Circuit Court for Montgomery County
Case No. 139750FL

UNREPORTED

IN THE COURT OF SPECIAL APPEALS

OF MARYLAND

No. 01253

September Term, 2017

LULIT MULUGETA

v.

SAMUEL TAFESSE ADEMACHEW

Leahy,
Reed,
Salmon, James P.
(Senior Judge, Specially Assigned),

JJ.

Opinion by Leahy, J.

Filed: January 7, 2018

In the underlying action in the Circuit Court for Montgomery County, Ms. Lulit Mulugeta ("Appellant") filed a complaint for custody, child support, and attorney's fees against Mr. Samuel Ademachew ("Appellee"). A two-day trial extensively covered the financial statuses of the parties, including expert testimony on the income of Mr. Ademachew, who runs construction businesses based in Addis Abba, Ethiopia, and has residences in Virginia, Dubai, and Ethiopia. Ms. Mulugeta is a stay-at-home mother who resides with the couple's child, N.S., in Silver Spring, Maryland. The parties were never married.

The trial court granted Ms. Mulugeta sole physical and legal custody, ordered Mr. Ademachew to pay child support, and denied Ms. Mulugeta's request for attorney's fees. The only issue before us is whether the court abused its discretion in denying Ms. Mulugeta's request for attorney's fees and costs associated with the trial.[1] The record on appeal reflects that the trial court thoroughly considered the financial statuses and needs of the parties in deciding whether to award attorney's fees, and we discern no abuse of discretion.

[1] The question as presented by Ms. Mulugeta on her appeal is:

> "Did the trial court abuse its discretion when it denied appellant's request for attorney's fees despite finding that appellant's attorney's fees were reasonable and that she had substantial justification in pursuing her claims for child support and custody, and despite the superior financial resources of the appellee?"

BACKGROUND

We draw the following facts from evidence adduced at the trial on June 21 and 22, 2017, before the Honorable Judge Jeannie E. Cho.

The Parties

Ms. Mulugeta and Mr. Ademachew have one son together, N.S., born January 24, 2011. The parties had a romantic relationship from 2009 to 2015, although they never married. When Ms. Mulugeta met Mr. Ademachew, she worked for the Boeing Company in Seattle, Washington. She remained unemployed through the time of trial. She is a citizen of the United States and, at the time of trial, was 43-years old. Mr. Ademachew was 63-years old and owns two construction businesses headquartered in Addis Abba, Ethiopia. He is also a citizen of the United States, although his primary residence is in Ethiopia. He owns two additional homes: a house in Virginia and a condominium in Dubai. Mr. Ademachew is married and has six children, all but one of whom live in Ethiopia with their mother and Mr. Ademachew.

Mr. Ademachew promised to buy Ms. Mulugeta a house and open a school for her in Ethiopia, the Salit Academy, so that she would have a means of supporting herself. Ms. Mulugeta agreed to the plan. She left her job at Boeing in 2010. She moved to Maryland for one month before proceeding to Ethiopia. When Ms. Mulugeta moved to Ethiopia, she lived with her mother until Mr. Ademachew secured her a rental home. After much persuasion on the part of Mr. Ademachew, the parties took steps to have a child and Ms. Mulugeta became pregnant.

Conflict developed between Ms. Mulugeta and Mr. Ademachew's wife, precipitating Ms. Mulugeta's return to her Maryland home in September 2010. She gave birth to N.S. in Maryland, on January 24, 2011. Mr. Ademachew first visited N.S. around March 2011. He was not present for N.S.'s first birthday, but he did give Ms. Mulugeta $20,000 for N.S.'s first birthday party. Mr. Ademachew visited Ms. Mulugeta and N.S. three to five times per year for the first few years of N.S.'s life. At some point, Mr. Ademachew sold the Salit Academy, because it was no longer profitable. He gave Ms. Mulugeta a portion of the proceeds.

