unfair trade practices in the context of real estate transactions in violation of the CPPA.

182. Likewise, J Linea's statements, in conjunction with the J Linea Rental Criteria and Rental Application, regarding rental history requirements and credit issues that occurred prior to a voucher holder receiving a voucher, including but not limited to the Community Manager stating that late rent incurred prior to receiving a voucher would affect that individual's application, tend

to mislead and therefore discourage voucher holders from applying to their property and constitute unfair trade practices in the context of real estate transactions in violation of the CPPA.

183. Likewise, J Linea's statements, in conjunction with the J Linea Rental Criteria and Rental Application, regarding their screenings for eviction records, such as the requirement that applicants check a box on the application if they have ever been evicted, tend to mislead and therefore discourage applicants with such records from applying to the property and constitute unfair trade practices in the context of real estate transactions in violation of the CPPA.

184. Likewise, J Linea's statements in the J Linea Rental Criteria and Rental Application, such as the statement that the application deposit is required prior to lease signing on top of an application fee, tend to mislead and therefore discourage applicants who may have limited funds for upfront costs from applying. This constitutes unfair trade practices in the context of real estate transactions in violation of the CPPA.

185. In addition, stating without qualification that the application deposit is retained after application approval and applied to the security deposit implies that voucher holders have to pay a holding deposit to J Linea when, upon information and belief, voucher holders at J Linea in reality are exempt from this deposit. This constitutes unfair trade practices in the context of real estate transactions in violation of the CPPA.

Pinnacle

186. On September 30, 2024, the Pinnacle website showed that there were multiple one-bedroom apartments available for as low as \$1,962.

187. On October 2, 2024, and October 11, 2024, an ERC tester called Pinnacle and spoke to the same employee during both calls.

188. During the first call, the employee confirmed that the website had the current listing and pricing of available units. During both calls, she confirmed that applicants would have to pay a \$50 application fee as well as a \$300 nonrefundable administrative fee.

189. During the October 2 call, the employee also stated that residents must pay a security deposit that can range from \$300 to the amount of two months' rent "based on your screening."

190. During the October 2 call, the employee told the tester that Pinnacle does not accept Section 8 vouchers. During the October 11 call, the employee reiterated that they "do not accept any vouchers or Section 8 housing."

191. The employee did not have information about the criminal record screening policy and said the property manager would call or email back. The tester did not receive any follow up from Pinnacle in response to these calls.

192. On October 11, 2024, the tester submitted an online contact form through Pinnacle's website and received an email from building staff on October 14, 2024.

193. On October 14, 2024, the tester asked about the property's criminal record screening policy and lookback period via email. On October 17, 2024, a staff member responded, "Criminal and court records are taken into consideration." The staff member did not indicate that this consideration would be time-limited or would include carve-outs for charges or offenses that housing providers are not allowed to inquire about under the FCRSHA.

194. The staff member also attached a copy of Pinnacle's pricing information. This pricing list confirmed that the security deposit ranges from \$300 up to two months' rent "based on screening decisions."

195. On October 17, 2024, the tester emailed again about the lookback period and whether a five-year-old arrest and dropped charge for destruction of property that did not result in a conviction would impact an application. The tester followed up on November 14, 2024, after receiving no response. On November 19, 2024, the same staff member responded, “Of course it will be checked! The only way to know for certain is to apply. We will not be able to give you an answer before.” The staff member did not indicate that this consideration would be time-limited or would include carve-outs for charges or offenses that housing providers are not allowed to inquire about under the FCRSHA.

196. The Pinnacle website includes the Equal Housing Opportunity logo. According to the U.S. Department of Housing and Urban Development, the logo is “a means of educating the homeseeking public that the property is available to all persons” protected by fair housing law. It implies compliance with nondiscrimination in housing.

197. The inclusion of the Equal Housing Opportunity logo on Pinnacle’s website misrepresents and/or suggests to prospective tenants that Pinnacle is employing tenant screening policies that are in accordance with the law, when in fact their policies violate D.C. law.

198. By its acts, policies, and/or practices, the Pinnacle Defendants and their agents refuse to rent to and make statements indicating a preference against applicants who are voucher holders.

