UNREPORTED

IN THE COURT OF SPECIAL APPEALS

OF MARYLAND

No. 2450

September Term, 2014

MOONRIDGE COURT TRUST, BY RONALD HOSTETLER, TRUSTEE, et al.

v.

DEBRA CORDER, et al.

Arthur,
Reed,
Eyler, James R.
(Senior Judge, Specially Assigned),

JJ.

Opinion by Reed, J.

Filed: April 25, 2017

Nearly five years ago, this Court took note that "this case has a somewhat tortured history"[1]—yet, nevertheless, it has somehow managed to survive and work its way back to us again. This case involves a novel foreclosure rescue scheme arranged by the trust beneficiary and a trustee who did not appear until twelve years after the beginning of this case. Ronald Hostetler ("Hostetler"), as trustee for the Moonridge Court Trust ("MCT" or the "Trust"), and Abbey Williams ("Williams") (collectively, "appellants"), as beneficiary of the Trust, appeal several decisions of the Circuit Court for Anne Arundel County regarding the foreclosure proceedings of the property known as 835 Moonridge Court (the "Property").

In 2002, Debra Corder ("Corder") and Reginald Eliff, Jr. ("Eliff") (collectively, the "Corder appellees")[2] conveyed their interest in their Property—without consent of the original lienholder—to the Trust, as part of a foreclosure rescue scheme arranged by Williams' husband, Loren Williams.[3] Two years later, a number of disputes arose between the numerous involved parties, which resulted in the beginning of the extensive litigation underlying this appeal. During the pendency of that litigation, as a result of non-payment,

[1] *See Loren J. Williams, et al. v. Reginald C. Eliff, Jr., et al.* ("Prior Appeal"), No. 361, September Term, 2010, slip op. at 18 (filed May 3, 2011).

[2] At the outset of the litigation that ultimately led to this appeal, Debra Corder was married to Reginald Eliff, and known as Debra Eliff. They have since separated, and Corder has proceeded with the litigation by power of attorney on behalf of Eliff, who was residing in Bermuda. For simplicity, we shall refer to them as the "Corder appellees."

[3] The majority of prior proceedings have been in the name of Mr. Williams, but, due to the fact that Mr. Williams is currently incarcerated on an unrelated matter, he appears to have authorized his wife to act on his behalf through power of attorney. Unless otherwise noted, all references to "Williams" are to Abbey Williams.

the secured loan went into both monetary and non-monetary default, and appellee Substitute Trustees instituted foreclosure proceedings against the Property in 2013.

After the circuit court issued its approval to proceed with the foreclosure action in January 2014, MCT intervened in the action in March 2014, seeking a motion to stay or to dismiss, which was denied. Despite other attempts to delay the sale, the Property was purchased by an unaffiliated third party, 101 Geneva LLC ("101 Geneva"), in August 2014. After the sale was ratified and while 101 Geneva sought to record its deed, Hostetler, identifying himself as trustee for the Trust, attempted to intervene in the sale, asserting that he was not properly notified of the sale by the Substitute Trustees. The circuit court ultimately denied Hostetler's motions, dissolved the Trust, and directed any surplus proceeds to be paid to the settlors of the Trust. Hostetler, as trustee, and Williams, as beneficiary, both noted an appeal and, through separately-filed briefs, present the following questions for our review, which we have combined, reordered, and rephrased for clarity[4]:

[4] In his brief, Hostetler presents the following questions for our review, exactly as follows:

> 1. Did the trial court err in finding that Trustee Ronald Hostetler never accepted his position as a Trustee of the Moonridge Court Trust?
> 2. Did the trial court err in finding that Trustee Ronald Hostetler was not entitled to notice of the foreclosure in this matter?
> 3. Did the trial court err in dissolving Moonridge Court Trust?

In her brief, Williams presents the following questions for our review, exactly as follows:

> 1. Whether the Circuit Court erred in denying the Motions to Alter or Amend Judgment.
> 2. Whether the Circuit Court erred in ruling on the [appellees'] Motion for proceeds prior to the ratification of an auditor's report.

1. Did the circuit court err in denying appellants' Motion to Stay Foreclosure Proceedings and finding that Hostetler never accepted the position of trustee for the Trust and was therefore not entitled to notice of the foreclosure proceedings?