In January 2014, Ms. Mulugeta and N.S. flew to Ethiopia for five months, where they saw Mr. Ademachew about twice a week. In 2015, the year that the parties' romantic relationship ended, Mr. Ademachew saw N.S. only once. In 2016, Mr. Ademachew did not visit N.S. at all, and in 2017, Mr. Ademachew saw N.S. the day after the court-ordered mediation. On October 7, 2016, Ms. Mulugeta filed an action for child support, custody, and attorney's fees, resulting in a two-day trial, during which much of the testimony centered on the financial circumstances of the parties.

The Financial Circumstances of the Parties

Before leaving her job at Boeing, Ms. Mulugeta earned $63,000 per year. At the time of trial, she had over $900,000 in a savings account. The funds in the savings account came from Mr. Ademachew. The funds consisted of $435,000 that she received from the sale of the Salit Academy. The remainder came from gifts and child support payments from Mr. Ademachew. Ms. Mulugeta testified that Mr. Ademachew paid $10,000-$15,000 per month in child support. The payments were irregular, "but he would eventually make

it up." When she asked Mr. Ademachew for more regular child support payments, however, he threatened to reduce payments to $1,000-$2,000 per month if she were to take him to court. Then, in October of 2016, Mr. Ademachew did reduce his child support payments to $2,000 per month. Ms. Mulugeta testified that, although Mr. Ademachew paid the mortgage for the Salit Academy, it was titled in her name, and she expected to be paid the full price of its sale instead of the fraction she received.

Ms. Mulugeta also received $60,000 from Mr. Ademachew for the down payment on her Maryland home and, for some period of time, she received monthly mortgage payments from Mr. Ademachew. Ms. Mulugeta's aunt receives rental income from the home in Ethiopia that Mr. Ademachew had bought for Ms. Mulugeta; Ms. Mulugeta's aunt uses a portion of that rental income to pay for the expenses associated with maintaining the home. Mr. Ademachew also bought Ms. Mulugeta a Mercedes in the United States and a BMW in Ethiopia. Overall, Mr. Ademachew contended that from 2010 to 2017, he gave Ms. Mulugeta over $1.5 million dollars.

Ms. Mulugeta testified regarding her expenses and anticipated expenses associated with caring for N.S., and also enumerated those expenses in an itemized financial statement provided to the court. Ms. Mulugeta explained that she needed $2,000 per month for a nanny so that she could return to work. She requested $9,300 per year for N.S.'s private school tuition. She requested funds to cover other costs associated with caring for N.S, such as food, extra-curricular activities, and recreational activities. Ms. Mulugeta reported that her monthly expenses total $19,497.30.

Mr. Ademachew's financial circumstances are much more complex, and constituted the main controversy at trial. He derives income from three sources: Sunshine Construction, Sunshine Business, and rental income. Mr. Ademachew is the president of Sunshine Construction, a company established in 1984 that builds roads, residences, commercial, and high-rise buildings. About 2,000 people work for Sunshine Construction. Mr. Ademachew owns 50% of Sunshine Construction—the other half is owned by his wife. Mr. Ademachew draws a salary from Sunshine Construction, which amounted to $68,233 in 2016.

Mr. Ademachew also has an ownership interest in Sunshine Business. He testified that he personally owns 6.2% of the company; his wife personally owns about 9.5%; and he and his wife indirectly own 68% through Sunshine Construction, a major shareholder of Sunshine Business. Mr. Alan Zipp, Mr. Ademachew's forensic accountant, submitted an expert witness report noting that three of Mr. Ademachew's children own the remainder of Sunshine Business, and that Mr. Ademachew earns dividend income from both Sunshine Construction and Sunshine Business. Lastly, Mr. Ademachew also has rental income from property in Ethiopia he jointly owns with his wife.

