Circuit Court for Montgomery County
Case No. C-15-CV-23-004424

UNREPORTED*

IN THE APPELLATE COURT

OF MARYLAND

No. 1683

September Term, 2024

PAWNEE LEASING CORPORATION

v.

WILDWOOD BAPTIST CHURCH

Graeff,
Ripken,
Eyler, Deborah S.,
(Senior Judge, Specially Assigned),

JJ.

Opinion by Ripken, J.

Filed: November 24, 2025

*This is an unreported opinion. This opinion may not be cited as precedent within the rule of stare decisis. It may be cited for its persuasive value only if the citation conforms to Rule 1-104(a)(2)(B).

This appeal involves a challenge by appellant, Pawnee Leasing Corporation ("Pawnee"), to the Circuit Court for Montgomery County's grant of judgment as a matter of law in favor of appellee, Wildwood Baptist Church ("Wildwood"). Pawnee, a commercial equipment leasing and financing company, brought a claim for breach of contract against a former Wildwood tenant and a claim for unjust enrichment against Wildwood following the former tenant's default on a loan that funded improvements to the leased space. Pawnee obtained a default judgment against the former tenant for breach of contract regarding the defaulted loan. However, at the time of trial, Pawnee was unable to collect the judgment because the tenant filed for Chapter 13 bankruptcy. As to the claim of unjust enrichment against Wildwood, the circuit court determined that Wildwood was not unjustly enriched because it was not a party to the loan contract between Pawnee and the tenant. Hence, the circuit court granted judgment as a matter of law in favor of Wildwood. Pawnee filed this timely appeal and presents the following issue for our review:

> Whether the trial court erred in concluding that, as a matter of law, Pawnee failed to establish a *prima facie* case of unjust enrichment against Wildwood.

For the following reasons, we affirm the judgment of the circuit court.

FACTUAL AND PROCEDURAL BACKGROUND[1]

Facts elicited at trial

Wildwood is a church consisting of three structures located in Bethesda, Maryland. A portion of one of these structures—the Brubaker building—is the primary structure at

[1] The following facts were adduced at trial.

issue in this matter. In late 2022, Greentree Childcare, LLC ("Greentree") and Wildwood entered negotiations for Greentree to lease space in the Brubaker building for the operation of a childcare facility.[2] That process included an inspection of the proposed space by the Montgomery County Fire Inspector before the parties signed the lease.[3] The inspection revealed that Greentree could not operate as a childcare facility until an upgraded fire protection system was added to the proposed space.

Wildwood and Greentree subsequently entered an exclusive lease agreement for the ground floor of the Brubaker building, as well as an outdoor playground and field area. The lease agreement was for Greentree to operate the childcare business. Greentree and Pawnee subsequently entered an exclusive agreement for Pawnee to finance the installation of the new fire protection system in the space. Wildwood approved of the system's installation. However, Greentree alone contracted with the vendor that subsequently installed the system, and Greentree used funds that it obtained from Pawnee to pay said vendor. The vendor completed the system installation in early 2023. The installation required that other Wildwood spaces receive upgrades as well for system interconnectedness. The installation was completed, and Greentree subsequently received a permit to operate its childcare

[2] For clarity, we use Greentree to collectively signify the entity and its owner, Marina Davis.

[3] It is unclear when Wildwood and Greentree began lease negotiations, as well as when the county fire inspector inspected the space. However, evidence adduced at trial indicates that Greentree was soliciting quotes for installation of a fire alarm system before the execution of the lease agreement, which occurred on November 1, 2022, and therefore, the negotiations, inspection, and lease execution occurred in close temporal proximity.

business.[4]

In September of 2023, Pawnee issued a notice of default and acceleration of payment to Greentree after Greentree failed to remit payment toward its loan; Greentree also failed to remit payment under its lease agreement with Wildwood. In February of 2024, Wildwood evicted Greentree from the property. Wildwood subsequently contacted the vendor that installed the fire protection system and asked that ownership of the system be transferred from Greentree to Wildwood. Under the terms of the lease, the system, as an alteration to the leased premises, became Wildwood's property upon the termination of the lease.

Procedural history

Pawnee subsequently sued Greentree and a related entity for breach of contract and obtained a default judgment against them following their failure to respond to the complaint. However, at the time of trial, Pawnee had been unable to collect its judgment because the Greentree parties were subject to Chapter 13 bankruptcy proceedings.[5] Pawnee also sued Wildwood for unjust enrichment. The matter proceeded to a court trial, and Wildwood moved for judgment as a matter of law following Pawnee's case-in-chief.

[4] The record does not indicate when Greentree received the permit.

[5] The record includes limited information regarding the bankruptcy proceedings; however, according to evidence adduced at trial, Pawnee was listed as an unsecured creditor, and a bankruptcy plan had not been confirmed at the time of trial. Though not part of the analysis in this matter, we note that at argument, counsel for Wildwood represented that the bankruptcy has since been dismissed.

