

Circuit Court for Baltimore City
Case No. 24-C-23-003161

UNREPORTED*

IN THE APPELLATE COURT

OF MARYLAND

No. 1595

September Term, 2024

NPML MORTGAGE ACQUISITION LLC

v.

GOLDEN BUTTERFLY LLC, ET AL.

Wells, C.J.,
Friedman,
Zic,

JJ.

Opinion by Zic, J.

Filed: April 7, 2026

* 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 Maryland Rule 1-104(a)(2)(B).

This case concerns the foreclosure of an out-of-state mortgagee’s right of redemption prior to the mortgagee’s pleading deadline. NPML Mortgage Acquisition LLC (“NPML”), appellant and mortgagee, presents one question for our review, which we have rephrased as follows:¹ Did the Circuit Court for Baltimore City err in foreclosing NPML’s right of redemption? As explained below, we answer this question affirmatively, vacate, and remand for further proceedings not inconsistent with this opinion.

BACKGROUND

On October 2, 2014, NPML acquired a mortgage interest in a residential property (“Property”) located in Baltimore City (“City”) through the recording of a deed of trust. Thereafter, the Property’s then-owner accumulated \$4,215.55 (plus interest, costs, and fees) in unpaid property taxes. On May 15, 2023, the Property was sold to Golden Butterfly LLC (“Golden Butterfly”), appellee, to collect the delinquent property taxes.

On July 18, 2023, Golden Butterfly filed in the circuit court a complaint to foreclose the right of redemption against all with an interest in the Property. Golden Butterfly served noticed through several channels, including by publishing notice in *The Daily Record*. After several unsuccessful attempts, Golden Butterfly personally served

¹ NPML phrased the question as follows:

Whether the circuit court erroneously entered judgment foreclosing [NPML]’s right of redemption by doing so prior to the deadline for filing of [NPML]’s responsive pleading deadline.

NPML—which is based in Los Angeles, California—on August 9, 2024.² The accompanying summons, dated August 2, 2024, instructed NPML “to file a written response by pleading or motion, on or before 10/01/2024 or within 60 [days]” of the date of service.

Nineteen days before NPML’s October 1, 2024 pleading deadline, on September 12, 2024, the circuit court entered a judgment foreclosing NPML’s right of redemption. NPML filed a “[m]otion to [r]evis[e], [r]eopen, and/or [v]acate [the] judgment pursuant to Maryland Rule 2-535” on October 14, 2024. The following day, NPML noted an appeal. The circuit court denied NPML’s October 14, 2024 motion in an order dated December 6, 2024.

STANDARD OF REVIEW

“The question of whether a party is deprived of the right to due process involves an issue of law and not of fact.” *Maryland Dep’t of Health v. Myers*, 260 Md. App. 565, 633 (2024) (quoting *Regan v. Bd. of Chiropractic Exam’rs*, 120 Md. App. 494, 509 (1998), *aff’d*, 355 Md. 397 (1999)). “As such, the standard of review applied by an appellate court is *de novo*.” *Regan*, 120 Md. App. at 509 (citing *Liberty Nursing Ctr., Inc., v. Dep’t of Health & Mental Hygiene*, 330 Md. 433, 443 (1993)).

² For the sake of thoroughness, we note that there is a non-dispositive discrepancy between the parties’ appellate briefs concerning the date of service. NPML states that Golden Butterfly “completed service of process on NPML on or about August 9, 2024[,] via personal service. . . .” Contrarily, Golden Butterfly states that “NPML was served . . . on August 12, 2024, via personal service. . . .” The affidavit of service states that NPML was personally served on August 9, 2024. We shall use this date, August 9, 2024, as the date of service.

DISCUSSION

I. THE CIRCUIT COURT ERRED IN ENTERING THE JUDGMENT 19 DAYS BEFORE NPML’S RESPONSIVE PLEADING DEADLINE.

A. The Parties’ Arguments

NPML argues that the judgment foreclosing its right to redemption, entered 19 days before its pleading deadline, “denied NPML of its substantive and procedural due process rights by extinguishing its interest in the Property without affording it an opportunity to respond” to Golden Butterfly’s complaint. Citing to *Drummond v. Drummond*, 91 Md. App. 630 (1992), which concerned a premature default judgment entered during divorce proceedings, NPML additionally argues that because “[t]he circuit court effectively lacked jurisdiction to enter the [] judgment” foreclosing its right of redemption, this Court must “reverse and vacate” with an opportunity for “discovery to determine whether fraud occurred in the conduct of th[e] foreclosure proceeding.”³

In response, Golden Butterfly contends that NPML “received notice and opportunity to be heard that satisfied both constitutional requirements and Maryland statutory mandates.” Golden Butterfly explains that NPML “received personal service on

³ We decline to reach this second question because, as discussed below, we vacate and remand the instant appeal to the circuit court on due process grounds. For guidance, we note that “in order to challenge the foreclosure of the equity of redemption in a tax sale, the taxes and other relevant charges acknowledged to be due, either prior to the challenge or simultaneously with it, must, as a condition precedent, be paid.” *Canaj, Inc. v. Baker & Div. Phase III, LLC*, 391 Md. 374, 396 (2006). See *Quillens v. Moore*, 399 Md. 97, 125 (2007) (holding that appellant, who had not yet tendered delinquent taxes, could not “seek[] post-foreclosure affirmative relief” by challenging the jurisdiction of the circuit court). Our disposition does not exempt NPML from tendering the delinquent taxes either before or contemporaneously with a challenge to the validity of the underlying tax sale, should it choose to do so.

