### Circuit Court for Frederick County Case No. 10-C-15-001835

### <u>UNREPORTED</u>

# IN THE COURT OF SPECIAL APPEALS

### OF MARYLAND

No. 2186

September Term, 2017

301-303 NORTH MARKET STREET, LLC

v.

CAMDEN, LLC, ET AL.

Graeff, Kehoe, Berger,

JJ.

Opinion by Berger, J.

Filed: June 6, 2019

<sup>\*</sup>This is an unreported opinion, and it may not be cited in any paper, brief, motion, or other document filed in this Court or any other Maryland Court as either precedent within the rule of stare decisis or as persuasive authority. Md. Rule 1-104.

This case arises out of an action filed in the Circuit Court for Frederick County by appellant, 301-303 North Market Street, LLC ("North Market"), against appellees, Camden, LLC, William Camden, and Boaz Yavnai (collectively the "Contractors"). In 2014, North Market engaged the Contractors to renovate a historic building in Frederick, Maryland. After a dispute arose, North Market filed a complaint alleging claims of breach of contract, unjust enrichment, fraud, and conversion. The Contractors filed a counterclaim against North Market alleging breach of contract and a crossclaim against Michele Camden ("Ms. Camden"), alleging defamation.

Following a trial in the circuit court, a jury found in favor of the Contractors on the claims of defamation and breach of contract and awarded the Contractors damages of \$75,000 and \$216,000 respectively. Thereafter, the circuit court vacated the jury's award of \$216,000, ruling that the contract was void *ab initio* because the Contractors were not licensed to perform home improvement work. The circuit court further ordered the Contractors to return the money North Market previously paid the Contractors under the contract.

On appeal, North Market poses three questions, which we set forth *verbatim*.

- 1. Did the Circuit Court err in allowing the Defendants to make three oral Motions *in Limine* at the onset of trial, err in failing to address necessary legal issues before the commencement of trial, and err in dismissing Appellant's fraud claims via an untimely motion for judgment?
- 2. Did the Circuit Court err in denying [North Market's] Motion for Judgment as to Counter-Plaintiff's claim of defamation?

3. Did the Circuit Court abuse its discretion when the trial judge inserted herself into the Defendant's direct examination of Boaz Yavnai?

In its cross-appeal, the Contractors pose two additional questions, which we set forth *verbatim*.

- 1. Did the Circuit Court err in finding that Title 8 (Home Improvement) of the Business Regulation Code of Maryland applies to a mixed-use renovation project.
- 2. Did the Circuit Court err by allowing the jury to decide the Appellant/Counter-Appellee's unjust enrichment claim against Appellee/Counter-Appellant, Camden, LLC.

For the reasons explained herein, we affirm the judgment entered by the circuit court on North Market's fraud claim. We further affirm the judgment entered in favor of the Contractors on their defamation claim against Ms. Camden. With regard to the Contractors' cross-appeal, we remand the case without affirming or reversing for the circuit court to stay proceedings to allow North Market to file a complaint with the MHIC.

#### FACTS AND PROCEEDINGS

In August 2013, Ms. Camden formed North Market to acquire and renovate a historic building in Frederick, Maryland. Ms. Camden planned to convert the property into a restaurant and bed and breakfast. Thereafter, Ms. Camden contacted William Camden and asked him to assess the practicality of the renovation project. William Camden, in partnership with Boaz Yavnai, co-owns Camden, LLC, a construction company.

<sup>&</sup>lt;sup>1</sup> Ms. Camden and William Camden were previously married. They divorced in 2000.

In December 2013, North Market engaged the Contractors to develop a plan to convert the historic building into a mixed-use property with three components: a restaurant, a bed and breakfast, and a residence for the property owner. On June 9, 2014, North Market and the Contractors entered into an additional contract in which the Contractors agreed to perform the construction work for \$929,330. Shortly thereafter, North Market became dissatisfied with the Contractors' work. As a result, on July 11, 2014, North Market issued a cease and desist letter and instructed the Contractors to stop all work. By that time, North Market had already paid the Contractors \$156,200 for labor, materials, and services.