Court's ruling

The circuit court, relying on precedent established in *Bennett Heating & Air Conditioning, Inc. v. NationsBank of Maryland*, 342 Md. 169 (1996) (hereinafter "*Bennett*") and *Clark Office Building, LLC v. MCM Capital Partners, LLLP*, 249 Md. App. 307 (2021) (hereinafter "*Clark*"), granted Wildwood's motion for judgment. The circuit court found that the evidence adduced at trial did not demonstrate that Wildwood requested the fire protection system or misled Pawnee to enable it to receive the system. The circuit court also determined that Pawnee's judgment for breach of contract against Greentree covered the claims for which it sought recovery against Wildwood, thereby barring recovery from Wildwood for unjust enrichment. Thus, the circuit court held that while Wildwood received a benefit, i.e., an upgraded fire protection system, retention of that benefit without compensating Pawnee was not unjust. Accordingly, the circuit court ordered judgment as a matter of law in favor of Wildwood.

Pawnee noted this timely appeal contesting the circuit court's judgment.

DISCUSSION

THE TRIAL COURT DID NOT ERR IN GRANTING WILDWOOD'S MOTION FOR JUDGMENT AS A MATTER OF LAW.

A. Party Contentions

Pawnee contends that the circuit court erred when it found that Pawnee failed to establish a *prima facie* case of unjust enrichment. Primarily, Pawnee asserts that: 1) Pawnee conferred a benefit upon Wildwood by funding a new code-compliant fire protection system; 2) Wildwood knew of and appreciated said benefit as a result of interactions with

Greentree and the installer of the fire protection system; and 3) retention of the fire protection system without compensating Pawnee would be unjust. According to Pawnee, Wildwood passed the cost of the county-required system to Greentree, and that, but for Pawnee's financing, Wildwood would have been prohibited from leasing the premises. Last, Pawnee posits that the circuit court's reliance on the *Bennett* and *Clark* holdings was misplaced because they were inapplicable to the case *sub judice* and that the court's interpretation was incorrect. Instead, Pawnee urges that we look to *Quinnell's Septic & Well Service, Inc.*, 448 N.W.2d 16 (Wis. 1989) (hereinafter "*Quinnell*"), a Wisconsin Court of Appeals case.

Wildwood responds, averring that the trial court properly relied on *Bennett* and *Clark* in granting the motion for judgment as a matter of law. Specifically, Wildwood contends that Pawnee did not directly confer a benefit upon Wildwood; however, even if it did, retention of the alleged benefit would not be unjust. According to Wildwood, Pawnee's claims are subject to its express contract with Greentree. Thus, Wildwood contends, Pawnee cannot recover from Wildwood because Pawnee has obtained a judgment for breach of contract against Greentree upon which it may collect. Last, Wildwood asserts that: 1) Pawnee's contentions regarding county code compliance as a basis for restitution are unpreserved for review; and 2) the *Quinnell* case that Pawnee cites in support of its position is non-binding on this Court and is also distinguishable.

B. Standard of Review

"Motions for judgment under Md. Rule 2-519 . . . test the sufficiency of the evidence at trial." *Matter of City of Hagerstown*, 265 Md. App. 581, 608 (2025) (citation

omitted). On appeal, "[w]e ask whether on the evidence adduced, viewed in the light most favorable to the non-moving party, any reasonable trier of fact could find the elements of the [claim] by a preponderance of the evidence." *Blitzer v. Breski*, 259 Md. App. 257, 272–73 (2023) (citation omitted) (first alteration in *Blitzer*). *See also Webb v. Giant of Maryland*, 477 Md. 121, 136 (2021) (citation omitted). Absent such a finding, we will affirm a circuit court's grant of a motion for judgment as a matter of law. *Webb*, 477 Md. at 136; *Blitzer*, 259 Md. App. at 273. We review such motions *de novo*. *Matter of City of Hagerstown*, 265 Md. App. at 608; *Webb*, 477 Md. at 136 (citation omitted).