The parties disagreed as to Mr. Ademachew's actual income. Mr. Joseph Estabrook, Ms. Mulugeta's forensic accountant expert, and Mr. Zipp, both testified on the subject. The calculation of income was challenging because it required a conversion of Ethiopian birr into U.S. dollars, and because some of the documents that Mr. Zipp consulted required

a translation from Amharic, the language of Ethiopia, to English. Another issue was that the Ethiopian calendar year is seven to eight years behind the U.S. calendar year.[2]

Mr. Estabrook calculated greater income than Mr. Zipp for 2014 and 2015.[3] Mr. Zipp ascribed the differences between Mr. Estabrook's and Mr. Zipp's findings to different theories of income. Mr. Estabrook considered taxable income, whereas Mr. Zipp considered actual income under a "natural income standard." Taxable income is income that must be reported to the U.S. Internal Revenue Service ("IRS"), and natural income is income available for its owner's use. Mr. Estabrook and Mr. Zipp gave different treatment to Mr. Ademachew's capital gain earnings, loans, and rental income from the properties that Mr. Ademachew and his wife owned jointly. For instance, Mr. Zipp divided the rental income in half between Mr. Ademachew and his wife because the properties were owned jointly, whereas Mr. Estabrook attributed all the income from the rental properties to Mr. Ademachew alone. Additionally, Mr. Zipp opined that capital gains earnings from the one-time sale of a beauty shop that Mr. Ademachew owned with his wife and step-daughter should not factor into the calculation of income for child support purposes because, as a one-time sale, it is not predictive of future income.

Mr. Zipp and Mr. Estabrook also disagreed about whether money withdrawn from Sunshine Construction constituted loans. From 2010-2016, the withdrawals amounted to

[2] For example, the year 2002 in the U.S. is 1994 in Ethiopia.

[3] Mr. Joseph Estabrook testified that Mr. Ademachew's actual income in 2013 was $310,740; in 2014 was $889,482; in 2015 was $843,601; and in 2016, was $436,893. Mr. Zipp calculated that Mr. Ademachew's income in 2013 was $388,337; in 2014 was $442,196; in 2015 was $259,954; and in 2016, was $398,557.

about $11,000,000. Mr. Estabrook testified that these withdrawals were not loans because the stated loan documents lacked repayment period terms, interest terms, and maturity dates. According to his expert report, he surmised that Mr. Ademachew took shareholder loans in order to avoid paying U.S. taxes on dividend income. Mr. Zipp, by contrast, maintained that Mr. Ademachew's withdrawals were true loans, which served several purposes, and thus should not be counted as income when calculating child support. In his expert report, Mr. Zipp explained that Mr. Ademachew's loan debt to his company was considered a taxable asset subject to Ethiopian taxation under U.S. tax law, which enabled him to apply a hefty foreign tax credit against his U.S. tax returns and thereby eliminate his U.S. income tax burden. He maintained that Mr. Ademachew used the loans to manage the "cash flows" of his businesses. Mr. Ademachew's lawyer related that Mr. Ademachew was all "borrowed up" and, therefore, could not continue to take out loans in order to pay Ms. Mulugeta child support and attorney's fees.

Mr. Ademachew also testified about the loans he took from his businesses:

> [MS. SCHWARTZ]: Now currently, sir, how much do you owe Sunshine Construction?
>
> [MR. ADEMACHEW]: About $11 million.
>
> [MS. SCHWARTZ]: At the time that you borrowed money from Sunshine Construction and Sunshine Business did the company have profits that you could borrow?
>
> [MR. ADEMACHEW]: No, it was getting loan, taking loan from bank.
>
> [MS. SCHWARTZ]: So would you explain that a little bit?
>
> [MR. ADEMACHEW]: The company takes loan from banks and then [] to manage the businesses then I take it from the company.

THE COURT: The company takes loans from banks to manage its business and then I borrow the money from the company. Is that what he just said?

THE INTERPRETER: That's what he said.

MR. PEARLSTEIN: I'm sorry, Your Honor. I thought I heard him say the company takes loans from banks and then he takes the loans to manage the business and I might have misheard that.

* * *

THE COURT: So that's, so my question is the company borrows the money from the bank to manage its business, is that what you said?

[MR. ADEMACHEW]: No. The company takes loans from banks and then I do take, I borrow from the company to do my own business like to build houses, yes or, that's right.

* * *

THE COURT: Okay. She asked you to explain the borrowing, the loan to the company and how that works.

[MR. ADEMACHEW]: The company has profit and it takes loan from bank. And that is to manage our work.

* * *

[MR. ADEMACHEW]: And then I borrow to build my own house and I borrowed from my company to build my own house and then to pay for [Ms. Mulugeta].