On June 26, 2015, North Market commenced this suit against the Contractors.<sup>2</sup> In its complaint, North Market alleged claims of breach of contract, conversion, and fraud. Soon after, North Market discovered that the Contractors were not licensed in Maryland to perform home improvement renovations. As such, North Market filed an amended complaint alleging that the Contractors were unjustly enriched because they were paid under a contract that they could not legally perform.

In November 2015, the Frederick News-Post published an article describing Ms. Camden's account of the dispute.<sup>3</sup> In the article, Ms. Camden was quoted making several negative statements about the Contractors' performance. Indeed, Ms. Camden allegedly

<sup>&</sup>lt;sup>2</sup> In its complaint, North Market further alleged claims of breach of contract and fraud against Husted Design, LLC. Husted Design, LLC, however, is not a party to this appeal.

<sup>&</sup>lt;sup>3</sup> Nancy Lavin, *Legal dispute revived over renovation work of downtown Frederick property*, THE FREDERICK NEWS-POST, Nov. 16,2015, https://perma.cc/PX9Q-VX9T (last visited March xx, 2019).

stated that the Contractors' shoddy construction work created "a dangerous situation" and that "[i]t's taken quite an effort and expense to make sure the building was secured and it wasn't a danger to the people."

On December 23, 2015, the Contractors filed counterclaims of breach of contract and detrimental reliance against North Market. In addition, the Contractors filed a cross-claim against Ms. Camden, asserting that Ms. Camden's statements to the Frederick News-Post were defamatory.

Thereafter, North Market filed a motion for partial summary judgment on its claims of unjust enrichment and breach of contract. In its motion, North Market argued that it was entitled to judgment as a matter of law because the Contractors breached the contract by performing home improvement work without a license, in violation of the Maryland Home Improvement Law ("MHIL").<sup>4</sup> The Contractors opposed the summary judgment motion, asserting that the contract related to the renovation of a commercial property, and not a residential property. As such, the Contractors maintained that they were not required to have a license under the MHIL.

In a memorandum opinion, the Circuit Court for Frederick County ruled, as a matter of law, that the MHIL applied to the contract because the renovation project included a residential component. Nevertheless, the circuit court denied North Market's summary judgment motion because of the existence of a genuine dispute of material fact.

<sup>&</sup>lt;sup>4</sup> The MHIL is codified at Md. Code (1992, 2015 Repl. Vol.), § 8-101 *et seq.* of the Business Regulation Article ("BR").

On June 20, 2017, trial commenced in the circuit court. At the close of North Market's case, the circuit court granted the Contractors judgment on North Market's fraud claim. The circuit court, however, permitted the jury to consider the remaining claims. Following deliberations, the jury found that North Market breached the contract and awarded the Contractors lost profits in the amount of \$216,000. The jury further determined that Ms. Camden was liable for defamation and awarded the Contractors damages in the amount of \$75,000. The jury separately found in favor of North Market on the unjust enrichment claim and awarded North Market the return of \$156,200 that it previously paid to the Contractors.

North Market subsequently filed a motion to vacate the \$216,000 judgment. In its motion, North Market argued that the contract was void *ab initio* because the Contractors were not licensed to perform home improvement work. On November 2, 2017, the circuit court granted North Market's motion and vacated the \$216,000 judgment. This appeal and cross-appeal followed.

#### **DISCUSSION**

This case involves an appeal by North Market and a cross-appeal filed by the Contractors. We will review both appeals in turn. Moreover, several of the issues presented to us necessitate that we employ different standards of review. Consequently, we will state the applicable standards at the beginning of the substantive discussion of each issue below.

— Unreported Opinion —

North Market's Appeal

I.

North Market first contends that the circuit court erred by permitting the Contractors to make a motion *in limine* at the beginning of the trial.<sup>5</sup> North Market maintains that it was prejudiced by the circuit court's decision to consider the motion and deviate from the scheduling order. We disagree. In our view, the trial court did not err in its consideration

of the motion in limine. Moreover, North Market was in no way prejudiced by the circuit

court's consideration of the Contractors' motion in limine.