199. The Pinnacle Defendants’ policies or practices constitute source of income discrimination in violation of the DCHRA.

200. By its acts, policies, and/or practices, the Pinnacle Defendants and their agents illegally inquire about arrests or charges that did not result in convictions.

201. The Pinnacle Defendants' policies or practices constitute unlawful discrimination on the basis of criminal history in violation of the FCRSHA.

202. The statements of Pinnacle staff, in conjunction with the price list they provided, suggest that Pinnacle may require a security deposit that "exceed[s] an amount equivalent to the first full month's rent charged that tenant for the dwelling unit" in violation of the SDA, codified at 14 D.C.M.R. § 308.2; *see also* D.C. Code § 42-3502.17(a).

203. By its acts, policies, and/or practices, the Pinnacle Defendants and their agents impose security deposits in amounts higher than allowed by the SDA, codified at 14 D.C.M.R. § 308.2.

204. The Pinnacle Defendants' policies or practices constitute unlawful security deposit practices under the SDA.

205. By violating these laws in the context of consumer transactions, the Pinnacle Defendants and their agents also committed violations of consumer protection law under the CPPA, D.C. Code § 28-3904.

206. By representing that applicants and renters have to fulfill obligations prohibited by law as part of their transaction; by conveying through misrepresentations, omissions, or ambiguity that Pinnacle can or does impose conditions on applicants and renters prohibited by law; and by misrepresenting that their tenant screening policies are in accordance with the law when, in fact, their policies violate D.C. law, the Pinnacle Defendants and their agents committed violations of consumer protection law under the CPPA, D.C. Code § 28-3904(e), (e-1), (f), (f-1).

207. Specifically, Pinnacle's statements that they do not accept Section 8 or other housing vouchers tend to mislead and therefore discourage voucher holders from applying to their

properties and constitute unfair trade practices in the context of real estate transactions in violation of the CPPA.

208. Likewise, Pinnacle’s statements regarding their screenings for criminal records, such as stating they inquire about arrests that did not result in convictions, tend to mislead and therefore discourage applicants with such records from applying to their properties and constitute unfair trade practices in the context of real estate transactions in violation of the CPPA.

209. Likewise, Pinnacle’s statements that they may charge up to two months’ rent for a security deposit tend to mislead and therefore discourage applicants who may have limited funds for upfront costs from applying. This constitutes unfair trade practices in the context of real estate transactions in violation of the CPPA.

I. Harm to Consumers

210. Through its investigation, the ERC found that Defendants and their agents have policies and/or practices that discriminate against and/or exclude voucher holders, including based on minimum income, rental history, and credit issues; renters with sealed or other eviction records that cannot by law be considered; and/or renters with criminal records from access to rental units at their buildings.

211. If not for Defendants’ discriminatory policies and/or practices, units at all these buildings would be accessible to voucher holders because, as of August 2025, studio or one-bedroom units were available for applications at each building ranging from \$1,769 to \$2,136 for a studio or \$1,817 to \$2,882 for a one-bedroom. For Fiscal Year 2025, the payment standard for Housing Choice Vouchers in D.C.—the maximum rent that DCHA will approve—is up to \$3,762 for efficiency (studio) units and up to \$3,845 for one-bedroom units, subject to a determination by DCHA that a particular unit’s rent is reasonable compared to the larger rental market.

212. Upon information and belief, if not for Defendants' discriminatory policies and/or practices, units at all these buildings would have also been accessible to voucher holders during the time of the events in this Complaint. DCHA's Fiscal Year 2024 payment standard does not appear to be publicly available, but the rents identified at each building would also have been below DCHA's Fiscal Year 2023 payment standard: \$2,971 for a studio and \$3,020 for a one-bedroom.

213. If not for Defendants' discriminatory policies and/or practices, units at all of these buildings would be accessible to individuals with criminal and eviction records because, upon information and belief, there are individuals with criminal and eviction records who would otherwise meet the applicant requirements.

214. By refusing to rent to, misrepresenting the availability of units for, and/or making statements indicating a preference against or limitation on voucher holders and/or individuals with certain criminal records, Defendants and their agents deny eligible renters from housing and/or discourage eligible renters from applying by making them think falsely that they are not eligible.