*** * ***

MS. SCHWARTZ: And are you permitted to take any other personal loans from your company?

MR. ADEMACHEW: Yes.

MS. SCHWARTZ: Yes? You are allowed to take more personal loans?

MR. PEARLSTEIN: Asked and answered.

THE COURT: It's okay, let me, you can answer.

[MR. ADEMACHEW]: Yes.

MS. SCHWARTZ: Were you told, when do you have to have these loans paid back?

MR. ADEMACHEW: In the next 10 years.

* * *

MS. SCHWARTZ: Now are you permitted to take any loans in 2017?

MR. ADEMACHEW: No.

MS. SCHWARTZ: Can you take any loans in 2018?

MR. ADEMACHEW: No.

MS. SCHWARTZ: Can you take any loans in 2019?

MR. ADEMACHEW: No.

* * *

MS. SCHWARTZ: And why not?

MR. ADEMACHEW: Because the loan that has been taken must be paid first.

The Court's Findings and Order

At the conclusion of the hearing, the court found that Mr. Ademachew visited N.S. infrequently and that N.S. had never had an overnight visit with his father. The trial judge reasoned, however, that Ms. Mulugeta did not have "any interest in keeping [N.S.] away from [his father] in any way, and therefore, granted Mr. Ademachew visitation with N.S. at Ms. Mulugeta's discretion whenever he is in the U.S.

Regarding child support, the court found that Ms. Mulugeta's had $5,417 in monthly income and Mr. Ademachew had $153, 529 in monthly income, rendering this an "above guidelines" case. The court also found, relying on Ms. Mulugeta's testimony and the fact that Mr. Ademachew had made payments both before and after N.S. was born, that Mr. Ademachew and Ms. Mulugeta had had an agreement whereby Mr. Ademachew would pay $10,000-$15,000 per month in child support. The court noted that monthly expenses for N.S., as reflected in Ms. Mulugeta's financial statement, would amount to about $7,700 after excluding expenses for potential day care and after care (which the court found to be "speculative" because Ms. Mulugeta was not presently working), attorney's fees, and expert fees. The trial court found that Mr. Zipp and Mr. Estabrook agreed on Mr. Ademachew's earned wages,[4] which the court accepted as income for purposes of calculating child support. Crediting Mr. Ademachew's testimony, the court found that only 50% of the rental property income should be attributed to Mr. Ademachew because he owned the property jointly with his wife. In determining whether the loans were income for the purposes of child support, the trial court relied heavily on Mr. Ademachew's testimony, and observed that "[i]t's abundantly clear, this is not a taxable income question" and "[Sunshine Construction] was quite readily used as a piggybank; whatever [Mr. Ademachew] needed, he just took." The court also inferred from Mr. Ademachew's testimony that his withdrawals lacked the necessary terms to constitute bona fide loans:

[4] Mr. Estabrook and Mr. Zipp agreed that Mr. Ademachew earned wages of $68,233 in 2016; $40,411 in 2015; and $28,517 in 2014. Mr. Estabrook reported that Mr. Ademachew earned wages of $24,344 in 2013, whereas Mr. Zipp reported $26,244 in wages for 2013.

> [T]he lo[o]se nature of this [loan] agreement, because if you're borrowing from 2013, that would be a different 10-year period than if you're borrowing in 2015, but there was never any remote effort to give people a sense of when he thought even an annual beginning and end would occur for any particular year of a loan.

Based on these findings, trial court concluded that the withdrawals constituted "actual income that should be included for child support purposes." Then, "[h]aving considered . . . the equities of what [Mr. Ademachew's] income is, [] relative to [Ms. Mulugeta's] income," and the court established child support at $10,000 per month.

