

APPELLATE COURT OF MARYLAND

Kim v. Parcel K-Tudor Hall Farm, LLC

Kim · No. No. 2483, September Term, 2023 · Decided March 5, 2026

SUMMARY

The Maryland Appellate Court held that an interpleader proceeding does not result in a final, appealable judgment until all claimants’ claims to the property or funds have been resolved. Because the investors appealed from the initial order directing interpleader while their claims remained pending, the court dismissed the appeal as premature and assessed costs against the appellants.

CASE DETAILS

COURT	Appellate Court of Maryland
WRITING FOR THE COURT	Nazarian, J.; Reed, J.; Wright, J.; Alexander, Jr., J. (Senior Judge, Specially Assigned)
JURISDICTION	Maryland
DECIDED	March 5, 2026
DOCKET	No. 2483, September Term, 2023
DISPOSITION	dismissed
PROCEDURAL POSTURE	Appellants sought to appeal an order of interpleader entered by the Circuit Court for St. Mary's County. The appellate court dismissed the appeal as premature because the order did not constitute a final judgment.
STANDARD OF REVIEW	De novo review of appellate jurisdiction and whether the order appealed from was a final judgment.
PRECEDENTIAL VALUE	published
PARTIES	Eun O. Kim, Kim's fellow investors v. Parcel K-Tudor Hall Farm, LLC

TOPICS

- interpleader
- final judgment rule
- appellate jurisdiction
- appellate procedure
- civil procedure

PRACTICE AREAS

- civil procedure
- appellate procedure
- real estate

QUESTIONS PRESENTED

1. Whether an order granting the first stage of an interpleader proceeding is a final, appealable judgment before the claimants' competing claims to the property or funds have been resolved.
2. Whether the appeal should be dismissed as premature under Maryland's final-judgment rule.

HOLDINGS

1. An interpleader proceeding does not become a final judgment until the last claimant's claim to the property or funds has been resolved and the second stage of the interpleader is complete.
2. Because the order of interpleader was not a final judgment and no applicable exception permitted an interlocutory appeal, the appeal was premature and had to be dismissed.

KEY QUOTATIONS

“Interpleader happens in two steps: first, the court orders the property at stake be given over to the court’s registry, and second, the claimants to the property litigate their claims.” (at 1)

“It has long been established in Maryland, even if not discussed recently, that interpleader does not become a final judgment until the last claimant’s claim to the property or funds is resolved and step two is complete.” (at 3)

FACTUAL BACKGROUND

Parcel K-Tudor Hall Farm, LLC owned a parcel of land known as Parcel K, while the investors held a subordinated deed of trust on the property. Because of the parties' complicated history, the LLC was uncertain how much it owed to redeem the lien, to whom payment was due, and in what proportions. It filed an interpleader action seeking a declaration of the parties' rights, payment of the proper amount into the court registry, and resolution of the deed holders' competing claims. The circuit court ordered the interim interpleader relief, but the claimants' rights to the deposited funds had not yet been adjudicated.

PROCEDURAL HISTORY

Parcel K-Tudor Hall Farm, LLC filed an interpleader and declaratory-judgment action concerning the amount and recipients of funds needed to redeem a subordinated deed of trust on Parcel K. On January 31, 2024, the circuit court entered an order granting interim interpleader relief and directing payment into the court registry. Although claimants began filing pleadings asserting rights to the funds, their claims remained unresolved and the circuit court stayed further proceedings pending the appeal. The Appellate Court of Maryland dismissed the appeal and directed that the circuit court resume the second stage of the interpleader proceeding.

DISPOSITION

dismissed

REMAND INSTRUCTIONS

The circuit court should resume the second stage of the interpleader and adjudicate the claimants' competing claims to the funds. The opinion does not expressly use a remand order, but directs that dismissal will allow the circuit court to resume step two.