2. Did the circuit court err in dissolving the Trust and granting appellees' Motion for Distribution of Surplus Sales Proceeds to the Trust Settlor?

3. Did the circuit court err in denying MCT's exceptions to the Auditor's Report?

4. Did the circuit court err in denying the Motions to Alter or Amend Judgment?

Perceiving no error, we affirm the judgment of the circuit court.

FACTUAL AND PROCEDURAL BACKGROUND[5]

A. Prior Litigation

On February 29, 1996, the Corder appellees executed a Note in the amount of $130,100.00, secured by a deed of trust on the Property. In the summer of 2002, a foreclosure was docketed for the Property, and a sale was scheduled for September 4, 2002. Before the sale, the Corder appellees were approached by an associate of Loren Williams who offered to help restore their credit rating and stop the foreclosure. The day of the scheduled sale, Corder met with Loren Williams and executed a number of documents, including a Trust Agreement, and a "Trustee Agreement."

3. Whether the Circuit Court erred in denying the Appellant's exceptions to the report of sale.

[5] Here, for the purposes of this appeal, we will set out the background of the case that is specifically relevant to our current review. Additional details may found in the Prior Appeal's unreported opinion, authored by Judge Matricciani. *Supra* n.1.

The Trust Agreement ("Agreement"), dated August 30, 2002, and notarized on September 4, 2002, created Moonridge Court Trust, naming "R. Hostetler" as the Trustee and Corder as holder of 100% of the beneficiary interest. Paragraph 1.19 of the Trust stated that "[t]he Trustee is about to take title to real estate under provisions of paragraph 55.17.1 of the Code of Virginia." Significantly, the only person to sign the Agreement (other than the Notary Public) was Debra Corder, under "BENEFICIARIES." Both the line under Corder's signature, labeled "R. Hostetler 'Trustee'," and the line under the Notary's signature, labeled "ACCEPTED BY TRUSTEE" with "R. Hostetler Trustee" under that line, are blank. No other signatures are found anywhere else in the Agreement, and Attachment C of the Agreement identifies potential successor trustees as "J. Williams" and "A. Williams."

The "Trustee Agreement" purported to be "an Irrevocable Virginia Land Trust with R. Hostetler as Trustee." The Trustee Agreement essentially stated that Corder would execute a promissory note and a deed of trust for a loan in the amount of $17,327.44—the amount needed to stop the foreclosure. In return, Corder agreed to (1) assign her beneficial interest in the Trust as collateral for the loan, and (2) enter into a one-year lease with the Trust for the amount of $1,400.00 a month.

As a result, the foreclosure proceedings were stopped, and ownership of the Property was transferred to MCT by way of a deed, which it recorded in the Land Records for Anne Arundel County on September 4, 2002. Corder thereafter fulfilled the terms of the Trustee Agreement, making each monthly payment under the lease, until the

disagreements that arose between the Corder appellees and Loren Williams in 2004 that spawned the litigation underlying the Prior Appeal.

Three years later, in June 2007, Loren Williams obtained a judgment in the district court against the Corder appellees for unpaid rent, which they appealed. In August 2007, the Corder appellees filed a complaint in the circuit court seeking a declaratory judgment and other relief, which the court consolidated with the district court case. On or about November 5, 2007, Corder executed and recorded documents in an attempt to discharge the current trustee and appoint herself instead, and executed a deed to convey the Property from MCT to her and her husband. On June 4, 2008, the circuit court held, *inter alia*, that (1) the trust was valid—which, as Judge Matricciani noted in the Prior Appeal, was "despite the fact that the parties have never seen or contacted the named trustee, 'R. Hostetler'"[6]—and (2) that Corder's documents naming herself as trustee were void.

