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7 **UNITED STATES DISTRICT COURT**
8 **NORTHERN DISTRICT OF CALIFORNIA**
9 **SAN FRANCISCO DIVISION**
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11 FELICIDAD GUMBAO,

12 Plaintiff,

13 v.

14 AURORA BANK, et al.,

15 Defendants.
16

Case No. 13-cv-03952 NC

**ORDER TO SHOW CAUSE WHY
REMOVAL IS PROPER**

Re: Dkt. No. 1

17 On August 26, 2013, defendants Nationstar Mortgage LLC and Aurora Bank FSB
18 removed this action to federal court on the basis of diversity jurisdiction. Dkt. No. 1 at 2.
19 The notice of removal states that the action was initiated in state court on April 12, 2013.
20 *Id.* at 2, 8. Defendants further state that their removal is timely “as the thirty-day period
21 never commenced (or expired)” because “Plaintiff has not filed any proof of service
22 alleging service on either Nationstar or Aurora.” *Id.* at 5.

23 In general, a defendant wishing to remove an action to federal court must file a notice
24 of removal “within 30 days after the receipt by the defendant, through service or otherwise,
25 of a copy of the initial pleading setting forth the claim for relief upon which such action or
26 proceeding is based, or within 30 days after the service of summons upon the defendant if
27 such initial pleading has then been filed in court and is not required to be served on the
28 defendant, whichever period is shorter.” 28 U.S.C. § 1446(b)(1). The federal courts “have

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1 an independent obligation to determine whether subject-matter jurisdiction exists, even in
2 the absence of a challenge from any party.” *Arbaugh v. Y&H Corp.*, 546 U.S. 500, 514
3 (2006). “If at any time [after removal and] before final judgment it appears that the district
4 court lacks subject matter jurisdiction, the case shall be remanded.” 28 U.S.C. § 1447(c).

5 First, defendants have not shown that their removal is timely because they have not
6 stated whether or not they have been served, and if they have, the date of service.

7 Second, the notice of removal does not adequately state the citizenship of Nationstar
8 for purposes of diversity jurisdiction. While the notice states that Nationstar is a “limited
9 liability company,” it argues that Nationstar is a “diverse defendant” under the rule
10 regarding citizenship of corporations. Dkt. No. 1 at 3. However, “like a partnership, an
11 LLC is a citizen of every state of which its owners/members are citizens.” *Johnson v.*
12 *Columbia Properties Anchorage, LP*, 437 F.3d 894, 899 (9th Cir. 2006); *Cosgrove v.*
13 *Bartolotta*, 150 F.3d 729, 731 (7th Cir. 1998). Therefore, Nationstar must inform the Court
14 of the citizenship of all of its members. Moreover, if any member of Nationstar is itself a
15 partnership or association (or another LLC), the Court needs to know the citizenship of each
16 “sub-member” as well. *V & M Star, LP v. Centimark Corp.*, 596 F.3d 354, 356 (6th Cir.
17 2010).

18 Accordingly, by September 11, 2013, defendants must show cause in writing why
19 their removal is proper by addressing the Court’s concerns identified above. If defendants
20 do not establish that removal was proper, the Court will remand this action to state court
21 and may order other relief as justice requires.

22 Defendants must also consent or decline the jurisdiction of a magistrate judge by
23 September 11, 2013. See attached consent/declination forms.

24 IT IS SO ORDERED.

25 Date: August 27, 2013


Nathanael M. Cousins
United States Magistrate Judge