215. By inquiring about eviction records and criminal records which are protected from inquiry, Defendants and their agents harm consumers who otherwise meet the applicant requirements but are forced to disclose protected information and/or are discouraged from applying because they do not want to disclose this information or assume they will be denied based on it.

216. By imposing and/or making statements that they impose excessive fees prior to lease signing and/or holding deposits in violation of the RHA, Defendants and their agents at J. Coopers Row and J Linea harm consumers who are unable to pay additional upfront costs and are therefore discouraged from applying to these units. In particular, the stated requirement of these

upfront costs discourages voucher holders who frequently do not receive assistance for all of the upfront costs and are legally exempt from paying holding deposits.

217. By requiring and/or making statements that they may require excessive security deposit amounts in violation of the SDA, as codified in the D.C. Housing Code, the Pinnacle Defendants and their agents harm consumers who are unable to pay additional upfront costs and are therefore discouraged from applying to these units. In particular, these upfront costs harm voucher holders who pay rent with the assistance of a voucher but may not have the means to pay an excessive security deposit.

218. These fees and security deposits harm consumers by discouraging them from pursuing housing to which they should otherwise have access, by frustrating voucher holders' efforts to find housing before their vouchers expire, and/or by compounding the effects of Defendants' discriminatory screening policies when applicants have to submit fees for an application that is ultimately rejected.

219. Defendants and their agents acted intentionally and willfully, and with callous and reckless disregard for the statutorily protected rights of renters who intend to use vouchers as a source of income to help pay rent, renters with certain eviction records, and renters with certain criminal records. Defendants and their agents expressed their illegal policies and/or practices by publishing statements in their rental criteria and applications and making statements to ERC fair housing testers evidencing Defendants' and their agents' intent to exclude and/or discriminate against individuals based on their source of income, certain eviction records, and certain criminal records.

220. Upon information and belief, Defendants and their agents designed, participated in, supervised, controlled, approved, and/or ratified the discriminatory and unlawful policies or

practices described above. As a result, Defendants and their agents are liable for the unlawful conduct described herein.

221. Defendants’ and their agents’ unlawful discrimination and tenant screening and fee practices have harmed a class of consumers—specifically, prospective renters in D.C. with criminal records, eviction records, or housing vouchers.

222. The ERC has a sufficient nexus to the interests of this class of consumers to adequately represent those interests because the ERC’s mission to identify and eliminate discrimination in the Washington, D.C. metro area is in alignment with the interests of prospective renters in D.C. with criminal records, eviction records, and/or housing vouchers.

COUNT 1, PART A

Trade Practices in Violation of the D.C. Consumer Protection Procedures Act Based on Violations of D.C. Law in the Context of Consumer Transactions

223. Plaintiff re-alleges and incorporates by reference the allegations set forth in the paragraphs above.

224. The purpose of the CPPA is to “assure that a just mechanism exists to remedy all improper trade practices.” D.C. Code § 28-3901(b)(1).

225. Under the CPPA, it is a violation of law “for any person to engage in an unfair or deceptive trade practice.” *Id.* § 28-3904. Unfair or deceptive trade practices include, but are not limited to, violations of other District laws in the context of a consumer transaction.

226. Under the CPPA, a trade practice “means any act which does or would create, alter, repair, furnish, make available, provide information about, or, directly or indirectly, solicit or offer for or effectuate, a sale, lease or transfer, of consumer goods or services.” *Id.* § 28-3901(a)(6). Trade practices arising in the context of landlord-tenant relations are subject to the CPPA. *Id.* § 28-3905(k)(6).

227. Under the CPPA, goods and services “means any and all parts of the economic output of society, at any stage or related or necessary point in the economic process, and includes consumer credit, franchises, business opportunities, real estate transactions, and consumer services of all types.” *Id.* § 28-3901(a)(7).

228. Defendants and their agents meet the definition of “merchant” under the CPPA as “a person . . . organized or operating for profit . . . who in the ordinary course of business does or would . . . lease . . . either directly or indirectly, consumer goods or services, or a person who in the ordinary course of business does or would supply the goods or services which are or would be the subject matter of a trade practice.” *Id.* § 28-3901(a)(3).