C. Analysis

1. The Law of Restitution

An action for restitution based on unjust enrichment is a quasi-contractual claim for recovery available where there is no express contract between the plaintiff and the defendant. *Cnty. Comm'rs of Caroline County v. J. Roland Dashiell & Sons, Inc.*, 358 Md. 83, 94–96 (2000). In essence, the plaintiff seeks relief, alleging that it has conferred a benefit upon the defendant in a way equity and good conscience demand that the defendant pay for its value lest return said benefit. *See id.* at 95 (citation omitted). A third party may indeed, at times, benefit from a contractual agreement between two parties. *See Bennett*, 342 Md. at 182. Nonetheless, the third party's receipt of the benefit does not *per se* make it liable to pay for the benefit if a party to the contract fails to do so; this Court, in *Mass Transit Administration v. Granite Construction Company*, made that clear:

> [N]o quasi-contractual claim can arise when a contract exists between the parties concerning the same subject matter on which the quasi-contractual claim rests . . . . When parties enter into a contract[,] they assume certain

> risks with an expectation of a return. Sometimes, their expectations are not realized, but they discover that under the contract they have assumed the risk of having those expectations defeated. **As a result, they have no remedy under the contract for restoring their expectations. In desperation, they turn to quasi-contract for recovery. This the law will not allow.**

57 Md. App. 766, 776 (citation omitted). *See also Goldberg v. Ford*, 188 Md. 658, 665–66 (1947). To state a claim for restitution resulting from unjust enrichment, a plaintiff must show:

> 1) A benefit conferred upon the defendant by the plaintiff; 2) An appreciation or knowledge by the defendant of the benefit; and 3) The acceptance or retention by the defendant of the benefit under such circumstances as to make it inequitable for the defendant to retain the benefit without the payment of its value.

Clark, 249 Md. App. at 315 (quoting *Hill v. Cross Country Settlements, LLC*, 402 Md. 281, 295 (2007)).

As discussed above, the circuit court relied on the Supreme Court of Maryland's opinion in *Bennett* and this Court's holding in *Clark* to support the decision to grant judgment as a matter of law in favor of Pawnee. On appeal, Pawnee asserts that said reliance was misplaced because those matters are distinguishable from this case. Wildwood contends that those cases are directly applicable and binding in this action. We turn now to a discussion of both cases.

2. Clark *and* Bennett

The *Clark* action involved three categories of parties: lessor, lessee, and subletter. 249 Md. App. at 311. The lessor rented a commercial space to the lessee for five years via a written agreement, and the lessee, contrary to the lease, sublet the space to the subletter. *Id.* The lessee later stopped paying the rent and vacated the space. *Id.* at 311–12. However,

the subletter continued to occupy the leased space, leading the lessor to institute an action for breach of contract against the lessee and unjust enrichment against the subletter. *Id.* at 310, 312–313. The lessor prevailed against the lessee at trial for breach of contract but lost on the unjust enrichment claim. *Id.* at 312–13. On appeal, we affirmed the trial court's judgment. *Id.* at 332.

This Court found that the connection between the lessor and the subletters was too attenuated to permit recovery from the subletters for unjust enrichment. *Id.* at 327–28. Specifically, we determined that the lessor conveyed a benefit—i.e., a property interest in the commercial space via the lease agreement—to the lessee, but no benefit to the subletter. *Id.* The lessee, this Court determined, conveyed the benefit upon the subletter, i.e., use of the commercial space. *Id.* We further noted that "[s]ignificantly . . . the evidence did *not* show that without restitution, [the lessor] would not be compensated" under its breach of contract claim. *Id.* at 328 (emphasis in original). Accordingly, the *Clark* court declined to extend quasi-contractual liability to the subletter. *Id.* at 329, 332.

In *Bennett*, a bank foreclosed on a mortgage it had issued for the development of a commercial space after it stopped receiving payments from the developer who had purchased the property. 342 Md. at 174–75. The developer also stopped payment to the general contractor, who, in turn, was unable to pay the subcontractors that had completed work on the building. *Id.* at 174. Some subcontractors established mechanics' liens on the property before the foreclosure sale. *Id.* However, the liens were extinguished after the bank resold the property to a new owner, and there was no surplus from the sale to pay the subcontractors. *Id.* at 174–75. The subcontractors then sued, among others, the new owner

of the building, alleging unjust enrichment because the owner acquired the benefit of the work the subcontractors had completed as well as the materials used. *Id.* at 176.

The *Bennett* court held that the law does not permit the subcontractors to recover from the owner because they were one step removed from having provided a benefit to the owner. *See id.* at 184. That is, the owner exclusively contracted with the general contractor, who, in turn, solely contracted with the subcontractors. *See id.* at 183–84. Thus, the Court determined, only the general contractor could recover from the owner for breach of contract or unjust enrichment, and the subcontractors could recover solely against the general contractor for the same. *See id.* It was only by virtue of the mechanic's lien statute that the subcontractors could have otherwise recovered from the owner, see *id.* at 181 (citation omitted), which was inapplicable to the case for the reasons stated above. Moreover, the *Bennett* court noted that a third party, the owner in that case, cannot be unjustly enriched unless there is evidence that the third party requested or misled a party to receive the benefit. *Id.* at 182. Accordingly, the Supreme Court of Maryland held that the subcontractors' claims against the owner for unjust enrichment were properly dismissed. *Id.* at 184.

