

PRESS RELEASE

Wiley Rein Secures Settlement in Low-Income Housing Class Action Suit

April 20, 2007

In a significant victory, Wiley Rein partner Theodore A. Howard and special counsel Jennifer S. Huber, working with the Legal Aid Society of the District of Columbia, have secured a settlement in a class action case involving alleged predatory practices by one of DC's largest managers of low-income rental housing.

According to the lawsuit, property manager Barac Co. routinely imposed excessive charges that tenants were told Barac was entitled to charge as late fees. In reality, the company was charging for the costs of initiating eviction procedures with the courts. Barac never followed through in court but kept the court fees the tenants had paid to it.

Under the terms of a settlement, Barac has agreed to stop charging the court fees unless a judgment has been entered against a tenant. The company will pay more than \$500,000 to tenants and former tenants who incurred such charges over the past several years. Between 2,500 and 3,000 tenants are covered by the proposed agreement.

DC Superior Court Judge Melvin R. Wright entered an Order granting Final Approval to the class action settlement on April 17, 2007.

This case is one of the many handled by Wiley Rein as part of the firm's pro bono activities.

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Practice Areas

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