The court then turned to the issue of attorney's fees, and observed that both parties and their attorneys had to address unique issues under Ethiopian law as well as complex tax and financial issues. In considering the financial status of the parties, the judge concluded that Ms. Mulugeta could readily afford her own attorney's fees:

> I have in evidence the attorney's fees request by [Ms. Mulugeta], but, in considering an award, there are a number of factors that I'll apply the statute in two different areas, but I understand the time and labor required in this case was relatively unique given some of the . . . Ethiopian law, but it really wasn't about that. We had U.S. tax returns and financial statements, but, certainly, it was not something that we see regularly.
>
> And I recognize the skill of both attorneys in this case; understand that this was more unique than similar custody cases or other custody cases recognizing the hourly billing rate for the parties, as well as the amount of time that was involved in obtaining the information. I have no doubt as to the experience of both attorneys in this case, but I also have to consider the financial status of each party. And [Ms. Mulugeta] has nearly $1,000,000 sitting in her account, and she had substantial justification in bringing this case, so that's not an issue. [A]nd considering the needs of the party, I recognize that [Ms. Mulugeta] does not currently have income, other than a very small amount of money from rental property in Ethiopia, but it is hard for the Court to get beyond the fact that [Ms. Mulugeta] has the funds in her account that she can make payment for the attorney's fees in this case, and she would still be able to meet all of her other expenses.
>
> I can't find, in this case, that attorney's fees should be awarded given the present ability of [Ms. Mulugeta] to meet those needs, and pay her bills.

The judge entered her order on July 24, 2017, granting Ms. Mulugeta sole physical and legal custody of N.S., with a right of access to Mr. Ademachew when he visits the United States. The order further instructed Mr. Ademachew to pay $10,000 per month in child support; to pay an arrearage of $69,741.93; and to add N.S. to his health insurance plan. Ms. Mulugeta's request for attorney's fees was denied.

Mr. Ademachew filed a notice of appeal on August 22, 2017, and Ms. Mulugeta subsequently filed a notice of cross-appeal on August 31. Ms. Mulugeta moved for attorney's fees associated with the pending appeal on October 12, 2017. The Honorable Ronald B. Rubin granted Ms. Mulugeta's motion for attorney's fees on December 22, ordering Mr. Ademachew to pay Ms. Mulugeta $15,000 within 45 days of December 29, 2018. On January 10, 2018, Mr. Ademachew dismissed his appeal, and on January 17, this Court recaptioned the case as *Lulit Mulugeta v. Samuel Tafesse Ademachew*.

DISCUSSION

Ms. Mulugeta presents several arguments in support of her contention that the trial court abused its discretion in denying her request for attorney's fees. She argues that Maryland Code (1984, 2012 Repl. Vol.), Family Law Article ("FL"), § 12-103, requires the trial court to consider the resources available to both parties, and that the court abused its discretion by considering the funds in Ms. Mulugeta's bank account, while giving no treatment at all to the "superior resources" available to Mr. Ademachew. Relying on *Kierein v. Kierein*, 115 Md. App. 448, 459 (1997), she argues that FL § 12-103 mandates consideration of the disparity between parties' financial statuses.

She additionally contends that the trial court did not sufficiently consider the reasonableness of the attorney's fees. While the trial court acknowledged that the expenses were high because of the unique issues presented in this case, Ms. Mulugeta argues that the trial court should have also considered the fact that fees were so high because Mr. Ademachew's "attempts to understate his income resulted in extensive discovery, a substantial amount of analysis by Mr. Estabrook, and considerable work" by Ms. Mulugeta's lawyer. She supports the notion that her request for fees was reasonable by arguing that the court "relied, almost exclusively, on the work done by Appellant's counsel and her expert witnesses in determining Appellee's income," and that the court's reliance on this evidence justifies an award of attorney's fees.[5]

Mr. Ademachew counters that the trial court *did* consider the financial statuses of both parties and asserts that an explicit statement regarding the financial statuses of the parties is not required precisely when the court issues its ruling. Instead, he argues, the court may consider the financial statuses of the parties at any time throughout the course