CASES CITED

- Mayor & City Council of Balt. v. ProVen Mgmt., Inc., 472 Md. 642, 665 (2021)
- Gisriel v. Ocean City Bd. of Supervisors of Elections, 345 Md. 477, 485 (1997)
- Silbersack v. ACandS, Inc., 402 Md. 673, 678 (2008)
- Hopkins v. Easton Nat. Bank of Maryland, 171 Md. 130, 135 (1936)
- Union United Methodist Church, Inc. v. Burton, 404 Md. 542, 549-50 (2008)

OPINION

PER CURIAM.

Eun O. Kim, et al., v. Parcel K-Tudor Hall Farm, LLC, No. 2483, September Term, 2023. Opinion by Nazarian, J. INTERPLEADER – FINALITY OF JUDGMENT Interpleader does not become a final judgment until the circuit court has resolved the last claimant's claim to the property or funds at stake. Circuit Court for St. Mary's County Case No. C-18-CV-22-000196 REPORTED IN THE APPELLATE COURT OF MARYLAND No. 2483 September Term, 2023

EUN O. KIM, ET AL., v. PARCEL K-TUDOR HALL FARM, LLC _____ Nazarian, Reed, Wright, Alexander, Jr. (Senior Judge, Specially Assigned), JJ.

Opinion by Nazarian, J.

Filed: March 5, 2026 * Judge Rosalyn Tang did not participate in the decision to report this opinion pursuant to Md. Pursuant to the Maryland Uniform Electronic Legal Rule 8-605.1.

Materials Act (§§ 10-1601 et seq. of the State Government Article) this document is authentic. 2026.03.05 15:28:24 -05'00' Gregory Hilton, Clerk Eun O. Kim, an investor, and a group of his fellow investors seek to appeal from an order of interpleader of the Circuit Court for St. Mary's County entered on January 31, 2024. Unfortunately, they can't, because the judgment is not yet final.

Interpleader happens in two steps: first, the court orders the property at stake be given over to the court's registry, and second, the claimants to the property litigate their claims. Until that second step is complete, an interpleader case is not final and any appeal is premature. That is the case here.

The order appealed from is not a final judgment, this appeal is premature, and we dismiss it. I. BACKGROUND Although the underlying disputes have begotten numerous proceedings and appeals in a variety of courts, only a narrow slice of that history is relevant to this appeal. Parcel

K-Tudor Hall Farm, LLC (“PKTHF”) filed an initial complaint against the investors in the circuit court on June 17, 2022.

It ultimately superseded that complaint with a Third Amended Complaint on August 7, 2023. In the operative complaint, PKTHF included two counts: one for declaratory judgment and another for interpleader. PKTHF owned a piece of land, called Parcel K. The investors held a Subordinated Deed of Trust on Parcel K (the “Deed”), that PKTHF wanted released. Due to a long and colorful history between the parties regarding that particular parcel, PKTHF was unclear how much, to whom, and in what proportion it had to pay to get the lien released.

It sought, then, to exercise its right of redemption through an interpleader action. PKTHF asked the circuit court to declare the parties’ rights and obligations under the Deed, including how much PKTHF owed; to order that interpleader was an appropriate remedy; to order PKTHF to pay the correct amount into the court’s registry; to interplead the Deed holders; and then to release the Deed from Parcel K. After motions and hearings, the circuit court entered an Order and Opinion of the Court on January 31, 2024 that ordered the interim relief PKTHF sought.

Mr. Kim and the other investors noted an appeal from that order within thirty days. In the meantime, some of the claimants started filing new pleadings to assert their claims to the funds paid by PKTHF. In response, the circuit court ordered all further proceedings stayed and open filings held in abeyance pending resolution of this appeal.

The claimants’ claims to that money remain unresolved. II. DISCUSSION The parties seek to raise a host of questions in their briefs. Unfortunately, none of those questions is before us properly because the decision appealed from isn’t a final judgment.

The right to appeal arises by statute. *Mayor & City Council of Balt. v. ProVen Mgmt., Inc.*, 472 Md. 642, 665 (2021) (in most cases, “appellate jurisdiction is ‘determined entirely by statute,’ and therefore, a right of appeal only exists to the extent it has been ‘legislatively granted’” (quoting *Gisriel v. Ocean City Bd. of Supervisors of Elections*, 345 Md. 477, 485 (1997))).