229. District residents or other individuals who would rent Defendants’ rental housing properties are “consumers” under the CPPA because they are persons who “would . . . lease (as lessee) . . . consumer goods,” such as the rental housing properties offered by Defendants. *Id.* § 28-3901(a)(2)(A).

230. All Defendants violated multiple District laws, including the DCHRA, the FCRSHA, the RHA, and/or the SDA, as codified by the D.C. Housing Code, in the context of consumer transactions, as outlined in the parts of this Count.

231. Under the CPPA, public interest organizations may bring suits “on behalf of the interests of a consumer or a class of consumers,” so long as they have a “sufficient nexus” to “adequately represent those interests.” *Id.* § 28-3905(k)(1)(D).

232. Plaintiff ERC, a public interest organization, brings this claim on behalf of the interests of a class of consumers, *i.e.*, prospective tenants in the District, specifically, prospective renters in D.C. with criminal records, eviction history, or housing vouchers.

233. The ERC expressly disclaims any intention to bring this case as a class action under D.C. Superior Court Rule of Civil Procedure 23, or to seek class certification under this Rule or any related procedural rule.

COUNT 1, PART A(1):

**Violation of the D.C. Consumer Protection Procedures Act, Based on Source of Income
Discrimination in Violation of the D.C. Human Rights Act, D.C. Code § 2-1402.21(a)(1),
(a)(5), (g)(1)
Against All Defendants**

234. Plaintiff re-alleges and incorporates by reference the allegations set forth in the paragraphs above.

235. Under the DCHRA, it is an “unlawful discriminatory practice” to “refuse or fail to initiate or conduct any transaction in real property” if such a practice is “wholly or partially . . . based on the actual or perceived . . . source of income . . . of any individual[.]” D.C. Code § 2-1402.21(a)(1). Source of income includes federal or District payments for housing assistance, such as vouchers. *Id.* § 2-1401.02(29); *see also id.* § 2-1402.21(e) (“The monetary assistance provided to an owner of a housing accommodation under section 8 of the United States Housing Act of 1937 . . . shall be considered a source of income under this section.”).

236. Under the DCHRA, it is also an “unlawful discriminatory practice” to “represent falsely that an interest in real property is not available for transaction.” *Id.* § 2-1402.21(a)(1).

237. It is similarly “an unlawful discriminatory practice” for a landlord to make or publish any statement that “unlawfully indicates or attempts unlawfully to indicate any preference [or] limitation” based on source of income. *Id.* § 2-1402.21(a)(5).

238. The Pinnacle Defendants’ policy or practice of not renting to voucher holders as well as their statements that they do not accept vouchers violate the DCHRA.

239. The Jefferson Marketplace Defendants’ policy or practice of misrepresenting the availability of units for voucher holders as well as their statements making that policy or practice known violate the DCHRA.

240. Under the DCHRA, it is “an unlawful discriminatory practice” for a landlord to refuse to rent to an applicant using a voucher based on the applicant’s “[i]ncome level[.]” as well as to make statements that unlawfully indicate such a preference or limitation based on income level. *Id.* § 2-1402.21(g)(1)(B).

241. The J. Coopers Row, Jefferson Marketplace, and J Linea Defendants’ policy or practice of imposing a minimum income requirement on voucher holders as well as their statements making that policy or practice known violate the DCHRA.

242. Under the DCHRA, it is “an unlawful discriminatory practice” for a landlord to refuse to rent to an applicant using a voucher based on the applicant’s “[p]rior rental history involving nonpayment or late payment of rent if the nonpayment or late payment of rent occurred during a period in which the prospective tenant did not have an income-based housing subsidy and if the housing provider could reasonably have known the date of receipt” as well as to make statements that unlawfully indicate such a preference or limitation based on that rental history. *Id.* § 2-1402.21(g)(1)(A).

243. Under the DCHRA, it is an “unlawful discriminatory practice” for a landlord to refuse to rent to an applicant using a voucher based on “[a]ny credit issues that arose during a period in which the prospective tenant did not have an income-based housing subsidy if the housing provider could reasonably have known the date of receipt” as well as to make statements that unlawfully indicate such a preference or limitation based on those credit issues. *Id.* § 2-1402.21(g)(1)(C). Credit issues include issues like bankruptcy filings.