After the hearing, trial, and signed ordermade its way up to this Court, it was remanded to the circuit court for a full declaratory judgment. On remand, the circuit court declared the Agreement was valid, finding that "even if the originally-named trustee cannot be located, never was determined to be qualified, and never consented to serve, the trust may still be upheld" pursuant to the Agreement's invocation of Virginia law. In doing so, the circuit court also remarked that it was "persuaded that a very large part of this litigation resulted from [Loren Williams and MCT's] actions, e.g., their slipshod and confusing drafting of the agreements, their selection of a trustee who later could not be located, their

[6] *See Prior Appeal*, *supra* n.1 at 6.

failure to see[k] appointment of a new trustee prior to this litigation, etc." The circuit court issued a supplementary opinion a month later, instructing Loren Williams to obtain a successor trustee prior to disposition of any assets, and that because he had not obtained an order to act as a substitute trustee, he had no authority to dispose of the Trust's assets.

B. Foreclosure Proceedings

Meanwhile, during the pendency of those proceedings, the original mortgage went into default due to non-payment of the Note. On September 11, 2013, the Substitute Trustees, on behalf of the original lienholder, filed an Order to Docket Suit of Foreclosure of Deed of Trust, in which the Substitute Trustees noted that the property was determined not to be owner-occupied. The Order to Docket was personally served on the Corder appellees at a different address than the Property on September 18, 2013. On October 30, 2013, notice of the foreclosure sale was mailed to the address of record for MCT by certified, return receipt requested, first-class mail.

On November 7, 2013, Abbey Williams, identifying herself as beneficiary of the Trust, filed a complaint in the circuit court, seeking the appointment of Loren Williams as successor trustee of the Trust, which the court denied the next day. After various attempts seeking reconsideration, Williams, again identifying herself as beneficiary, filed a Motion for Summary Judgment on March 14, 2014, also seeking to appoint Loren Williams as successor trustee.

At 9:02 a.m. on March 24, 2014, the date of the foreclosure sale, the "Moonridge Court Trust, through the beneficiary, Abbey Williams, by and through undersigned counsel," filed a Motion to Intervene, an Emergency Motion to Stay or Dismiss the sale

and a Motion to Shorten Time, alleging that it was not named as a defendant in the case and was entitled to service. Notably, the Emergency Motion to Stay or Dismiss was signed by both Williams and her attorney. The circuit court denied the Motion to Shorten Time, but did not rule on the remaining motions.

An hour after those motions were filed, the foreclosure sale went ahead as scheduled at 10:00 a.m., and was sold to 101 Geneva for $201,000.00. At that same time, apparently acting pro se, "Moonridge Court Trust" filed a petition for Chapter 13 bankruptcy, which the bankruptcy clerk accepted at 10:06 a.m. Two days later, the bankruptcy trustee filed a motion to dismiss the case for ineligibility, as MCT was not an individual with a regular income. On April 4, 2014, the bankruptcy court granted the motion to dismiss and terminated the automatic stay.

On June 4, 2014, the circuit court denied MCT's Motion to Intervene and Emergency Motion to Stay or Dismiss, and ratified the foreclosure sale. Eight days later, on June 12, 2014, the circuit court ordered that MCT was "terminated by virtue of impossibility to accomplish the purpose of the trust, in light of the ratified sale of the property." The circuit court, in the same order, further added that any net surplus was ordered to be distributed to the Corder appellees, following an audit.

On June 16, 2014, MCT filed Motion to Alter or Amend Judgment Granting Defendants' Motion for Distribution of Proceeds and Interested Party's Request for Distribution of Proceeds, and a Motion to Alter or Amend Judgment of Ratification, which the circuit court did not rule on until December, 2014.

On August 8, 2014, 12 years after the beginning of this legal odyssey—Ronald Hostetler made his first appearance in this case, and, identifying himself as trustee of MCT, filed a Motion to Intervene and to Stay the Foreclosure Sale. On August 21, 2014, Hostetler also filed a Motion to Dismiss, alleging that the action should be dismissed "because it was brought against the incorrect parties, and failed to join the [i]ntervenor, the indispensable party to th[e] action."

On October 10, 2014, the auditor filed his report, finding a surplus of $74,212.00 resulting from the foreclosure scheme, which was to be awarded to the Corder appellees pursuant to the circuit court's earlier ruling. MCT, through counsel, filed its request for a hearing and exceptions to the auditor's report ten days later.