[5] We are not persuaded by Ms. Mulugeta's argument that she should be awarded attorney's fees because the trial court "relied, almost exclusively" on Mr. Estabrook's testimony in determining Mr. Ademachew's income. The applicable statute provides that the trial court, after finding that a party was substantially justified in bringing an action, must evaluate the financial status and needs of the parties, and then may award or deny attorney's fees at its discretion. FL § 12-103. No provision directs an award of attorney's fees in proportion to the utility of an expert's testimony. To hold otherwise would lead to the improvident result that attorney's fees are mandatory if the court relies on one party's expert. Such is not the purpose of FL § 12-103. *See Petito*, 425 Md. at 202 ("[I]ts purpose was to address the inability of custodial parents to finance judicial enforcement of court-ordered child support."). Furthermore, it is clear from the record that the trial court based its opinion largely on Mr. Ademachew's testimony.

of the trial under FL § 12-103. He contends that income disparity is not a mandatory consideration under FL § 12-103 but is instead one of many permissive factors that the court may consider in awarding attorney's fees under *Davis v. Petito*. 425 Md. 191, 205 (2012).

We review an award of counsel fees for an abuse of discretion. *Meyr v. Meyr*, 195 Md. App. 524, 552 (2010); *accord Petrini v. Petrini*, 336 Md. 453, 468 (1994). "The proper exercise of discretion is determined by evaluating the judge's application of the statutory criteria . . . as well as the consideration of the facts of the particular case." *Petrini*, 336 Md. at 468 (citation omitted). We will not disturb the trial court's award of attorney's fees in a domestic relations case "unless a court's discretion was exercised arbitrarily or the judgment was clearly wrong." *Id.* (citations omitted).

Section 12-103 of the Family Law Article governs when attorney's fees may be awarded in child support and custody cases:

> (a) *In general.*—The court may award to either party the costs and counsel fees that are just and proper under all the circumstances in any case in which a person:
>
> (1) applies for a decree or modification of a decree concerning the custody, support, or visitation of a child of the parties; or
>
> (2) files any form of proceeding:
>
> (i) to recover arrearages of child support;
>
> (ii) to enforce a decree of child support; or
>
> (iii) to enforce a decree of custody or visitation.
>
> (b) *Required considerations.*—Before a court may award costs and counsel fees under this section, the court shall consider:
>
> (1) the financial status of each party;
>
> (2) the needs of each party; and
>
> (3) whether there was substantial justification for bringing, maintaining, or defending the proceeding.
>
> (c) *Absence of substantial justification.*—Upon a finding by the court that there was an absence of substantial justification of a party for prosecuting or

> defending the proceeding, and absent a finding by the court of good cause to the contrary, the court shall award to the other party costs and counsel fees.

FL § 12-103. The trial court, after finding substantial justification under FL § 12-103(b), must then proceed to review "the reasonableness of the attorney's fees, and the financial status and needs of each party before ordering an award under [FL §] 12-103(b)." *Petito*, 425 Md. at 204. The trial court has wide discretion to "decid[e] whether to award counsel fees and, if so, in what amount." *Malin v. Mininberg*, 153 Md. App. 358, 435-36 (2003) (citation omitted).

> In exercising its discretion, trial court must consider
>
> (1) whether the [fee] was supported by adequate testimony or records; (2) whether the work was reasonably necessary; (3) whether the fee was reasonable for the work that was done; and (4) how much can reasonably be afforded by each of the parties. He should make his award on the basis of those considerations.

Lieberman v. Lieberman, 81 Md. App. 575, 601-02 (1990). In considering these factors, the trial court must articulate the basis for awarding or denying attorney's fees, applying the factors set out in FL § 12-103. *Id.* at 600-01. Failure to consider those factors constitutes legal error. *Malin*, 153 Md. App. at 435 (citation omitted); *Petrini*, 336 Md. at 468 (citation omitted). It has long been established, however, that judges are "presumed to know the law[.]" *Kirsner v. Edelmann*, 65 Md. App. 185, 196 n. 9 (1985) (citation omitted). This presumption means that "a trial court does not have to follow a script," *Durkee v. Durkee*, 144 Md. App. 161, 185 (2002), in order to demonstrate proper performance of its duties under the statute. A trial judge is "thus [] not required to set out

in intimate detail each and every step in his or her thought process." *Kirsner*, 65 Md. App. at 196 n.9 (citation omitted).