At the beginning of trial, the Contractors orally requested that the circuit court exclude any testimony regarding whether Bridget Husted, the Contractors' architect, had a home improvement license. After hearing the Contractors' motion, the circuit court asked North Market's counsel whether he had "any intention to bring that [issue] up in [his] opening[.]" Counsel for North Market stated that he did not intend to discuss Ms. Husted's license in his opening. Consequently, the circuit court stated that it would "reserve" its decision on the Contractors' motion *in limine*. Thereafter, counsel for North Market called William Camden to testify. The circuit court and the parties' attorneys then had the

THE COURT: Are you going to ask him about the licensing?

[COUNSEL FOR NORTH MARKET]: I am.

following exchange:

<sup>5</sup> North Market further takes issue with the circuit court's consideration of two additional motions *in limine* presented by the Contractors. We need not address whether the circuit court erred in considering the two motions because those motions were immediately denied.

6

THE COURT: I'm not ready to rule on that yet.

[COUNSEL FOR THE CONTRACTORS]: Say again? You're not ready to rule on it?

THE COURT: Yes.

[COUNSEL FOR THE CONTRACTORS]: So, I'll object to it.

\* \* \*

[COUNSEL FOR NORTH MARKET]: I have another -- I have enough other issues to talk about that I will avoid that if you ask me to.

THE COURT: That would be fine, and then, depending on my ruling, if you want to recall --

[COUNSEL FOR THE CONTRACTORS]: Yes, if he needs to recall him, I won't object to that.

THE COURT: Okay. All right. Thank you.

The circuit court did not err in "reserving" in ruling on the Contractors' motion *in limine*. Moreover, an examination of the record demonstrates that North Market suffered no prejudice. Critically, North Market was not prevented from asking any of the witnesses about Ms. Husted's license. Indeed, during its direct examination of Mr. Camden, counsel for North Market asked Mr. Camden whether "Ms. Husted [was] licensed at that time as an architect[.]" The circuit court permitted Mr. Camden to answer and no objection was lodged. Moreover, the circuit court allowed North Market's counsel to ask another witness, James Lillard, about the licensing of Ms. Husted. As such, North Market did not suffer any prejudice as a result of the circuit court's decision to reserve on the Contractors' motion *in limine*.

II.

North Market further argues that the circuit court erred in granting the Contractors judgment as a matter of law on North Market's fraud claim. "We review the trial court's grant of [the Contractors'] motion for judgment *de novo*, considering the evidence and reasonable inferences drawn from the evidence in the light most favorable to [North Market]." *Thomas v. Panco Mgmt. of Md., LLC*, 423 Md. 387, 393-94 (2011) (citations omitted).

At trial, the Contractors moved for judgment on North Market's fraud claim after North Market presented its case-in-chief. After hearing both parties' arguments, the circuit court granted the Contractors' motion for judgment. North Market maintains that the Contractors' motion was premature. According to North Market's interpretation of the Maryland Rule, Md. Rule 2-519(a) only permits a party to move for judgment when all evidence has been presented. We disagree.

Maryland Rule 2-519(a) expressly provides that "[a] party may move for judgment on any or all of the issues in any action at the close of the evidence offered by an opposing party, and in a jury trial at the close of all the evidence." Clearly, Md. Rule 2-519(a) permitted the Contractors to move for judgment after North Market presented its evidence, or after both parties presented their evidence. See, e.g., Parlette v. Parlette, 88 Md. App. 628, 640 (1991) ("In a jury trial, when a motion for judgment is made at the close of the plaintiff's case, 'the court shall consider all evidence and inferences in the light most favorable to the party against whom the motion is made."") (quoting Md. Rule 2-519(b)) (emphasis added).

Moreover, any alleged ambiguity is quelled by a further reading of the Rule. Md. Rule 2-519(c) provides that "[a] party who moves for judgment at the close of the evidence offered by an opposing party may offer evidence in the event the motion is not granted, without having reserved the right to do so and to the same extent as if the motion had not been made." The circuit court, therefore, did not err in permitting the Contractors to move for judgment after North Market presented its case.