After taking the myriad motions and oppositions into consideration, the circuit court issued its opinion and resulting order on December 23, 2014. The court found, *inter alia*, that Hostetler had neither explicitly, nor impliedly, accepted his position as trustee for the Trust, and was therefore not entitled to notice of the foreclosure proceedings. The court then addressed, and denied, all of the relevant outstanding motions.

MCT predictably filed a Motion to Alter or Amend the court's order on January 5, 2015, which was denied by the circuit court on February 19, 2015. In the interim, Hostetler and MCT filed their notices of appeal on January 21 and 22, 2015, respectively. The Substitute Trustees filed a Motion to Dismiss the Appeal on grounds of mootness, and

appellants filed their opposition thereto. That motion remains outstanding before this Court.[7]

Additional facts will be supplied as needed.

STANDARD OF REVIEW

In *Fagnani v. Fisher*, 418 Md. 371, 384-84 (2011), the Court of Appeals explained:

> A foreclosure sale is governed by Md.Code (1974, 1996 Repl.Vol.1999 Supp.), § 7–105 of the Real Property Article, and the Maryland Rules. Maryland Rule 14–305(d) provides that if a party perceives an irregularity in the foreclosure sale, it may file exceptions to the sale of the property. The ratification of a foreclosure sale is, however, presumed to be valid. *Webster v. Archer*, 176 Md. 245, 253, 4 A.2d 434, 437–438 (1939). It is settled law that, "there is a presumption that the sale was fairly made, and that the antecedent proceedings, if regular on the face of the record, were adequate and proper, and the burden is upon one attacking the sale to prove the contrary." *Id.* The party excepting to the sale bears the burden of showing that the sale was invalid, and must show that any claimed errors caused prejudice. *Ten Hills Co. v. Ten Hills Corp.*, 176 Md. 444, 449, 5 A.2d 830, 832 (1939). Additionally, "[i]n reviewing a court's ratification of a foreclosure sale, we will disturb the circuit court's findings of fact only when they are clearly erroneous." *Fagnani*, 190 Md.App. at 470, 988 A.2d at 1138 (relying on *Jones v. Rosenberg*, 178 Md.App. 54, 68–69, 940 A.2d 1109 (2008)). Further, "if a mortgagee or his assignee complies with the terms of the power of sale in the mortgage, and conducts the foreclosure sale properly, the court will not set aside the sale merely because it brings loss and hardship upon the mortgagor." *Bachrach v. Washington United Cooperative, Inc.*, 181 Md. 315, 324, 29 A.2d 822, 827 (1943).

(footnote omitted).

[7] We note that under *Edsall v. Anne Arundel Cty.*, 332 Md. 502 (1993), the Appellant did not need to note a second appeal after the denial of MCT's Motion to Alter or Amend. "[A] notice of appeal filed prior to the withdrawal or disposition of a timely filed motion under Rule 2-532, 2-533, or 2-534, is effective. Processing of that appeal is delayed until the withdrawal or disposition of the motion. The trial court retains jurisdiction to decide the motion notwithstanding the filing of the notice of appeal." *Id.* at 508.

DISCUSSION

I. MOOTNESS

A. Parties' Contentions

We first address the Substitute Trustees' pending Motion to Dismiss the appeal on grounds of mootness. On March 4, 2015, the Substitute Trustees filed a Motion to Dismiss the appeal, which was opposed by "Ronald Hostetler, the trustee for Moonridge Court Trust" on March 10, 2015, and "Moonridge Court Trust, by and through its beneficiary, Abbey Williams," on March 10, 2015. That motion was denied by order of our Chief Judge on April 6, 2015, "with leave to seek that relief in Appellee's brief."

The Substitute Trustees argue that the appeal is moot because the foreclosure sale has already been ratified, and no *supersedeas* bond was filed prior to the transfer of title. They argue that the appeals were not noted until five months after the sale had been ratified, and "despite all [a]ppellants having actual knowledge of the ongoing activity in the foreclosure action," none of them sought or filed a *supersedeas* bond prior to the transfer of property. Specifically with regard to Hostetler, the Substitute Trustees argue that he "cannot stand behind his assertions of a lack of notice especially when he failed to undertake his fiduciary duties to safeguard the corpus he claims he is entitled."