In *Kierein*, the case on which Ms. Mulugeta relies, a domestic relations master recommended that the father's (the non-custodial parent) child support payments, as reflected in the parties' divorce judgment, be reduced. 115 Md. App. at 451-52. After a hearing on the mother's exceptions, the trial court reduced the father's child support obligation and denied the mother's request for attorney's fees in a sparse order, which read:

> The Plaintiff filed exceptions and further argument was heard before this member of the Court on June 17, 1996. The Court subsequently reviewed the transcript of the proceedings before Master Trimm of March 22, 1996. This Court in its independent determination, based upon the aforementioned review of all of the evidence, adopts the findings and recommendations of Master Trimm.

Id. at 452-53. Because of the dearth of explanation for the denial of attorney's fees, we decide that: "[c]onsidering their disparate incomes, we shall remand the case for the trial court to consider the factors in FL § 12-103 and articulate its basis for denying counsel fees." *Id.* at 459. We reasoned that a denial of counsel fees, without explanation, "could be deemed arbitrary." *Id.* at 459 (citing *Lieberman*, 81 Md. App. at 601). To survive appellate review, the trial court must explain the grant or denial of an award for attorney's fees. *Id.*

In *Meyr v. Meyr*, the custodial father, Mr. Meyr, challenged, *inter alia*, the trial court's award of attorney's fees associated with a divorce proceeding. 195 Md. App. 524, 528-29 (2010). In a memorandum opinion, the trial court set forth extensive findings of fact, including those that follow. *Id.* at 530. Mr. Meyr sought a wife and placed an

advertisement in a newspaper, to which Ms. Meyr responded. *Id.* at 531. Mr. Meyr flew Ms. Meyr from the Philippines to the Eastern Shore of Maryland, where they wed, eventually having three children. *Id.* Ms. Meyr spoke very little English, "had no real marketable skills and brought no financial assets to the union." *Id.* at 531-32. Mr. Meyr worked for his family's business, which his mother controlled. *Id.* at 532. Ms. Meyr eventually fled the family home, alleging abuse. *Id.* at 532-40. She rented a room, got a job at a convenience store, and saved money to purchase a car. *Id.* at 532-37.

The court found that Mr. Meyr's financial status remained unchanged; he continued to work at the family business, although he offered testimony that his income dropped from almost $100,000 per year to about $30,000 per year. *Id.* at 541. The trial court did not find Mr. Meyr's assertions about his drop in income to be credible. *Id.* The judge concluded that Mr. Meyr's mother "decides how much her sons earn in their employment," and that "[h]er testimony about earnings and expenses for her son w[ere] utterly unconvincing . . . as she appeared to be hiding his actual earnings and take-home pay." *Id.* at 536.

On appeal, Mr. Meyr argued, *inter alia*, that "the trial court made no finding as to the parties' income and expenses," failing "to consider the requisite financial factors, specifically the financial status and needs of each party[,]" and that the court therefore "'abused its discretion' in ordering him 'to pay all attorney's fees[.]'" *Id.* at 552-53. We concluded that the record demonstrated otherwise, and held that "[a]lthough the court did not specifically recite the statutory factors in its award of attorney's fees" in its ruling, "the courts' earlier statements show that it had considered these factors with respect to its other rulings" concerning custody, visitation, and therapy. *Id.* at 541-43; 553. We underscored

the fact that two-and-a-half months prior to its order awarding attorney's fees, the trial court had issued its memorandum opinion, in which it had "made specific findings with respect to the parties' income and earning potential, [and] the financial needs of the parties[.]". *Id.* at 553-54. In that opinion, the court had found that "Ms. Meyr earned minimum wage . . . and lived in a rented room[,]" and that Mr. Meyr owned "a major share" of the family business that had, in the "'recent past, paid him $100,000 per year.'" *Id.* at 554. The court had also found that Mr. Meyr's claimed expenses of childcare and rent payments to his mother were merely "bookkeeping item[s]," and that he could "'well afford to assist Ms. Meyr without suffering a decrease in his standard of living.'" *Id.* (alteration omitted). Because the court had addressed the financial statuses of the parties in the earlier divorce proceeding, "we f[ou]nd no error in the failure to reiterate them in the order regarding attorney's fees." *Id.* at 554. That the factors were iterated during a related proceeding was sufficient to satisfy the requirements of FL § 12-103(b). *Id.*

