

APPELLATE COURT OF MARYLAND

The Howard Research & Development Corporation v. IMH
Columbia, LLC

No. 0752, September Term, 2024 (Md. App. Dec. 19, 2025) · No. No. 0752, September Term, 2024 · Decided
December 19, 2025

SUMMARY

The Appellate Court of Maryland held that restrictive covenants unambiguously required HRD's consent for on-site parking but did not authorize HRD to reject a change in use that did not increase the need for parking in common areas. Because the Architectural Review Committee, rather than HRD, had authority to approve the residential-use change, HRD breached the covenants by rejecting IMH's proposal. The court also held that the jury's nearly \$17 million damages award was not duplicative and was supported with reasonable certainty, and it affirmed the circuit court's judgment.

CASE DETAILS

COURT	Appellate Court of Maryland
WRITING FOR THE COURT	Eyler, James R., Senior Judge, Specially Assigned; Wells, C.J.; Berger, J.
JURISDICTION	Maryland Appellate Court
DECIDED	December 19, 2025
DOCKET	No. 0752, September Term, 2024
DISPOSITION	affirmed
PROCEDURAL POSTURE	HRD appealed from a judgment of the Circuit Court for Howard County entered after a jury verdict for IMH on declaratory-relief, detrimental-reliance, and restrictive-covenant breach claims. The jury awarded IMH \$16,995,678, and the circuit court denied HRD's motion for judgment notwithstanding the verdict and later denied its motion for remittitur.
STANDARD OF REVIEW	Interpretation of restrictive covenants is reviewed de novo as a legal question. The sufficiency and reasonable certainty of damages were reviewed in evaluating whether the jury's award was supported by the evidence.
PRECEDENTIAL VALUE	published

PARTIES

The Howard Research & Development Corporation v. IMH Columbia, LLC

TOPICS

covenants and restrictions contract interpretation compensatory damages standard of review
appellate procedure

PRACTICE AREAS

real estate contracts commercial litigation remedies appellate procedure

QUESTIONS PRESENTED

1. Whether the circuit court correctly construed Parking Covenant (c) as requiring HRD's consent only when a change in use or the size of improvements would create a need for additional common parking areas on HRD's property.
2. Whether the circuit court's alleged instructional errors concerning obsolescence required judgment for HRD or a new trial.
3. Whether the jury's damages award was duplicative, excessive, or unsupported by sufficient evidence and reasonable certainty.

HOLDINGS

1. Parking Covenant (c) unambiguously required HRD's consent for a change in use or the size of improvements only when the change created a need for additional common parking areas governed by Articles IV and V on HRD's property; it did not give HRD an independent veto over a use change merely because the change increased the need for parking that would be located on the owner's property.
2. The jury's verdicts that the residential-use and on-site-parking restrictions were obsolete and unenforceable were immaterial to the appeal because HRD's liability and IMH's ability to proceed with Phase 2 followed independently from the construction of Parking Covenant (c) and the unchallenged verdicts.
3. The jury's \$16,995,678 damages award was not duplicative and was supported by evidence establishing the damages with reasonable certainty.

KEY QUOTATIONS

"A restrictive covenant is a species of a contract." (at 21)

"Thus, HRD's right to consent under Parking Covenant (c) only is triggered by a use change that causes the need for 'additional parking areas,' which we conclude refers to Common Parking Areas on HRD's property." (at 24-25)

"It is well-established that 'a plaintiff may not doubly recover the same damages under different legal theories that arise from the same basic facts.'" (at 27)

FACTUAL BACKGROUND

IMH purchased a lot in Columbia's Lakefront North with plans to renovate an existing hotel, demolish short-term rental lodges, and construct a mixed-use development with residential and office uses and on-site parking. The applicable covenants assigned different approval roles to HRD and the Architectural Review Committee, and HRD initially communicated that a properly designed mixed-use project might be acceptable. After IMH submitted revised second-phase plans placing all required parking on its property and not increasing the need for common parking on HRD's property, HRD rejected the proposal in its sole and absolute discretion. The jury found that HRD had consented to on-site parking, that the proposal did not increase the need for shared parking, and that HRD breached the covenants.

PROCEDURAL HISTORY

IMH sued HRD concerning HRD's rejection of IMH's proposed second-phase mixed-use redevelopment under restrictive covenants governing the property. After preliminary legal rulings and a five-day jury trial, the jury found for IMH on the submitted issues and awarded \$16,995,678. The circuit court entered an order and declaratory judgment, denied HRD's post-trial motions, and HRD appealed. The Appellate Court of Maryland affirmed.

DISPOSITION

affirmed

CASES CITED

- City of Bowie v. MIE, Props., Inc., 398 Md. 657, 677 (2007)
- Dumbarton Improvement Ass'n, Inc. v. Druid Ridge Cemetery Co., 434 Md. 37, 55 (2013)
- RDC Melanie Drive, LLC v. Eppard, 474 Md. 547, 568-69 (2021)
- Lithko Contracting, LLC v. XL Ins. Am., Inc., 487 Md. 385, 403 (2024)
- Att'y Gen. of Md. v. Anne Arundel Cnty. Sch. Bus Contractors Ass'n, Inc., 286 Md. 324, 327 (1979)
- AXE Props. & Mgmt., LLC v. Merriman, 261 Md. App. 1, 46 (2024)
- Carter v. Wallace & Gale Asbestos Settlement Tr., 439 Md. 333, 350 (2014)
- Asibem Assocs., Ltd. v. Rill, 264 Md. 272, 276 (1972)
- Brock Bridge Ltd. P'ship, Inc. v. Dev. Facilitators, Inc., 114 Md. App. 144, 157 (1997)
- Hoang v. Hewitt Ave. Assocs., LLC, 177 Md. App. 562, 594-95 (2007)
- Reiss v. Am. Radiology Servs., LLC, 241 Md. App. 316, 334 (2019), aff'd, 470 Md. 555 (2020)
- Karl v. Davis, 100 Md. App. 42, 51-52 (1994)
- Am. Radiology Servs., LLC v. Reiss, 470 Md. 555, 581 (2020)