3. *Application*

As with the lessor in *Clark*, Pawnee cannot recover from Wildwood for unjust enrichment because it did not directly confer a benefit to Wildwood. *See Clark*, 249 Md. App. at 327–28. Claims for unjust enrichment require that the plaintiff show:

> 1) A benefit conferred **upon the defendant by the plaintiff**; 2) An appreciation or knowledge by the defendant of the benefit; and 3) The acceptance or retention by the defendant of the benefit under such

> circumstances as to make it inequitable for the defendant to retain the benefit without the payment of its value.

Clark, 249 Md. App. at 315 (citation omitted) (emphasis added). Here, particularly as to the first element, the record is wanting.

Wildwood indeed received the benefit of an upgraded fire protection system from the agreement between Pawnee and Greentree; however, as with the lessor in *Clark,* Pawnee is one step removed from eligibility to recover from Wildwood for unjust enrichment. *See id.* at 327–28. Notably, in *Clark*, the lessor could not recover from the subletter because the lessor solely conveyed a benefit upon the tenant, i.e., a property interest via the lease agreement, and the tenant directly conveyed the benefit upon the subletter, i.e., use of the space. *Id.* Similarly, in the case *sub judice*, Pawnee conveyed a benefit upon Greentree, i.e., financing the installation of the fire protection system; however, that conveyance does not thereby extend a benefit to Wildwood. *See Bennett*, 342 Md. at 179; *see also Clark*, 249 Md. App. at 327–28. The benefit Pawnee bestowed was the money to pay for the system, not the system itself from which Wildwood now benefits. Moreover, the record reflects that Wildwood had little knowledge of or contact with the vendor that installed the fire protection system until after Greentree was evicted from the commercial space, and likewise, Wildwood was not involved in the loan transaction between Pawnee and Greentree.

Even had Pawnee conveyed a benefit upon Wildwood, Wildwood's retention of that benefit without compensating Pawnee would not be unjust. As the Supreme Court of Maryland held in *Bennett*, and we reemphasized in *Clark*, a "third party is not *unjustly*

enriched when it receives the benefit from a contract between two parties where the [third] party [] has not requested the benefit or misled the other parties." *Bennett*, 342 Md. at 182 (emphasis in original); *see also Clark*, 249 Md. App. at 324. The record before us does not reflect any involvement by Wildwood in the negotiations between Greentree, Pawnee, and the vendor that installed the new system. Rather, the evidence adduced at trial demonstrates that Greentree independently contracted with Pawnee for financing and with a vendor for installation of the new fire protection system. Moreover, Pawnee obtained a default judgment against Greentree and an affiliated entity under a claim for breach of contract. Thus, Pawnee "indeed recovered on that claim[,] . . . and it was not unjust for [Wildwood] to retain the benefit [it] received." *See Clark*, 249 Md. App. at 330–31.

Additionally, at trial, a witness testifying for Pawnee indicated that the company conducted due diligence before loaning the money to Greentree and assumed the risk that Greentree might default on the financing agreement. Now, because Greentree may be bankrupt, Pawnee seeks to hold Wildwood responsible for its business deal, which did not have a positive result: "[t]his the law will not allow." *See Mass Transit Administration*, 57 Md. App. at 776 (citation omitted). Pawnee cannot now recover from Wildwood "in desperation" because it cannot get relief under the terms of its exclusive contract with Greentree. *See id.* (citation omitted). *See also Goldberg*, 188 Md. at 665–66 (declining to extend liability to an incidental beneficiary when there was a viable breach of contract claim between the contracting parties).

Last, Pawnee urges that we look beyond on-point Maryland precedent to *Quinnell*, a case from the Wisconsin Court of Appeals, for persuasive authority. We decline to do so.

This Court need not look to outside law when Maryland precedent is on point, and the instances in which we may overlook *stare decisis* are not applicable here. *See Wadsworth v. Sharma*, 479 Md. 606, 630 (2022). Moreover, even if we were to do so, the facts of *Quinnell* are readily distinguishable from the case at hand.

In *Quinnell*, a contractor made improvements to a homeowner's septic system and sued for unjust enrichment after the homeowner refused to pay. *See Quinnell*, 448 N.W.2d at 17. Here, Pawnee conferred a benefit upon Greentree—specifically the loan—which, in turn, conferred a benefit upon the fire protection contractor—namely payment—who in turn subsequently installed the county-compliant system, thereby benefiting Wildwood. Hence, Pawnee's alleged benefit is further removed from the defendant in this case than the benefit conferred to the defendant in *Quinnell. See id.* at 17. Accordingly, we decline to find *Quinnell* persuasive because there are Maryland cases on point, and we note as well that *Quinnell* is readily distinguishable.

JUDGMENT OF THE CIRCUIT COURT FOR MONTGOMERY COUNTY AFFIRMED. COSTS TO BE PAID BY APPELLANT.