In his reply brief, Hostetler argues that a *supersedeas* bond is "inapplicable" because "[t]he available caselaw considers situations where the property owner was a party to the foreclosure process and, thus, had the ability to meaningfully participate in the foreclosure action prior to the foreclosure sale." He further argues that he could not have even filed a *supersedeas* bond because he was not permitted to intervene in the case. He contends this

situation is contemplated by Md. Code (2015 Repl. Vol.) §7-105.2 of the Real Property Article ("RP"),[8] because if notice is not given, the record owner has three years to bring an action. Hostetler believes that if the Substitute Trustees' "interpretation" of the *supersedeas* bond requirement is followed, it would render that provision of the code "meaningless[,] as any action by the record owner would be barred as moot if the property has been sold prior to the record owner learning about the foreclosure." Hostetler concludes by averring that the *supersedeas* bond requirement only applies to a bona fide purchaser, and that there is "serious doubt" as to whether 101 Geneva is a bona fide purchaser because it knew or should have known that the Trust was the record owner of the Property and that he was not a party to that proceeding.

B. Analysis

In *Baltrotsky v. Kruger*, 395 Md. 468 (2006), the Court of Appeals discussed the mootness of an appeal in the absence of a *supersedeas* bond:

> Maryland decisional law speaks clearly on the question of the mootness of appellate challenges to ratified foreclosure sales in the absence of a *supersedeas* bond to stay the judgment of a trial court. The general rule is that "'the rights of a *bona fide* purchaser of mortgaged property would not be affected by a reversal of the order of ratification in the absence of a bond having been filed.'" *Pizza v. Walter,* 345 Md. 664, 674, 694 A.2d 93, 97 (1997) (quoting *Lowe v. Lowe,* 219 Md. 365, 368, 149 A.2d 382, 384 (1959)), *mandate withdrawn,* 346 Md. 315, 697 A.2d 82 (withdrawing by joint motion pursuant to settlement agreement); *see also Leisure Campground & Country Club Ltd. P'ship v. Leisure Estates,* 280 Md. 220, 223, 372 A.2d 595, 598 (1977). As a consequence, "an appeal becomes moot if the property is sold to a bona fide purchaser in the absence of a *supersedeas*

[8] That section provides, in pertinent part: "The right of a record owner to file an action for the failure of the person authorized to make a sale in an action to foreclose a mortgage or deed of trust to comply with the provisions of this section shall expire 3 years after the date of the order ratifying the foreclosure sale." RP § 7-105.2(e).

> bond because a reversal on appeal would have no effect." *Pizza*, 345 Md. at 674, 694 A.2d at 97 (citing *Lowe*, 219 Md. at 369, 149 A.2d at 385); *see also Parker v. Columbia Bank*, 91 Md.App. 346, 374–75, 604 A.2d 521, 535 (1992); *Onderdonk v. Onderdonk*, 21 Md.App. 621, 624, 320 A.2d 585, 586 (1974). A *bona fide* purchaser, in the case of a foreclosure sale, is a purchaser who takes the property without notice of defects in the foreclosure sale. *Pizza*, 345 Md. at 674, 694 A.2d at 97–98.

Baltrotsky, 395 Md. at 474-75. The Court went on to discuss that

> [o]ur precedent has developed two exceptions to this general rule: (1) the occasion of unfairness or collusion between the purchaser and the trustee, *Pizza*, 345 Md. at 674, 694 A.2d at 98 (citing *Sawyer v. Novak*, 206 Md. 80, 88, 110 A.2d 517, 521 (1955)) and (2) when a mortgagee purchases the disputed property at the foreclosure sale. *Id.* (citing *Leisure Campground*, 280 Md. at 223, 372 A.2d at 598).

Baltrotsky, 395 Md. at 475.

Here, the circuit court found, and the parties do not dispute, that no *supersedeas* bond was filed in this case. While Hostetler frames the issue as a challenge to the circuit court's denial of his Motion to Intervene, he in reality seeks to invalidate the foreclosure through a challenge to the circuit court's denial of his Motion to Stay the Foreclosure Sale. In doing so, he attempts to circumvent the general rule requiring *supersedeas* bonds, essentially in two ways: (1) he was not on notice of the foreclosure proceedings and thus had no opportunity to file one, and (2) he has "serious doubts" that 101 Geneva was a *bona fide* purchaser, because it "knew or should have known" MTC was the owner of record. Accordingly, his argument hinges almost entirely on the issue of notice—an argument we find utterly unpersuasive.