We ruled similarly in *Malin*, 153 Md. App. at 433. In *Malin*, the non-custodial father appealed the trial court's findings related to child support, alimony, and attorney's fees following a five-day divorce trial. *Id* at 368-69. The trial court issued numerous findings in a comprehensive oral opinion. *Id*. at 382. With regard to child support, the court found that the father, a former licensed anesthesiologist, had voluntarily impoverished himself by leaving his practice to enter business school because of a substance abuse problem. *Id.* at 377-84. The court considered the father's expenses, which included a decision to maintain "membership in a prestigious golf club," and ultimately ordered the father to pay $1,500 per month in child support, rehabilitative alimony, and to

deposit large sums into an escrow account for the child's medical care, noting that the "[mother's] income [was] roughly 16% of the total income and [the father's] income [wa]s roughly 84% of the parties' total income." *Id.* at 380, 384, 392. The father's payments were premised on what the trial court considered the father's earning potential as a medical doctor. *Id.* at 384-85. Finally, the court ordered the father to pay $60,000 toward the mother's attorney's fees. *Id.* at 393

On appeal, we held that the circuit court abused its discretion in finding the father voluntarily impoverished "for making a reasoned decision to extricate himself from a career in medicine," because, with his history of addiction, it would not be in the child's best interest for the father to be "in a situation that might increase the prospect of relapse." *Id.* at 403-04. On the issue of attorney's fees, however, we held that, given the detailed calculus undertaken by the trial court, it was "*evident from the record* that the court considered the financial situation of both parties before coming to any determination as to legal fees." *Id.* (emphasis added). But because the court on remand needed to resolve the father's support obligation, we nevertheless vacated and remanded the award of attorney's fees as well, reasoning that "alimony, child support, and a monetary award are so interrelated that a re-consideration as to one award requires a new evaluation of the others." *Id.* at 433.

In the instant case, the trial court certainly considered and articulated the financial needs and statuses of the parties as required by FL § 12-103(b). Unlike the court in *Kierein*, which merely "adopt[ed] the findings and recommendations" of the master without comment, the trial judge in this case articulated, on the record, her rationale and findings

regarding both parties' incomes. *See Kierein*, 115 Md. App. at 453 (stating that a trial court must consider the facts presented at trial and exercise its independent judgment). Further, the finances of the parties were thoroughly explored at trial, and the record reflects that the trial judge thoughtfully considered the parties' and the witnesses' testimony on the subject. *See Malin*, 153 Md. App. at 382, 436 (reflecting our holding that an award of attorney's fees was not arbitrary or clearly wrong when the trial court issued comprehensive oral and written opinions). Indeed, the court heard and considered extensive testimony on Mr. Ademachew's finances from each of the parties' expert witnesses, leading the court to conclude that Mr. Ademachew treated his businesses like "a piggybank."

Contrary to Ms. Mulugeta's claims, the trial judge specifically addressed the income disparity when, in her comprehensive oral ruling, she reviewed the parties' incomes during her determination of child support and during her consideration of Ms. Mulugeta's request for attorney's fees. The judge may not have used the word "disparity," but the judge noted, contemporaneously with her ruling, that there was an "extreme difference in the financial ability of [Mr. Ademachew]" and Ms. Mulugeta. The judge rendered her findings after explicitly "having considered the relative incomes of the parties" and "[h]aving considered . . . the equities of what [Mr. Ademachew's] income is [] relative to [Ms. Mulugeta's] income[.] The judge recognized that "the time and labor required in this case was relatively unique" compared to other custody cases, and despite her observations relating to Mr. Ademachew's wealth, nevertheless concluded that Ms. Mulugeta, who had nearly $1,000,000 in the bank, could well afford to cover her attorney's fees.

We hold the trial judge did not abuse her discretion when she denied an award of attorney's fees to Ms. Mulugeta.

JUDGMENTS OF THE CIRCUIT COURT FOR MONTGOMERY COUNTY AFFIRMED; APPELLANT TO PAY COSTS.