244. The J. Coopers Row and J Linea Defendants' policy or practice of denying housing to voucher holders based on rental history involving nonpayment or late payment of rent, such as owing a landlord money, which occurred before the prospective tenant received a voucher, violates the DCHRA, as do their statements making that policy or practice known.

245. The J. Coopers Row and J Linea Defendants' policy or practice of denying housing to voucher holders based on prior credit issues such as, but not necessarily limited to, bankruptcy which occurred before the prospective tenant received a voucher violates the DCHRA, as do their statements making that policy or practice known.

246. Trade practices that violate other laws fall within the purview of the CPPA. Specifically, a violation of the DCHRA in the context of a consumer transaction is a violation of the CPPA.

247. By violating the DCHRA in the context of a consumer transaction, the Defendants violated the CPPA.

248. The Defendants' conduct was intentional, willful, and made in reckless disregard of the known rights of others.

COUNT 1, PART A(2):

**Violation of the D.C. Consumer Protection Procedures Act, Based on Sealed Eviction
Record Discrimination in Violation of the D.C. Human Rights Act, D.C. Code
§ 2-1402.21(h)(2), and Eviction Record Screening in Violation of the D.C. Rental Housing
Act, D.C. Code § 42-3505.10(d)
Against J. Coopers Row and J Linea Defendants**

249. Plaintiff re-alleges and incorporates by reference the allegations set forth in the paragraphs above.

250. Under the DCHRA, it is "an unlawful discriminatory practice to inquire about the existence of or content of a sealed eviction record in connection with, or to require a person to

disclose a sealed eviction record as a condition of . . . [e]ntering into any transaction in real property.” D.C. Code § 2-1402.21(h)(2)(A). Sealed eviction records include court-ordered evictions older than three years as well as more recent eviction proceedings that did not result in a court-ordered eviction, such as cases based on nonpayment of rent resolved by settlement agreement in which a tenant agrees to pay back rent. *See id.* § 42-3505.09(a)(1), (2).

251. Under the RHA, it is unlawful to “make an inquiry about” or “require the prospective tenant to disclose or reveal” an eviction proceeding that was filed three or more years ago or that “[d]id not result in a judgment for possession in favor of the housing provider.” *Id.* § 42-3505.10(d). These categories that a housing provider cannot consider include eviction proceedings that did not result in a court-ordered eviction, such as cases based on nonpayment of rent resolved by settlement agreement in which a tenant agrees to pay back rent.

252. The J. Coopers Row and J Linea Defendants’ policy or practice of inquiring into whether applicants have ever been evicted, asked to move out, or been sued for rent violates the DCHRA and the RHA.

253. Trade practices that violate other laws fall within the purview of the CPPA. Specifically, a violation of the DCHRA and RHA in the context of a consumer transaction is a violation of the CPPA.

254. By violating the DCHRA and RHA in the context of a consumer transaction, the J. Coopers Row and J Linea Defendants violated the CPPA.

255. The J. Coopers Row and J Linea Defendants’ conduct was intentional, willful, and made in reckless disregard of the known rights of others.

COUNT 1, PART A(3):

**Violation of the D.C. Consumer Protection Procedures Act, Based on Excess Security
Deposits in Violation of the Security Deposit Act, 14 D.C.M.R. § 308.2
Against Pinnacle Defendants**

256. Plaintiff re-alleges and incorporates by reference the allegations set forth in the paragraphs above.

257. Under the SDA, which is incorporated by the RHA and codified in the D.C. Housing Code, it is unlawful to collect a security deposit that “exceed[s] an amount equivalent to the first full month’s rent charged that tenant for the dwelling unit.” 14 D.C.M.R. § 308.2.

258. The Pinnacle Defendants’ policy or practice of charging as much as two months’ rent for a security deposit violates the SDA as codified in the D.C. Housing Code.

259. Trade practices that violate other laws fall within the purview of the CPPA. Specifically, a violation of the SDA in the context of a consumer transaction is a violation of the CPPA.

260. By violating the SDA in the context of a consumer transaction, the Pinnacle Defendants violated the CPPA.

261. The Pinnacle Defendants’ conduct was intentional, willful, and made in reckless disregard of the known rights of others.