Furthermore, we disagree with North Market's contention that the circuit court erred in granting the Contractors' motion for judgment. North Market's fraud claim centered around the Contractors' failure to hold home improvement licenses. North Market alleged that because the Contractors were not licensed to perform home improvement renovations, it was fraudulent for the Contractors to enter into the contract. In rejecting North Market's fraud claim, the circuit court stated that North Market "can't just say that Mr. Camden knew that he wasn't licensed ... it would have to be that he couldn't do this job which the only other testimony I heard from him was he considered it a commercial job."

In our view, the circuit court properly concluded that there were no genuine disputes of material fact precluding judgment as a matter of law on North Market's fraud claim. As the circuit court observed, there is no evidence in the record that the Contractors knew of any alleged misrepresentation.<sup>6</sup> While the Contractors acknowledged that they did not have home improvement licenses, they testified -- and continue to maintain on appeal --

<sup>&</sup>lt;sup>6</sup> "[A] defendant is liable in a tort action of fraud or deceit only if he knows that his representation is false, or is recklessly indifferent in the sense that he knows that he lacks knowledge as to its truth or falsity." *VF Corp v. Wrexham Aviation Corp.*, 350 Md. 693, 704 (1998) (quoting *Ellerin v. Fairfax Sav., F.S.B.*, 337 Md. 216, 232 (1995)).

that they believed the MHIL did not apply to the renovation contract at issue. In short, there is no evidence in the record that the Contractors knew that their failure to maintain a home improvement license constituted a fraudulent misrepresentation. We, therefore, hold that the circuit court did not err in granting the Contractors' motion for judgment on North Market's fraud claim.

### III.

North Market further maintains that the circuit court erred in denying Ms. Camden's motion for judgment on the Contractors' defamation claim. After North Market filed its complaint, the Contractors' filed a crossclaim against Ms. Camden alleging defamation. At trial, the circuit court denied Ms. Camden's motion for judgment and permitted the jury to consider the crossclaim against Ms. Camden. Thereafter, the jury found Ms. Camden liable for defamation and awarded the Contractors damages in the amount of \$75,000.

In this appeal, North Market argues on behalf of Ms. Camden that the circuit court erred in denying Ms. Camden's motion for judgment. Critically, however, Ms. Camden is not a proper party to this appeal because she did not file a notice of appeal. *See* Md. Rule 8-201(a) (providing that "the only method of securing review by the Court of Special Appeals is by the filing of a notice of appeal"). Moreover, North Market did not file its notice of appeal on behalf of Ms. Camden. *See In re Nicole B.*, 410 Md. 33, 62-63 (2009) (holding that one of the respondents in the circuit court did not have a right to appeal where her attorney did not file an appeal on her behalf, she did not file a notice of appeal, and she did not sign the notice of appeal filed by her husband).

Nevertheless, even if we consider Ms. Camden's appeal, we conclude that the circuit court did not err in denying Ms. Camden's motion for judgment. We review the circuit court's denial of a motion for judgment *de novo*, considering the evidence and reasonable inferences in the light most favorable to the non-moving party. *Address v. Millstone*, 208 Md. App. 62, 80 (2012). If there is "any evidence, no matter how slight, that [was] legally sufficient to create a jury question[,] then we shall conclude that the motion was correctly denied and the case was properly submitted to the jury for its consideration." *Id.* (internal quotations and citations omitted).

North Market argues that Ms. Camden was entitled to judgment as a matter of law on the Contractors' defamation claim because the Contractors failed to present any evidence that they suffered damages. We disagree. At trial, Boaz Yavnai testified that a potential client chose not to work with the Contractors after reading Ms. Camden's quotes in the Frederick News-Post. Mr. Yavnai further testified that the Contractors lost \$75,000 in profits as a result of Ms. Camden's disparaging remarks. As such, there was evidence sufficient to create a jury question regarding damages. *See Address, supra*, 208 Md. App. at 80. Accordingly, the circuit court did not err in denying Ms. Camden's motion for judgment on the Contractors' defamation claim.