August 12, 2024 . . . [that] was preceded by publication notice and property posting. . . .” Golden Butterfly further argues that the timing of the judgment’s entry “presents at most a procedural question, not a jurisdictional defect.” Finally, Golden Butterfly contends that NPML’s failure to tender the delinquent taxes is a condition precedent to challenging the validity of the tax sale.⁴

B. Legal Framework

In Maryland, a tax collector shall recoup delinquent property taxes by conducting a public sale of the associated real property. Md. Code (1986, 2019 Repl. Vol.), Tax-Property (“TP”) § 14-808.⁵ The successful purchaser of the property receives a tax sale certificate in exchange for tendering the highest bid (i.e., the sale amount) to the collector. TP §§ 14-817(a)(2), 14-823. The purchaser must then file a complaint to foreclose all rights of redemption within two years of receiving the tax sale certificate. TP § 14-833(c)(1). Until a judgment foreclosing the right to redemption is entered, any person with an interest in the property has the right to redeem by tendering the outstanding tax obligation. TP § 14-827.

We acknowledge that redemption foreclosure actions are proceedings of significant consequence because they can permanently extinguish existing property

⁴ Golden Butterfly does not challenge NPML’s failure to note a timely appeal of the circuit court’s September 12, 2024 judgment. Md. Rule 8-131(a) (mandating that the notice of appeal be “filed within 30 days after entry of the judgment or order from which the appeal is taken”). Noncompliance with Rule 8-202(a), however, does not impose a jurisdictional bar on this Court. *Rosales v. State*, 463 Md. 552, 568 (2019).

⁵ The exceptions for conducting a tax sale, as noted in TP § 14-808(a)(1), are not relevant here.

rights. *See Canaj, Inc. v. Baker & Div. Phase III, LLC*, 391 Md. 374, 393 n.7 (2006) (observing that a “valid tax sale and proper foreclosure of the equities of redemption terminates the prior title, and creates a new title granted by the sovereign”) (quotation omitted). Constitutional and procedural safeguards thus impose meaningful constraints on the conduct of these proceedings. U.S. Const. amend. XIV, § 1 (providing that no state shall “deprive any person of life, liberty, or property, without due process of law”); Md. Const. Decl. of Rts. art. 24 (stating that no person “ought to be taken or imprisoned or disseized of his freehold, liberties or privileges, . . . or deprived of his life, liberty, or property, but by the judgment of his peers, or by the Law of the land”); *Canaj*, 391 Md. at 424 (recognizing that the Fourteenth Amendment and Article 24 are generally coextensive).

The Fourteenth Amendment’s Due Process Clause requires that a “deprivation of life, liberty or property by adjudication be preceded by notice and opportunity for hearing appropriate to the nature of the case.” *Canaj*, 391 Md. at 424 (quoting *Mullane v. Cent. Hanover Bank & Tr. Co.*, 339 U.S. 306, 313 (1950)). Accordingly, due process is satisfied when interest holders receive adequate notice of proceedings and a meaningful opportunity to participate in them. *Compare Canaj*, 391 Md. at 426 (holding that notices to owner that taxes were overdue and that properties were to be disposed of at tax sales, combined with multiple opportunities provided to owner to contest the sales or pay the taxes, satisfied constitutional due process requirement) *with Myers*, 260 Md. App. at 632-33 (holding that imposition of monetary sanctions without either notice or a hearing violated appellant’s due process right).

Furthermore, Maryland Rule 2-321(b)(1) provides that a defendant served out-of-state but within the United States must be afforded 60 days from the date of service to file a response. The extended 60-day period implicitly recognizes that out-of-state parties may face additional practical obstacles not faced by domestic litigants, who are generally afforded 30 days from the date of service to file a response. Md. Rule 2-321(a). With Rule 2-321(b)(1), the statutory tax sale and foreclosure redemption scheme, and foundational due process rights in mind, we turn to our analysis.

C. Analysis

The material facts are undisputed. NPML held a mortgage interest in the Property. NPML was personally served on August 9, 2024. The accompanying summons, dated August 2, 2024, instructed NPML “to file a written response by pleading or motion, on or before 10/01/2024 or within 60 [days]” of the date of service. Nineteen days before NPML’s October 1, 2024 pleading deadline, the circuit court entered a judgment foreclosing NPML’s right of redemption. The court then denied NPML’s motion to revise the judgment on December 6, 2024.

NPML’s mortgage interest in the Property was a cognizable interest protected by the Fourteenth Amendment and Article 24. *See Canaj*, 391 Md. at 424. Thus, NPML was entitled to due process—i.e., notice and the opportunity to be heard—before being deprived of its interest in the Property. *See id.* NPML’s opportunity to be heard was cut short when the circuit court entered the foreclosure judgment 19 days before NPML’s

responsive pleading deadline of October 1, 2024.⁶ Whether this premature judgment was “harmless” is of no moment; due process merely guarantees that an opportunity be given in the first place. For this reason, the court’s premature judgment impermissibly curtailed NPML’s right to due process.

CONCLUSION

We hold that the circuit court erred in entering the judgment foreclosing NPML’s right of redemption prior to the responsive pleading deadline. As a result, NPML was not given a full opportunity to be heard. We, accordingly, vacate and remand for further proceedings not inconsistent with this opinion.

**JUDGMENT OF THE CIRCUIT COURT
FOR BALTIMORE CITY, DATED
SEPTEMBER 12, 2024, VACATED, AND
CASE REMANDED. COSTS TO BE PAID
BY APPELLEE.**

⁶ As we understand the record and NPML’s brief, the October 15, 2024 notice of appeal does not contest the (then-nonexistent) December 6, 2024 denial order. Nor could it have from a finality standpoint. *Carr v. Lee*, 135 Md. App. 213, 223-24, 229 (2000) (dismissing appeal when appellant noted appeal before judgment was entered). Thus, any challenge to the court’s denial order is not properly before us.