COUNT 1, PART A(4):

**Violation of the D.C. Consumer Protection Procedures Act, Based on Illegal Fees in
Violation of the D.C. Rental Housing Act, D.C. Code § 42-3505.10(b)(1)-(3)
Against J. Coopers Row and J Linea Defendants**

262. Plaintiff re-alleges and incorporates by reference the allegations set forth in the paragraphs above.

263. Under the RHA, it is unlawful to charge more than \$50 (adjusted annually with the Consumer Price Index) for an application fee. *See* D.C. Code § 42-3505.10(b)(1), (2). This is the only fee that a housing provider can charge a prospective tenant prior to signing a lease. *Id.* § 42-3505.10(b)(3). An application fee is “the total of all costs or fees that a prospective tenant is required to pay to a housing provider at the time of application or at any time prior to signing a lease as a prerequisite to evaluating or approving a prospective tenant’s application for rental housing, . . . but not including holding deposits.” *Id.* § 42–3501.03(2A).

264. The J. Coopers Row and J Linea Defendants’ policy or practice of requiring applicants to pay an “application deposit” prior to lease signing and as a prerequisite to evaluating an application in addition to a \$50 “application fee” violates the RHA, D.C. Code § 42-3505.10(b)(1)-(3).

265. Trade practices that violate other laws fall within the purview of the CPPA. Specifically, a violation of the RHA in the context of a consumer transaction is a violation of the CPPA.

266. By violating the RHA in the context of a consumer transaction, the J. Coopers Row and J Linea Defendants violated the CPPA.

267. The J. Coopers Row and J Linea Defendants’ conduct was intentional, willful, and made in reckless disregard of the known rights of others.

COUNT 1, PART A(5):

**Violation of the D.C. Consumer Protection Procedures Act, Based on Criminal Record
Screening Practices in Violation of the D.C. Fair Criminal Record Screening for Housing
Act, D.C. Code § 42-3541.02(a), (d) and (e)
Against J. Coopers Row and Pinnacle Defendants**

268. Plaintiff re-alleges and incorporates by reference the allegations set forth in the paragraphs above.

269. The FCRSHA prohibits housing providers from inquiring into arrests that did not result in convictions or considering charges that have been resolved and did not result in convictions. D.C. Code § 42-3541.02(a), (d).

270. The J. Coopers Row policy or practice of inquiring about, considering, and/or excluding prospective renters based on arrests that have not been resolved, and the Pinnacle Defendants' policy or practice of inquiring about arrests or charges that did not result in conviction and are no longer pending, violate the FCRSHA.

271. The FCRSHA also requires that housing providers only consider pending criminal accusations or criminal convictions that have occurred within the past seven years. D.C. Code § 42-3541.02(d). And even then, the housing provider may only consider a pending criminal accusation or criminal conviction that falls within a list of specific enumerated offenses, including aggravated assault, arson, murder, robbery, fraud, and various other offenses. *Id.* § 42-3541.02(d)(1)-(48). Finally, a housing provider may only deny a rental application based on a criminal record if the provider determines, on balance of certain enumerated factors, that the denial "achieves a substantial, legitimate, nondiscriminatory interest." *Id.* § 42-3541.02(e).

272. The J. Coopers Row Defendants' policy or practice of excluding prospective housing applicants with criminal charges and criminal convictions more than seven years old violates the FCRSHA because it subjects such individuals to discrimination because of their old arrest and criminal records.

273. The J. Coopers Row Defendants' policy or practice of excluding prospective renters with pending criminal accusations and/or criminal convictions that are not in the list of enumerated offenses at § 42-3541.02(d)(1)-(48) also violates the FCRSHA.

274. The J. Coopers Row Defendants' policy or practice of denying these housing applicants without an individualized assessment in the method required by law also violates the FCRSHA. D.C. Code § 42-3541.02(e).

275. Trade practices that violate other laws fall within the purview of the CPPA. Specifically, a violation of the FCRSHA in the context of a consumer transaction is a violation of the CPPA.

276. By violating the FCRSHA in the context of a consumer transaction, the J. Coopers Row and Pinnacle Defendants violated the CPPA.