#### IV.

North Market lastly argues that the circuit court abused its discretion by inserting itself into the Contractors' direct examination of Boaz Yavnai. North Market asserts that the circuit court improperly stated in the presence of the jury that the Contractors suffered

\$75,000 in damages as a result of Ms. Camden's statements to the Frederick News-Post.<sup>7</sup> North Market contends that the circuit court's statement "tainted and influenced the jury's final decision." We disagree.

As discussed, *supra*, Ms. Camden is not a party to this appeal. Consequently, we need not address any alleged grievance Ms. Camden has with the jury's award of damages to the Contractors. Even if we consider this issue, however, we conclude that the circuit court did not abuse its discretion in making a statement regarding the damage calculation. Indeed, the record demonstrates that the circuit court made the statement at issue during Ms. Camden's motion for judgment, which occurred outside the presence of the jury. We, therefore, hold that the circuit court did not improperly insert itself into the direct examination of Mr. Yavnai.

## The Contractors' Cross-Appeal

We next address the Contractors' cross-appeal, which requires a brief overview of the procedural history. Before trial, North Market filed a motion for summary judgment contending that it was entitled to judgment as a matter of law on its claims of breach of contract and unjust enrichment because the Contractors were not licensed to perform home improvements under BR § 8-301(a) of the MHIL. The Contractors argued in opposition

<sup>&</sup>lt;sup>7</sup> Specifically, the circuit court stated the following: "I think I did the calculation. I had \$75,000. But I think it's because I don't think Mr. Yavnai said \$75,000. He said he would expect to earn 25% of the contract."

that they were not required to be licensed because the contract related to the renovation of a commercial property and the MHIL only applies to renovations of residential properties.<sup>8</sup>

In a memorandum opinion, the circuit court ruled that "the project falls under the MHIL" because the contract includes a residential component. Nevertheless, the circuit court denied North Market's motion for summary judgment relying on our opinion in *Alcoa Concrete & Masonry, Inc. v. Stalker Brothers, Inc.*, 191 Md. App. 596 (2010), *aff'd*, 422 Md. 410 (2011). The circuit court cited to *Alcoa* for the proposition that where parties to a home improvement contract are "in the same business field," one of the parties may, under certain circumstances, recover under the contract even if she does not have a home improvement contractor's license. *See Alcoa*, 191 Md. App. at 607-08. In light of *Alcoa*, the circuit court denied North Market's summary judgment motion, stating that it was for the jury to determine whether North Market and the Contractors were in the same business.

Thereafter, the case proceeded to trial. Following deliberations, the jury found that the parties were not in the same business and that it would be unjust for the Contractors to retain money that North Market previously paid under the contract. Consequently, the jury awarded North Market the return of \$156,200. The jury separately found in favor of the Contractors on their breach of contract claim and awarded them lost profits in the amount of \$216,000. The circuit court entered judgment accordingly.

<sup>&</sup>lt;sup>8</sup> Under the MHIL, "[h]ome improvement means ... the addition to or alteration, conversion, improvement, modernization, remodeling, repair, or replacement of a building or part of a building that is used or designed to be used as a residence or dwelling place[.]" BR § 8-101(g)(1)(i).

North Market subsequently filed a motion to vacate the judgment in favor of the Contractors for their lost profits. In its motion, North Market requested that the contract be deemed void *ab initio* because the Contractors were not licensed to perform home improvement renovations and the circuit court previously ruled that the MHIL applied to the contract. North Market relied on *Harry Berenter, Inc. v. Berman*, 258 Md. 290, 296 (1970), for the proposition that "courts of equity will not lend their aid to enforce an illegal contract." After holding a hearing, the circuit court declared the contract void *ab initio* and vacated the judgment.

In their cross-appeal, the Contractors argue that the circuit court erred in vacating the judgment. The Contractors urge us to hold, as a matter of law, that the MHIL does not apply to mixed-use renovation projects. As such, the Contractors ask that we reinstate the jury's award in favor of the Contractors for their lost profits. The Contractors further argue that they are entitled to retain the \$156,200 that North Market paid under the contract. In doing so, the Contractors maintain that the jury's award was based solely on an improper finding that the renovation project fell under the definition of "home improvement." *See* BR § 8-101(g)(1)-(3). The Contractors raise important questions as to the scope of the MHIL. Despite the significance of these issues, we shall not address them because North Market has not invoked and exhausted the applicable administrative remedies.