Primarily, we agree with the circuit court that Hostetler never accepted his role of trustee for the Trust. While Hostetler clearly never expressly accepted the position (a fact

he does not appear to contest), he cites generally *Dayton v. Stewart*, 99 Md. 643 (1904) for the proposition that acceptance of the position of trustee can also be inferred. Notwithstanding the fact that Hostetler points to no specific language in *Dayton*, a case decided well over a century ago, and the fact that in that case, "the trustee signed and acknowledged the deed, and covenanted to perform and fulfill the trust," *Dayton*, 99 Md. at 652, that case is readily distinguishable from the circumstances presented here.

In *Dayton*, the grantor sought to invalidate the trust on the grounds that, *inter alia*, "there was never any valid delivery of the deed here in question, and no acceptance of the trust by the trustee named therein." *Id*. After finding that the trustee had in fact *expressly* accepted the position, the Court of Appeals explained, in dicta, that "[t]he acknowledgment and recording of the deed afforded a presumption of a legal delivery by the grantor. *Stewart v. Redditt*, 3 Md. 67 [(1852)]. If appellant did not direct the recording of the deed, she knew of the recording immediately after it had been done, and acquiesced in it for nearly 20 years." *Dayton*, 99 Md. at 652. Accordingly, we agree in principle with Hostetler; that acceptance may be implied or established by inference, depending on, for instance, whether the trustee's actions are in accord with the trustee's duties under the trust.

In support of his interpretation, however, Hostetler presents the following argument: "Here, the trustee attempted to interfere in this action as soon as he learned about it. Clearly, his actions clearly [*sic*] show that he accepted his position as the trustee and was taking actions to protect the *res* of the trust." What Hostetler does not present is any evidence to show how a trustee could "clearly" accept his position by inference, when the trustee's first

appearance in the litigation is 12 years after it started, and (almost literally) at the last second before the "*res* of the trust" is sold in a foreclosure sale.

Hostetler also presents two prior decisions of the circuit court—namely, the circuit court's denial of (1) Williams' Emergency Motion for Appointment of Substitute Trustee and Motion for Summary Judgment, indicating that "R. Hostetler" had not been replaced by a substitute trustee in accordance with Maryland law; and (2) Williams' Motion to Intervene, because only the trustee could intervene on behalf of the trust, thus "implicitly acknowledging" his right to intervene—in support of his acceptance. We are unpersuaded. With regard to the latter, denying a supposed beneficiary's attempt to intervene on the behalf of a trust, does not, *ipso facto*, vest that power in a particular trustee; rather, it means only that the attempting beneficiary does not have that power. As to the former, Williams, in her Emergency Motion, attempted to appoint Loren Williams as successor trustee, claiming that "R. Hostetler" was "unable to serve . . . due to requirements imposed by several prospective title insurers." The circuit court denied the motion, "because there was no legal requirement for a trustee to be approved by title insurers." Similar to the other claim, the circuit court's finding that the offered basis for replacing a trustee was not grounded in the law is not, *ipso facto*, confirming acceptance of the position in the first place.[9]

[9] Moreover, this claim is belied by Williams' own complaint in that action, wherein she specifically stated that Hostetler never accepted the position and was unable or unwilling to serve, and in the accompanying affidavit, she apparently stated that he did accept the position, but she was "currently unaware of his present address or prior address."

Furthermore, Hostetler fails to explain how he was not—at the very least—on constructive notice of the foreclosure proceedings. The record reflects, in the Affidavit of Notice filed on November 15, 2013, that "notice of the time, place, and terms of sale" was sent "by certified, postage pre-paid, return receipt requested and first class mail . . . to the mortgagor(s), debtor, present record owner(s) and to the holder of any recorded or filed subordinate interest (including judgments)" and "by first-class mail to 'All Occupants' at the address of the property," on November 12, 2013. In addition to notice being sent to "All Occupants" at the Property, among the other listed notified parties was "Moonridge Court Trust, 1783 Forest Drive, Annapolis, MD 21401." Hostetler's appearance in the case did not come until March 24, 2014—over four months later, and on the scheduled sale date.