277. The J. Coopers Row and Pinnacle Defendants' conduct was intentional, willful, and made in reckless disregard of the known rights of others.

COUNT 1, PART B:

Violations of the D.C. Consumer Protection Procedures Act Based on Misrepresentations, Representations, Omissions, and Ambiguities Regarding Screening Policies, D.C. Code § 28-3904(e), (e-1) (f), (f-1) Against All Defendants

278. Plaintiff re-alleges and incorporates by reference the allegations set forth in the paragraphs above.

279. Under the CPPA, it is a violation of law “for any person to engage in an unfair or deceptive trade practice[.]” *Id.* § 28-3904. This includes, but is not limited to, making misrepresentations as to material facts which have a tendency to mislead, failing to state material facts if such failure tends to mislead, and using innuendo or ambiguity about material facts that has a tendency to mislead. *Id.* § 28-3904(e), (f), (f-1). It also includes “represent[ing] that a transaction . . . involves . . . obligations . . . which are prohibited by law.” *Id.* § 28-3904(e-1).

280. By representing that applicants have to fulfill obligations prohibited by the DCHRA as part of their transaction, and by conveying through misrepresentations, omissions, or ambiguity

that their buildings can or do impose conditions on applicants and renters prohibited by the DCHRA as described in Count 1, Parts A(1) and A(2) above, the Defendants violated the CPPA.

281. Likewise, by representing that applicants and renters may have to fulfill obligations prohibited by the DCHRA as part of their transaction—such as representing that their buildings vary the amount of security deposits and/or require additional deposits or guarantors based upon a voucher holder’s income level and/or an applicant’s screening results, including a voucher holder’s rental and credit history prior to when they received a voucher—and by conveying through misrepresentations, omissions, or ambiguity that their buildings can or do impose these conditions on applicants and renters prohibited by the DCHRA, the J. Coopers Row and J Linea Defendants violated the CPPA.

282. By representing that applicants and renters have to fulfill obligations prohibited by the RHA as part of their transaction, and by conveying through misrepresentations, omissions, or ambiguity that their buildings can or do impose conditions on applicants and renters prohibited by the RHA, as outlined in Count 1, Parts A(2) and A(4) above, the J. Coopers Row and J Linea Defendants violated the CPPA.

283. By representing that applicants and renters may have to fulfill obligations prohibited by the SDA as part of their transaction, and by conveying through misrepresentations, omissions, or ambiguity that their building can or does impose conditions on applicants and renters prohibited by the SDA, as outlined in Count 1, Part A(3) above, the Pinnacle Defendants violated the CPPA.

284. By representing that applicants and renters have to fulfill obligations prohibited by the FCRSHA as part of their transaction, and by conveying through misrepresentations, omissions, or ambiguity that their buildings can or do impose conditions on applicants and renters prohibited

by the FCRSHA, as outlined in Count 1, Part A(5) above, the J. Coopers Row and Pinnacle Defendants violated the CPPA.

285. Likewise, by representing that applicants and renters may have to fulfill obligations prohibited by the FCRSHA as part of their transaction—such as submit to screening involving criminal records more than seven years old and without individual assessment in the manner required by the FCRSHA—and by conveying through misrepresentations, omissions, or ambiguity that their building can or does impose these conditions on applicants and renters prohibited by the FCRSHA, the Jefferson Marketplace Defendants violated the CPPA.

286. By stating that they do not discriminate on any basis protected by law, the J Linea and J. Coopers Row Defendants have made misrepresentations that their screening policies comply with housing law, when in fact they do not.

287. By including the Equal Housing Opportunity logo on their website, the Jefferson Marketplace and Pinnacle Defendants have made misrepresentations that their screening policies do not discriminate, when in fact they do.

288. Under the RHA, as amended, a housing provider cannot “require a holding deposit from a prospective tenant who is using a government-funded housing voucher.” *Id.* § 42-3505.10(b)(5). A holding deposit is “the amount a housing provider requires a prospective tenant to pay after a housing provider approves a tenant’s application, which temporarily makes a unit unavailable to other prospective tenants and which if a tenant accepts a unit becomes part of the prospective tenant’s first month’s rent or security deposit.” *Id.* § 42-3501.03(13A).

