IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

MANUEL ANGEL VEGA-BONILLA, et al.,

Plaintiffs,

v.

FORTALEZA EQUITY PARTNERS I, LLC.,

Defendant.

CIVIL NO. 25-1099 (CVR)

OPINION AND ORDER

INTRODUCTION

On February 17, 2025, Plaintiffs Miguel Angel Vega-Bonilla, Pamela Ivette Pérez-Rivera, and their Legal Conjugal Partnership ("Plaintiffs"), filed the present case against Defendant Fortaleza Equity Partners I, LLC. ("Defendant") (Docket No. 1). The Complaint alleged Defendant incurred in violations of the Puerto Rico Negotiable Instruments and Banking Transactions Act, P.R. Laws Ann. tit. 19, §§ 401-2409, *et seq*. The case was brought under diversity jurisdiction, but also states that it arose under federal law.

Before the Court is Defendant's "Motion to Dismiss" in which it moves the Court to dismiss the Complaint for lack of diversity jurisdiction. Defendant additionally proffers the case does not present a federal question. Thus, the Court cannot entertain this case. (Docket No. 9). The motion stands unopposed.

For the following reasons, Defendant's "Motion to Dismiss" is GRANTED.

STANDARD

Federal Rule of Civil Procedure 8(a) requires plaintiffs to provide "a short and plain statement of the claim showing that the pleader is entitled to relief." Fed. R. Civ. P. 8(a)(2). A "short and plain" statement needs only enough detail to provide a defendant with " 'fair notice of what the ... claim is and the grounds upon which it rests.' " Bell Atl. Corp. v. Twombly, 550 U.S. 544, 555, 127 S.Ct. 1955, 1965 (2007); see also Erickson v. Pardus, 551 U.S. 89, 93, 127 S.Ct. 2197 (2007) ("Federal Rule of Civil Procedure 8(a)(2) requires only 'a short and plain statement....' Specific facts are not necessary."). In order to show an entitlement to relief, a complaint must contain enough factual material "to raise a right to relief above the speculative level on the assumption that all the allegations in the complaint are true (even if doubtful in fact)." See Twombly, 550 U.S. at 555, 127 S.Ct. 1955.

When addressing a motion to dismiss under Rule 12, the court must "accept as true all well-pleaded facts in the complaint and draw all reasonable inferences in favor of the plaintiffs." Gargano v. Liberty Int'l Underwriters, Inc., 572 F.3d 45, 48-49 (1st Cir. 2009). Under Twombly, 550 U.S. at 555, however, a plaintiff must "provide the grounds of his entitlement [with] more than labels and conclusions"; see also, Ocasio-Hernández v. Fortuño-Burset, 640 F.3d 1, 12 (1st Cir. 2011). Thus, a plaintiff is required to present allegations that "nudge [his] claims across the line from conceivable to plausible" in order to comply with the requirements of Rule 8(a). Id. at 570; see, *e.g.* Ashcroft v. Iqbal, 556 U.S. 662, 129 S.Ct. 1937 (2009).

LEGAL ANALYSIS

To invoke diversity jurisdiction under 28 U.S.C. § 1332, there must be complete diversity between the parties. In other words, no plaintiff may be a citizen of the same state or territory as any defendant. 28 U.S.C. § 1332.

"Federal courts are courts of limited jurisdiction." Ribas v. Ponce Yacht & Fishing Club, Inc., 315 F.Supp.2d 156, 159 (D.P.R. 2004). Therefore, the party seeking jurisdiction of the federal courts "has the burden of demonstrating its existence." Id. (citing Murphy v. U.S., 45 F.3d 520, 522 (1st Cir. 1995)). "The party invoking diversity jurisdiction must prove domicile by a preponderance of the evidence." García Pérez v. Santaella, 364 F.3d 348, 350 (1st Cir. 2004). Therefore, since Defendant is presenting challenges to the existence of diversity jurisdiction under Fed.R.Civ.P. 12(b)(1), the burden is on Plaintiff to show facts and present evidence supporting that jurisdiction. Francis v. Goodman, 81 F.3d 5, 6 (1st Cir. 1996) ("[W]ithout a preponderance of evidence establishing diversity the district court [lacks] judicial power to adjudicate this controversy under § 1332(a)(1)").

In analyzing an action for lack of jurisdiction, the Court "is not restricted to the face of the pleadings but may consider extra-pleading materials, such as affidavits and testimony to resolve factual disputes concerning the existence of jurisdiction." Reyes de León v. Coconut Prop., LLC, 546 F.Supp.3d 116, 121 (D.P.R. 2021) (quoting Fernández Molinary v. Industrias La Famosa, Inc., 203 F.Supp.2d 111, 114 (D.P.R. 2002)).

