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===== Start of Answer #4 (1319 words) =====

1. May Buyer join both claims in the same suit against Seller?

At issue is whether Buyer can join both claims against Seller even though the claims arose from different transactions

The general rule is that one P can join all claims he has against one single D, as long as the federal court has personal jurisdiction (PJ) and (SMJ) over each case. If the fed. court does not have SMJ over one of the claims, it could use supplemental jurisdiction to bring the case into fed. court.

Buyer brought the case in fed. court in CA. For the federal court to hear the case it must have SMJ, either of diversity grounds or on federal question grounds; if it comes to the fed. court on diversity grounds it must also satisfy the amount in controversy requirement, which is over \$75,000. Buyer is from NY and Seller is from CA; and the total amount in controversy is \$1. Thus, the court can come into federal court on diversity grounds.

Both claims are being brought by Buyer (a single plaintiff) against Seller (a single defendant). Even though the claims do not arise from the same transaction, Buyer can join the claims because the rule of one plaintiff against one single defendant is met.

Primary Rights Doctrine

In addition, CA follows the "primary rights doctrine", under which each cause of action is viewed as a single invasion of primary rights, which can be split in different lawsuits. Because of this doctrine, both claims can be joined.

2. Is Buyer's allegation sufficient to state a claim?

The issue is whether simply stating "fraud in the supposed value" satisfies the well-pleaded complaint rule.

Well-pleaded complaint rule

Under this rule, the complaint must state clearly and fully what the complaint is about. And CA requires that if the case involves fraud, it must be stated with more details. CA also requires that the plaintiff state not only the cause of action, but the plaintiff must also state and demand the relief sought.

Here, the complaint simply states "fraud in the supposed value" and gives no more details. Because the cause of action is fraud, Buyer should have stated his claims in more details, sufficient to make the court believe that there is a cause for which relief can be granted. By simply stating "fraud in the supposed value", Buyer is not sufficiently stating the relief sought or the amount sought.

Because Buyer's claim involves fraud and because no details are given as to what or from where the fraud arose and the exact relief or amount sought his complaint violates the well-pleaded complaint rule. Thus, Buyer's allegation is not sufficient to state a cause of action and will probably not survive a motion to dismiss by Seller..

3. Does federal court have subject matter jurisdiction (SMJ) over the suit?

* At issue is whether federal court in CA has SMJ over the action.

A federal court is a court of limited jurisdiction, which means that can only hear certain cases that meet certain requirements. A case can come into fed. court on two grounds, diversity jurisdiction or federal question jurisdiction.

a. Diversity jurisdiction

For there to be complete diversity, each plaintiff must be of a different citizenship from every defendant; and the amount in controversy must be over \$75,000. The amount in controversy will not be questioned by the court. The plaintiff must plead in good faith that the amount in controversy exceeds \$75,000, the court will question and denied the claim only if its doubts amount to a legal certainty

that there is no way that the amount in controversy could be over \$75,000.

Buyer brought the case in fed. court in CA. For the federal court to hear the case it must have SMJ, either of diversity grounds or on federal question grounds; if it comes to the fed. court on diversity grounds it must also satisfy the amount in controversy requirement, which is over \$75,000. Buyer is from NY and Seller is from CA; and the total amount in controversy is \$1. As mentioned above, the amount in controversy is met as long as it was pleaded in good faith by Buyer.

The fed. court has SMJ over the claim on diversity grounds.

b. Federal question

The fed. court has SMJ on federal question grounds when the claim arises under federal question. It is not sufficient that a defense arises under a federal law for there to be federal question. The cause of action stated in the complaint must arise under federal law.

Buyers claim are fro fraud and breach of contract. Both claims arise under state law.

Because both claims arise under state law, the fed. court would not have SMJ on fed. question grounds.

4. Can the fed. court apply CA law to decide the breach of contract involving real property?

At issue is whether CA law can be applied to decide the breach of contract claim involving the real property.

To determine whether CA law can be applied on the breach of contract claim we must look at whether the CA court has in-rem jurisdiction.

In-rem jurisdiction is the power that the court has to enter judgment regarding a property and as to who owns or should own the property.

The property is located in CA. Thus, CA court has in-rem jurisdiction over it. Moreover, even if the court did not have in-rem jurisdiction, Seller lives in CA and CA courts have jurisdiction over Seller. So if a judgment is to be entered about the ownership of the property, the court could simply order Seller to sell the property and give the proceeds to Buyer.

In federal court procedural federal law applies and substantive state law applies. A breach of contract is a claim that arises under state law. Thus, because the claim was filed in federal court and because the claim is a state law claim, the federal court may apply CA laws.

5. On what issues is Buyer entitled to a jury trial?

* At issue is whether Buyer would be entitled to jury trial, considering that in the claim for fraud he is seeking damages for \$1 million and on the other claim for breach of contract he is seeking specific performance (SP), which is an equitable remedy.

As a general rule, only claims that involve or that seek remedies at law can be heard by a jury, and claims that seek equitable remedies must be decided separately by the judge. The claim that seeks remedy at law must be decided first before the claim that involves a remedy in equity; and because SP is an equitable remedy, it is in the discretion of the court whether to grant the SP or not.

Claim for fraud

A claim for fraud is a claim that arises under state law and for which legal damages can be awarded.

Buyer filed a claim for fraud and is seeking \$1 million.

Because his claim for fraud arises under state law and because he is seeking money damages, Buyer is entitled to a jury trial on this claim.

Breach of contract and SP

The general rule is that when a cause of action involves both, a state law claim and it seeks an equitable remedy; the jury can only hear the claim that involves state law and then the judge will decide whether the equitable remedy should be granted.

Buyer filed a claim for breach of contract, which arises under state law; and he is seeking SP performance, which is an equitable remedy. Because the claim involves a state law claim that seeks SP, the jury can only hear and decide the state law claim and let the judge make a decision as to the equitable remedy.

Thus, Buyer will be entitled to a jury trial only on the breach of contract claim, but the jury cannot decide whether SP should be granted.

Question #1 Final Word Count = 1319

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