We treat issues concerning primary jurisdiction and exhaustion of administrative remedies like jurisdictional questions. *Bd. of Educ. for Dorchester Cty. v. Hubbard*, 305 Md. 774, 787 (1986). "Consequently, issues of primary jurisdiction and exhaustion of

administrative remedies will be addressed ... *sua sponte* even though not raised by any party." *Id.* (italics added).

In Maryland, "it is well established that where ... [a] remedy [is] exclusive or primary, a party may not bypass the special statutory remedy by bringing an action for a declaratory judgment or for equitable relief." *Furnitureland South, Inc. v. Comptroller of the Treasury of the State*, 364 Md. 126, 133 (2001). As such, circuit courts are not "authorized to entertain [certain] actions" when a party circumvents a prescribed administrative procedure. *Hubbard*, *supra*, 305 Md. at 787. "The rationale underlying the exhaustion requirement stems from the expertise which the agency can bring to bear in sifting the information presented to it and the idea that allowing interruption for purposes of judicial intervention at various stages of the administrative process might well undermine the very efficiency which the Legislature intended to achieve in the first instance." *Holzheid v. Comptroller of the Treasury of Maryland*, 240 Md. App. 371, 387-88 (2019) (internal quotations and citations omitted).

In this case, the Maryland Home Improvement Commission ("MHIC") has primary jurisdiction over North Market's claim that the contract is void *ab initio*. Indeed, the Court of Appeals addressed a similar issue in *Fosler v. Panoramic Design, Ltd.*, 376 Md. 118 (2003). In *Fosler*, two homeowners sought a declaratory judgment that a contract fell under the purview of the MHIL and that the contract was unenforceable because the contractor was not licensed. *Id.* at 274. The circuit court granted the homeowners' claim for relief and declared the contract unenforceable. *Id.* at 275. On appeal, the Court of Appeals held that the MHIC has primary jurisdiction "to determine whether an entity [is]

engaged in home improvement" and whether that entity needs "a home improvement contractor's license[.]" *Id.* at 280-81. As such, the Court vacated the circuit court's entry of the declaratory judgment because the homeowners failed to exhaust their administrative remedies with the MHIC. *Id.* at 280-83.

In our view, the circuit court erred in granting North Market's motion to vacate the judgment because North Market failed to file a claim with the MHIC and exhaust its administrative remedies. Critically, the Court of Appeals held in *Fosler* that the MHIC has primary jurisdiction to determine, among other things, whether a construction project falls within the definition of "home improvement" under BR § 8-101(g) and whether a contractor is required to be licensed under BR § 8-301(a). *Fosler*, *supra*, 376 Md. at 280-81. In the instant case, North Market sought relief alleging an identical claim, i.e., that the contract is unenforceable because the renovation project constitutes a home improvement contract and the Contractors were not licensed. Consequently, North Market was required to file a claim with the MHIC before asking the circuit court to determine whether the Contractors were required to be licensed under the MHIL. We, therefore, hold that North Market failed to exhaust its administrative remedies.<sup>9</sup>

Based on the Court of Appeals' holding in *Fosler*, *supra*, the circuit court was not authorized to entertain North Market's motion to vacate the Contractors' judgment of lost

<sup>&</sup>lt;sup>9</sup> To clarify, the Contractors were not required to exhaust their administrative remedies with the MHIC because their breach of contract claim is not predicated on the definition of "home improvement" and is wholly independent of the MHIL. Indeed, the Contractors filed their breach of contract claim *before* North Market even discovered that the Contractors were not licensed. Consequently, both the circuit court and the jury were authorized to entertain the Contractors' breach of contract claim.

