

Bond Case Briefs

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PROCESS - MARYLAND

Mayor of Baltimore v. Prime Realty Associates, LLC

Court of Appeals of Maryland - May 12, 2020 - A.3d - 2020 WL 2460110

City brought a receivership action against limited liability company (LLC) regarding property it owned that was unfit for human habitation, and LLC did not participate until after the receiver sold the property and the sale was ratified.

The District Court denied LLC's motion to vacate the judgment, ratified the final accounting, and discharged the receiver. LLC appealed. The Circuit Court vacated the sale. City's petition for certiorari was granted.

The Court of Appeals held that:

- LLC's due process rights were not violated by substituted service of process, and
- As a matter of apparent first impression, rule that allows for substituted service on an LLC satisfies a litigant's due process rights.

Limited liability company's (LLC) due process rights were not violated by city serving LLC by serving State Department of Assessments and Taxation (SDAT), pursuant to substituted service rule; city attempted to serve LLC's resident agent at address on file with SDAT two times prior to initiating substituted service, LLC's failure to update its resident agent's address did not invalidate city's attempts of service or city's use of substituted service, and city's knowledge of post office box address, to which agent attempted to change his address, did not correlate to city having actual knowledge that agent's address on file was a "bad address."