289. The J. Coopers Row and J Linea Defendants state that they retain the “application deposit”—also called a “Holding Fee” by the J Linea Defendants—after a prospective tenant’s application is approved. They also state that once the tenant signs their lease, that deposit is applied

toward the tenant's security deposit. At that point, the "application deposit" functions as a "holding deposit" within the meaning of D.C. Code § 42-3501.03(13A) from the time of application approval through the time the lease is signed, and is illegal to collect from voucher holders.

290. By stating that all applicants must pay an "application deposit" that becomes part of the first month's security deposit once the lease is signed, the J. Coopers Row and J Linea Defendants imply that applicants using vouchers have to pay a holding deposit in violation of D.C. Code § 42-3505.10(b)(5), when, upon information and belief, voucher holders at J. Coopers Row and J Linea are in reality exempt from this deposit.

291. These misstatements, omissions, and ambiguities have a tendency to mislead consumers as to the legality of Defendants' tenant screening policies and practices and in effect discourage voucher holders, individuals with eviction records, and individuals with criminal records from applying to live at their properties.

292. As a result, they constitute unfair trade practices in the context of real estate transactions in violation of the CPPA.

293. Defendants' conduct as outlined above was intentional, willful, and made in reckless disregard of the known rights of others.

PRAYER FOR RELIEF

WHEREFORE Plaintiff respectfully requests that the Court:

- (a) Enter a judgment declaring that Defendants' acts, policies, and/or practices of willfully refusing to rent apartment units or creating barriers to rent apartment units to voucher holders, individuals with certain eviction records, and individuals with certain criminal records constitute discrimination in violation of the CPPA, D.C. Code § 28-3901, *et seq.*;

DCHRA, *id.* § 2-1401, *et seq.*; FCRSHA, *id.* § 42-3541, *et seq.*; and RHA, *id.* § 42-3501, *et seq.*; and

- (b) Enter a judgment declaring that Defendants' acts, policies, and/or practices of willfully charging excess security deposits and fees constitute violations of the CPPA, D.C. Code § 28-3901, *et seq.*; RHA, *id.* § 42-3501, *et seq.*; and SDA, 14 D.C.M.R. § 308, *et seq.*; and
- (c) Enter judgment for appropriate permanent injunctive relief, including an order that all Defendants:

- a. Abandon their policies and/or practices of unlawfully refusing to rent or misrepresenting availability to voucher holders; requiring a minimum income for voucher holders and improperly reviewing a voucher holder's rental history involving nonpayment or late payment of rent and credit issues prior to receipt of their voucher; requiring applicants to disclose information that reveals sealed eviction records or eviction records protected by § 42-3505.10(d); charging more than one month's rent as a security deposit; collecting fees more than the allowed application fee prior to lease signing; unlawfully inquiring about, considering, or refusing to rent to individuals with criminal charges or arrests that did not result in convictions, convictions more than seven years old, and pending criminal accusations or criminal convictions that are not in the list of enumerated offenses at § 42-3541.02(d)(1)-(48); and take appropriate, nondiscriminatory measures to accept all voucher holders, individuals with eviction history, and individuals with criminal history as renters as required under the law, including by performing individualized assessments as required under § 42-3541.02(e);

- b. Abandon their policy and/or practice of making representations in written and verbal communications with consumers that lead consumers to believe they must follow any of the unlawful policies and/or practices outlined in the Complaint in order to apply to or rent at Defendants' buildings;
 - c. Take affirmative steps to educate themselves as to their legal obligations under the CPPA, DCHRA, FCRSHA, RHA, and SDA;
 - d. Provide training to their employees and agents, and adequately supervise them to prevent future illegal housing discrimination and tenant screening and fee practices;
 - e. Participate in outreach and education efforts to promote the use and acceptance of vouchers, including but not limited to, compliance testing;
- (d) Award monetary damages, including punitive damages, in an amount to be determined at trial;
- (e) Award the ERC reasonable attorneys' fees and costs; and
- (f) Grant such other relief as the Court may deem just and proper.

Dated: August 20, 2025

Respectfully submitted,

/s/ Mirela Missova

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