In general, a party can appeal only from a final judgment, save for certain narrow exceptions. Md. Code (1974, 2020 Repl. Vol.), § 12-301 of the Courts & Judicial Proceedings Article. A final judgment is one that “disposes of all claims against all parties,” *Silbersack v. ACandS, Inc.*, 402 Md. 673, 678 (2008), and if even one claim from one party against another remains unresolved, the judgment isn’t final and an appeal is premature.

See *id.* (citing Md. Rule 2-602(a)). A. The Interpleader here is not Final until the Claimants’ Claims on the Funds are all Resolved. Interpleader is an ancient procedure to resolve disputes over the ownership of assets. But an interpleader is not final until all the claimants’ claims to the asset against each other are resolved, and that’s the status of the interpleader in this appeal.

When a party holds property that they're sure they don't own but don't quite know to whom it belongs, and in what proportion, they can file for interpleader. See generally Md. Rule 2-221. As the original plaintiff, they file suit against everyone they believe might have a claim to the property and the suit brings everyone to court to resolve it. Md. Rule 2-221(a), (b)(3).

This interpleader process occurs in two stages. In the first stage, the original plaintiff files the suit against the adverse claimants, as defendants. Md. Rule 2-221(a). The court evaluates the filing and any responses from the claimants and determines whether interpleader is appropriate. See Md. Rule 2-221(b). If the court finds that interpleader is appropriate, it can order the original plaintiff to deposit the property or its value with the court, which the court holds onto until the end of the case.

Md. Rule 2-221(b)(3). From there, the court may discharge the original plaintiff from further liability for the property and, among the interpleading claimants, designate "one or more of them as plaintiffs and one or more of them as defendants." Md. Rule 2-221(b)(2), (6).

In the second stage, the designated plaintiff must file a complaint against the designated defendants. Md. Rule 2-221(d). The parties then litigate over who has a right to the property, and in what proportion. *Id.* It has long been established in Maryland, even if not discussed recently, that interpleader does not become a final judgment until the last claimant's claim to the property or funds is resolved and step two is complete.

See *Hopkins v. Easton Nat. Bank of Maryland*, 171 Md. 130, 135 (1936); see also 44B Am. Jur. 2d Interpleader § 81, Westlaw (database updated Nov. 2025) ("... orders in interpleader actions that do not dispose of the rights and liabilities of all parties to the litigation are not final and, hence, not appealable.... Indeed, an order holding that interpleader is a viable remedy and dismissing the stakeholder is not directly appealable....

[Plus,] a particular claim [to the property] is generally not appealable until all claims to the fund have been adjudicated."). This principle flows directly from a straightforward application of the final judgment rule: until all the claims to the property are resolved in full, at least one claim from one party against another remains in the case. Cf. Md. Rule 2-602(a) (except for narrow exceptions, "an order or other form of decision, however designated, that adjudicates fewer than all of the claims in an action... or that adjudicates the rights and liabilities of fewer than all the parties to the action" is not a final judgment, doesn't terminate the action, and is still subject to revision).

In this case, Mr. Kim and the group of investors seek to appeal from the first stage of the proceedings, the order of interpleader dated January 31, 2024. 1 But the claimants 0F 1 For what it's worth, the circuit court never entered a separate "Declaratory Judgment" writing while resolving the declaratory judgment count of the Third Amended Complaint, Continued...

4 haven't yet had a chance to resolve their claims to the funds. Their claims against each other are still alive in the circuit court and their pleadings are currently held in abeyance pending the resolution of this (premature) appeal.

The next step is for us to dismiss the appeal and allow the circuit court to resume step two of the interpleader. Any challenges the parties have to this interpleader process, either at step one or two, can be raised once the judgment is final.

We express no views on the merits of any of the issues raised in the parties' briefs. APPEAL DISMISSED. APPELLANTS TO PAY COSTS. as is required. See, e.g., *Union United Methodist Church, Inc. v. Burton*, 404 Md. 542, 549– 50 (2008). 5