Hostetler claims that he attempted to intervene "as soon as he learned about" the action, but he provides no explanation as to why, as trustee of the Trust, he was unaware of the foreclosure against the Trust's sole asset. Surely, it is fairly well established that "[i]t is the trustee's paramount duty to preserve and protect the trust estate in compliance with the terms of the trust." 90A C.J.S. *Trusts* § 327 (2010). Even if we were to assume, *arguendo*, that Hostetler had actually accepted the position as trustee, it strains reason to think that any reasonable trustee in his position would allow a foreclosure notice to go unanswered for that amount of time. Regardless, this all remains conjecture. To reiterate, we hold that Hostetler never accepted his position as trustee for MCT, and therefore, was not entitled to notice. With no trustee, and no substitute trustee appointed by the circuit court, there was no trustee for the Substitute Trustees to serve. Therefore, because MCT was provided with adequate notice of the foreclosure and failed to file a *supersedeas* bond,

and because we find absolutely nothing in the record to support the allegation that 101 Geneva was not a *bona fide* purchaser, any challenge by appellants with respect to the ratification of the foreclosure sale is moot.

II. POST-RATIFICATION JUDGMENTS

Having ruled that appellants' pre-ratification challenges are moot and that MCT had no trustee, we need only briefly address their remaining allegations of error because they are, in light of those same rulings, essentially moot as well. In its June 12, 2014 order, the circuit court ordered that "MCT was terminated by virtue of impossibility to accomplish the purpose of the trust after ratification of the foreclosure of the property." Later, in the court's December 23, 2014 order, he denied a portion of appellants' outstanding collective motions based on the fact that the Trust was terminated. Both parties argue this decision was in error because it was "based on circular logic." We disagree, for three reasons.

First, while there is no readily discernable "purpose" found in the terms of the Trust Agreement itself, appellants are unable to provide any conceivable reason why the Trust should survive, other than to continue to re-litigate the foreclosure. Second, as discussed above, appellants' challenge to the ratification of the foreclosure sale is moot, and therefore, MCT no longer has a claim to the Property—the Trust's sole asset. Third, because we agree that Hostetler never accepted the position of trustee, and no successor trustee was ever appointed by the court, MCT never had a trustee. With no purpose, no assets, and no trustee, we perceive no error in the circuit court's decision to terminate the trust.

The remainder of the decisions relevant here were denied because they were brought either by Williams, as "beneficiary" of the Trust, or by the Trust itself. The terms of the Agreement dictated that 100% of the beneficial interest of the Trust went to Corder, and the terms of the Trustee Agreement dictated that a loan of $17,327.44 was made to Corder "Corder shall assign and transfer the beneficial interest of the Trust as collateral for the second loan." While the Trustee Agreement is unclear as to who the lender of the second loan is, we are unable to find any connection—let alone a valid assignment of the interest—to Williams, and thus fail to understand how she has standing to bring any action in the first place.

In any event, even if we were to assume, *arguendo*, that she was in fact the beneficiary, it would not affect our decision, because

> [t]rusts are not independent legal entities. A trust is simply a collection of assets and liabilities, and as such, a trust has no capacity to sue or be sued, or to defend an action. A trust itself can neither sue nor be sued in its own name; instead, the real party in interest in litigation involving a trust is always the trustee. Thus, where the trust has an interest in an action, the trustee has the capacity to sue on behalf of the trust. However, beneficiaries are also necessary parties in suits involving trust property because they have a beneficial or equitable interest in the trust.

90A C.J.S. *Trusts* §579 (2010) (footnotes omitted). Accordingly, we agree with the circuit court that in the circumstances of this case, "a trust cannot litigate except through a lawfully designated trustee," which, as discussed above, MCT did not have. As such, the circuit court did not err in denying appellants' remaining motions.

CONCLUSION

For the above reasons, we affirm the judgment of the Circuit Court for Anne Arundel County.

JUDGMENT OF THE CIRCUIT COURT FOR ANNE ARUNDEL COUNTY AFFIRMED; COSTS TO BE PAID BY APPELLANTS.