

DISTRICT OF COLUMBIA COURT OF APPEALS

SJ Enterprises, LLC v. Dianne Quander

207 A.3d 1179 (D.C. 2019) · No. 16-CV-1235 · Decided May 16, 2019

SUMMARY

The District of Columbia Court of Appeals held that a landlord waived the contractual deadline for a tenant to exercise a lease renewal option through the landlord's email communications and conduct. The tenant reasonably relied on the email exchange and exercised the renewal option for an additional five-year term. The court vacated the trial court's judgment and remanded for entry of judgment in favor of the tenant.

CASE DETAILS

COURT	District of Columbia Court of Appeals
WRITING FOR THE COURT	Chief Judge Blackburne-Rigsby; Associate Judge Glickman; Senior Judge Ferren
JURISDICTION	District of Columbia
DECIDED	May 16, 2019
DOCKET	16-CV-1235
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	SJ Enterprises appealed from a Superior Court bench-trial judgment concerning possession of leased commercial property and the parties' lease-renewal rights.
STANDARD OF REVIEW	The existence of an enforceable contract is a question of law reviewed de novo; the appellate court accepted the trial judge's factual findings unless clearly erroneous.
PRECEDENTIAL VALUE	Published opinion; precedential
PARTIES	SJ Enterprises, LLC v. Dianne Quander

TOPICS

[landlord tenant](#)[waiver of breach](#)[contract interpretation](#)[statute of frauds](#)[appellate procedure](#)

PRACTICE AREAS

[contract law](#)[landlord-tenant law](#)[real property](#)

QUESTIONS PRESENTED

1. Whether Quander's conduct and communications after expiration of the lease-renewal deadline waived her right to insist on timely notice of the renewal option.
2. Whether the parties' email exchange created a new lease agreement.
3. Whether the statute of frauds limited the enforceability of the parties' arrangement to one year.

HOLDINGS

1. A landlord may waive a contractual deadline for timely notice of a lease-renewal option through words or conduct inconsistent with an intent to enforce that deadline. Quander's email and related conduct clearly and unequivocally waived the deadline, allowing SJ Enterprises to exercise the renewal option for a second five-year term.
2. The parties' email exchange did not create a new lease; the trial court erred as a matter of law in treating it as a new contract.

KEY QUOTATIONS

"Nevertheless, a landlord can waive his or her own legal right to timely notice of a renewal option and, in effect, resurrect the option belatedly, through words or conduct." (12)

"This is because waiver "is an equitable principle designed to avoid a harsh result when the parties have conducted themselves in such a way as to make that result unfair." (11-12)

FACTUAL BACKGROUND

SJ Enterprises leased commercial property from Dianne Quander for an initial five-year term ending November 30, 2015, with an option to renew for two additional five-year periods upon timely notice. SJ Enterprises did not timely exercise the option. After the option period expired, Quander emailed the tenant with the subject line "reminder of lease increase and renewal," asked it to confirm that it wanted to continue with the lease, and stated that rent would increase beginning in December 2015. SJ Enterprises responded that it would start the following month, remained on the property, and paid the increased rent. Quander later served a notice to vacate, prompting the litigation.

PROCEDURAL HISTORY

SJ Enterprises sued Dianne Quander for breach of contract after Quander issued a notice to vacate. Quander counterclaimed for a non-redeemable judgment of possession. The Superior Court found that the parties' email exchange created a new five-year lease but held that the statute of frauds limited the enforceable term to one year. The Court of Appeals reversed and vacated the trial court's decision and remanded for entry of judgment in favor of SJ Enterprises.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Vacate the trial court's decision and remand for entry of judgment in favor of SJ Enterprises, recognizing its exercise of the lease-renewal option for a second five-year term.

CASES CITED

- Strauss v. NewMarket Glob. Consulting Grp., LLC, 5 A.3d 1027, 1032 (D.C. 2010)
- Kramer Assocs., Inc. v. Ikam, Ltd., 888 A.2d 247, 251-52 (D.C. 2005)
- Davis v. Winfield, 664 A.2d 836, 838 (D.C. 1995)
- Harris v. Gindes, 265 A.2d 598, 599 (D.C. 1970)
- Nortel Networks, Inc. v. Gold & Appel Transfer, S.A., 298 F. Supp. 2d 81, 86, 88 (D.D.C. 2002)
- LanQuest Corp. v. McManus & Darden LLP, 796 F. Supp. 2d 98, 102-03 (D.D.C. 2011)
- Siegel v. Banker, 486 A.2d 1163, 1165 (D.C. 1984)
- Word v. Ham, 495 A.2d 748, 751 (D.C. 1985)
- McCleve Props., LLC v. D. Ray Hult Family Ltd. P'ship, 307 P.3d 652, 655 (Utah Ct. App. 2013)
- Boswell v. Panera Bread Co., 879 F.3d 296 (8th Cir. 2018)
- DeSantis v. Randolph, 430 N.Y.S.2d 457, 458-60 (N.Y. App. Div. 1980)
- Wolf v. Tastee Freez Corp. of Am., 109 N.W.2d 733, 735-38 (Neb. 1961)
- M.A.P. v. Ryan, 285 A.2d 310, 312 (D.C. 1971)
- C.I.T. Corp. v. Carl, 85 F.2d 809, 811 (D.C. Cir. 1936)
- Safer v. Perper, 569 F.2d 87, 99 (D.C. Cir. 1977)