The instant Complaint avers Plaintiffs are Puerto Rico residents. (Docket No. 1, ¶¶ II.1). The Complaint also alleges that Defendant is domiciled at 1209 Orange Street, Wilmington, DE, 19801, with a postal address at 636 Broadway 10th Floor, New York, NY,

10012 and that diversity jurisdiction exists. (Id., at ¶¶ II.2, II.3 and I.2). Defendant disputes this because, according to the official records at the Puerto Rico Department of State Corporations Register, Defendant's physical address is 653 Ponce de León Ave., 2d Floor, San Juan, P.R., 00907 and its mailing address is P.O. Box 9749, San Juan, P.R., 00908. (Docket No. 9, Exhibit 1). For this reason, Defendant posits that it is domiciled in Puerto Rico, the Court lacks diversity jurisdiction and must dismiss this case.

In the alternative, a Court may exercise jurisdiction over a case when it contains a claim "arising under the Constitution, laws, or treaties of the United States" under 28 U.S.C. § 1331. In the case at bar, however, Defendant submits Plaintiffs' claims were brought exclusively under Puerto Rico law, specifically the Negotiable Instrument and Banking Transactions Act. Therefore, Defendant submits that an assertion of rights solely under local laws does not give rise to federal question jurisdiction and the Court cannot entertain this case.

Plaintiffs failed to file an opposition to Defendant's Motion to Dismiss. Consequently, the arguments and evidence presented by Defendant are unopposed.

Regarding lack of jurisdiction, the certification submitted by Defendant is the information contained in the official records of the Puerto Rico State Department, a government agency which the Court gives due credence to. It shows Defendant is a domestic limited liability company, with its main office located in San Juan, Puerto Rico, as well as a local postal address. Pursuant to said document, Defendant is domiciled in Puerto Rico, and because Plaintiffs are also Puerto Rico residents, diversity jurisdiction is lacking. This is sufficient to defeat Plaintiffs' allegations of diversity.

As to the federal question argument, Plaintiffs' bare-bones allegation in the Complaint is limited to one sentence merely indicating that the case "arises under federal law." (Docket No. 1, ¶ I.1). No further mention of any federal statute under which jurisdiction may attach was made in the Complaint. Although in the "prayer for relief" section at the end Plaintiffs posit that Defendant's actions entitle them to damages under the Truth in Lending Act ("TILA") under U.S.C. § 1640(a), no cause of action under TILA was actually pled in the Complaint. See 15 U.S.C. § 1640(a) (stating that "any creditor who fails to comply with any requirement imposed *under this part*" is subject to civil liability under TILA) (emphasis added); Skillman v. Suffolk Jewelers & Pawnbrokers, Civil No. 10-11407-PBS, 2010 WL 5099365, at *5 (D. Mass. Dec. 7, 2010) ("Skillman does not allege any violation of these required disclosures, and this Court cannot reasonably infer that a "plausible" TILA claim has been pled.").

Instead, the Complaint merely alleges that "Fortaleza Equity Partners I, LLC is not a good faith owner of the negotiable instrument of this case" (Plaintiffs' mortgage note), and questions the manner in which Defendant obtained the instrument. (Docket No. 1, ¶ III.7). At all times, the allegations in the Complaint refer to the Puerto Rico Negotiable Instruments and Banking Transactions Act and say nothing about TILA's requirements for proper disclosure or allege any violations thereof. Nor do Plaintiffs mention how or why they are entitled to damages under a federal statute when they only bring a cause of action under state law. Indeed, the case Plaintiffs cite in support of their argument that they are entitled to damages under TILA, Ratner v. Chem. Bank New York Tr. Co., 329 F.Supp. 270, 272 (S.D.N.Y. 1971), specifically alleged TILA's disclosure requirement violations. No such allegations have been made in the present case.

As no cause of action under TILA has been pled in the Complaint, the Court finds Plaintiffs' meager assertion that the case "arises" under federal law and that they are somehow entitled to damages under TILA to be insufficient to plausibly confer federal question jurisdiction in this case. See Fed. R. Civ. P. 8(a)(2).[1]

Therefore, and in light of the uncontradicted evidence submitted by Defendant, the Court necessarily finds that Plaintiffs and Defendant are not diverse, as they are both domiciled in Puerto Rico. The Court likewise finds no federal question jurisdiction exists. Thus, the Court lacks jurisdiction to entertain this case and it must be dismissed. See Arbaugh v. Y&H Corp., 546 U.S. 500, 514, 126 S. Ct. 1235, 1244 (2006) (when a federal court concludes that it lacks jurisdiction, "the court must dismiss the complaint in its entirety.").

CONCLUSION

For the above-mentioned reasons, Defendant's Motion to Dismiss (Docket No. 9) is GRANTED, and this case is DISMISSED WITHOUT PREJUDICE for lack of jurisdiction.

Judgment shall be entered accordingly.

IT IS SO ORDERED.

In San Juan, Puerto Rico, on this 3rd day of July, 2025.

S/CAMILLE L. VELEZ-RIVE
CAMILLE L. VELEZ RIVE
UNITED STATES DISTRICT JUDGE

[1] Even the title of the Complaint in this case demonstrates no federal cause of action has been pled. See Docket No. 1, "Complaint Requesting Defendant's Right of Property or Possession of the Negotiable Instrument in Compliance with the Negotiable Instruments and Banking Transactions Act."