

United States District Court  
Southern District of Texas

**ENTERED**

July 27, 2018

David J. Bradley, Clerk

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

ANSON MARKWELL,

Plaintiff,

v.

EQUITYBUILD, INC. D/B/A EQUITYBUILD  
CAPITAL, *et al.*,

Defendants.

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CIVIL ACTION NO. H-18-1274

**ORDER TO REMAND**

This removed case arises from an investment dispute. At a July 19, 2018 hearing, the court ordered Equitybuild to file a verified affidavit setting out the relevant jurisdictional facts, including its principal place of business, where its officers live, and where it conducts most of its business. (Docket Entry No. 38). Jerry Cohen, Equitybuild’s president, filed an affidavit setting out those facts. (Docket Entry No. 41). Several of the defendants are limited liability companies and Cohen’s affidavit lists the members of those LLCs.<sup>1</sup>

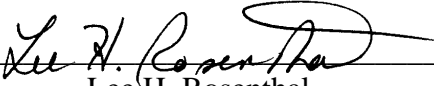
Federal courts are “courts of limited jurisdiction, having ‘only the authority endowed by the Constitution and that conferred by Congress.’” *Halmekangas v. State Farm Fire and Cas. Co.*, 603 F.3d 290, 292 (5th Cir. 2010) (citations omitted). Federal diversity jurisdiction requires an amount in controversy over \$75,000 and complete diversity between the parties. 28 U.S.C. § 1332. For diversity-jurisdiction purposes, “the citizenship of a LLC is determined by the citizenship of all of its members.” *Harvey v. Grey Wolf Drilling Co.*, 542 F.3d 1077, 1080 (5th Cir. 2008).

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<sup>1</sup> Jerry Cohen’s affidavit did not include jurisdictional information for Shaun Cohen, Equitybuild’s vice president and a defendant in this case. Shaun Cohen’s biography on the Equitybuild website states that “Shaun Cohen, the president of EquityBuild Finance and vice president of EquityBuild, resides in Texas with his wife and three children.” <https://equitybuild.com/about-us>.

Anson Markwell, the plaintiff, is a Texas citizen. (Docket Entry No. 1). Defendants SSDF4 6250 S. Mozart, LLC; SSDF 701 5th, LLC; SSDF4 7024 S. Paxton, LLC; and SSDF4 7255 S. Euclid, LLC, are limited liability companies with the same members, which are set out in a spreadsheet attached as Exhibit A to Cohen’s affidavit. Many of the listed members are Texas citizens. (Docket Entry No. 41, Ex. A). Cohen’s affidavit also states that SSPH Portfolio 1, LLC’s “members are Jerry Cohen, Ran Barth, and Kendall Chenier. Mr. Barth resides in Plano, Texas.” (Docket Entry No. 41 at 3). For diversity-jurisdiction purposes, these limited liability company defendants are Texas citizens because they have members who are Texas citizens. Markwell, the plaintiff, and the limited liability company defendants are Texas citizens. Complete diversity is absent, the court lacks jurisdiction, and the case is remanded to the 165th District Court.

SIGNED on July 27, 2018, at Houston, Texas.

  
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Lee H. Rosenthal  
Chief United States District Judge