profits in the amount of \$216,000. Accordingly, we remand the case to the circuit court and direct the circuit court to stay proceedings to allow North Market to file a complaint with the MHIC. In its complaint, North Market shall ask the MHIC to opine on whether the contract falls within the definition of "home improvement" under BR § 8-101(g) and whether the Contractors were required to be licensed under BR § 8-301(a). If the MHIC concludes that the Contractors were not required to hold home improvement licenses to perform the underlying contract, or if North Market fails to file a timely complaint with the MHIC, we direct the circuit court to vacate its order and reinstate the Contractors' judgment of lost profits in the amount of \$216,000. If, however, the MHIC determines that the Contractors were required to be licensed, we direct the circuit court to leave intact its order vacating the Contractors' judgment of lost profits.

North Market's unjust enrichment claim suffers a similar fate. After trial, the jury found that North Market was entitled to the return of \$156,200. This award was based on two determinations: (1) that the contract fell under the purview of the MHIL; and (2) that North Market and the Contractors were not in "the same business field." The MHIL does not expressly provide a statutory remedy for unjust enrichment claims. Nevertheless, when a common law claim is "wholly or partially dependent upon the statutory scheme ... or upon the expertise of the administrative agency," a plaintiff must exhaust her administrative remedies before filing an action in court. *Zappone v. Liberty Life Ins. Co.*, 349 Md. 45, 65 (1998). *See also Quesenberry v. Wash. Suburban Sanitary Comm'n*, 311 Md. 417, 423-24 (1988) (holding that an employee was required to exhaust his administrative remedies before filing a breach of contract action in court).

In our view, North Market's unjust enrichment claim was "wholly or partially dependent" on the statutory scheme of the MHIL. Indeed, its claim hinges on how the MHIC interprets the definition of "home improvement" under BR § 8-101(g). *See, e.g., United Ins. Co. of Am. v. Md. Ins. Admin.*, 450 Md. 1, 25 (2016) ("Petitioners' [constitutional] claim is dependent upon the statutory scheme because it is predicated on how the MIA interprets and will enforce [a statute.]"). As discussed, *supra*, North Market did not file a complaint with the MHIC before bringing its unjust enrichment claim in the circuit court. We, therefore, hold that North Market failed to exhaust its administrative remedies.

Consequently, neither the circuit court nor the jury were authorized to entertain North Market's unjust enrichment claim. We, therefore, remand the case to the circuit court and direct the circuit court to stay proceedings to allow North Market to file a complaint with the MHIC. In its complaint, North Market shall ask the MHIC to opine on whether the contract falls within the definition of "home improvement" under BR § 8-101(g) and whether the Contractors were required to be licensed under BR § 8-301(a). If the MHIC concludes that the Contractors were not required to hold home improvement licenses to perform the underlying contract, or if North Market fails to file a timely complaint with the MHIC, we direct the circuit court to vacate North Market's judgment of \$156,200 on its unjust enrichment claim. If, however, the MHIC determines that the Contractors were required to be licensed, we direct the circuit court to leave intact the judgment of \$156,200 in favor of North Market on its unjust enrichment claim.

In sum, we affirm the judgment entered by the circuit court on North Market's fraud claim. We further affirm the judgment entered in favor of the Contractors on their defamation claim against Ms. Camden. With regard to the Contractors' cross-appeal, we remand the case without affirming or reversing for the circuit court to stay proceedings to allow North Market to file a complaint with the MHIC.

JUDGMENT OF THE CIRCUIT COURT FOR FREDERICK COUNTY AFFIRMED, IN PART, AND REMANDED WITHOUT **AFFIRMING** OR REVERSING FURTHER PROCEEDINGS CONSISTENT WITH THIS OPINION. CASE REMANDED TO THE CIRCUIT COURT TO STAY PROCEEDINGS IN ORDER TO ALLOW 301-303 NORTH MARKET STREET, LLC TO FILE A COMPLAINT WITH THE **MARYLAND HOME IMPROVEMENT COMMISSION WITHIN 60 DAYS OF THE** ISSUANCE OF THE MANDATE. COSTS TO BE DIVIDED EQUALLY BETWEEN THE PARTIES.