

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
ALABAMA

Chris Ferrara, Sr. and Angela Ferrara v. Oak Shores Development,
LLC

Ferrara v. Oak Shores Development, LLC, Civil Action No. 25-00133-KD-N (S.D. Ala. Jan. 16, 2026) · No. 25-00133-KD-N · Decided January 16, 2026

SUMMARY

The United States District Court for the Southern District of Alabama denied Chris Ferrara, Sr. and Angela Ferrara’s motion for leave to amend their complaint to add Westcor Land Title Insurance Company, Inc. and Orange Beach Title, LLC as defendants. Applying 28 U.S.C. § 1447(e) and the Hensgens factors, the court concluded that the proposed joinder was primarily intended to defeat federal jurisdiction, was dilatory, would not cause significant injury if denied, and would prejudice the existing defendant. The court also declined to stay the proceedings.

CASE DETAILS

COURT	United States District Court for the Southern District of Alabama
WRITING FOR THE COURT	Kristi K. DuBose
JURISDICTION	United States District Court for the Southern District of Alabama
DECIDED	January 16, 2026
DOCKET	25-00133-KD-N
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs moved under Federal Rule of Civil Procedure 15 for leave to amend their complaint after removal from Alabama state court to add Westcor Land Title Insurance Company, Inc. and Orange Beach Title, LLC as defendants. Because Orange Beach Title was alleged to be an Alabama citizen like the plaintiffs, the proposed joinder would destroy diversity jurisdiction and require consideration under 28 U.S.C. § 1447(e).
STANDARD OF REVIEW	The court applied close scrutiny and the four-factor balancing test governing post-removal joinder of a nondiverse defendant under 28 U.S.C. § 1447(e): the purpose of the amendment, whether the plaintiff was dilatory, whether denial would significantly injure the plaintiff, and other equitable considerations.

PRECEDENTIAL VALUE

unpublished district court order

PARTIES

Chris Ferrara, Sr., Angela Ferrara v. Oak Shores Development, LLC

TOPICS

motion to amend

joinder

subject matter jurisdiction

civil procedure

insurance coverage

PRACTICE AREAS

civil procedure

real estate

insurance coverage

remedies

QUESTIONS PRESENTED

1. Whether the proposed joinder of Westcor Land Title Insurance Company, Inc. and Orange Beach Title, LLC should be analyzed under 28 U.S.C. § 1447(e) rather than the liberal amendment standard of Federal Rule of Civil Procedure 15(a)(2).
2. Whether the Ferraras should be permitted to join the proposed nondiverse defendants under the four-factor balancing test governing post-removal joinder.
3. Whether the court should stay the action while the Ferraras pursued separate claims against Westcor and Orange Beach Title.

HOLDINGS

1. When a plaintiff seeks to amend after removal to add a defendant whose joinder would destroy diversity jurisdiction, the court must analyze the request under 28 U.S.C. § 1447(e), informed by the applicable equitable balancing factors, rather than applying only Rule 15(a)(2)'s liberal amendment principles.
2. Joinder of Westcor and Orange Beach Title was denied because the § 1447(e) balancing factors weighed against amendment: the timing supported an inference that the amendment sought a new path to remand, the plaintiffs were dilatory, denial would not cause significant injury, and the remaining equitable considerations favored denial.
3. The court did not need to determine whether Westcor and Orange Beach Title were required or indispensable parties under Rule 19 because § 1447(e)'s balancing analysis controlled the post-removal joinder decision.

KEY QUOTATIONS

“If after removal the plaintiff seeks to join additional defendants whose joinder would destroy subject matter jurisdiction, the court may deny joinder, or permit joinder and remand the action to State court.”

“A plaintiff is dilatory in adding a non-diverse party when the plaintiff waits an unreasonable amount of time before asking for an amendment, despite having been able to ascertain the party's role in the suit all along.”

FACTUAL BACKGROUND

The Ferraras own real property subject to a disputed easement affecting Oak Shores's adjacent development. After Oak Shores removed the Ferraras' claims and filed counterclaims, the Ferraras demanded a defense and coverage from Westcor Land Title Insurance Company and Orange Beach Title concerning the counterclaims. They then sought to add those entities as defendants, although they knew their identities and the title-insurance relationship before filing suit; Orange Beach Title's joinder would destroy diversity. The court concluded that the timing and circumstances supported an inference that the amendment was intended to create a new basis for remand.

PROCEDURAL HISTORY

The Ferraras filed an action in the Circuit Court of Baldwin County, Alabama, seeking equitable and declaratory relief concerning a disputed easement and Oak Shores's development plans. Oak Shores removed based on diversity jurisdiction, answered, and asserted counterclaims; the Ferraras moved to remand, but that motion was denied. After a report and recommendation recommending denial of remand, the Ferraras sought leave to add their title insurer and title agency, including the nondiverse Orange Beach Title, and to assert insurance-related claims. The district court denied leave to amend and declined to stay the proceedings.

DISPOSITION

other

REMAND INSTRUCTIONS

No remand was ordered. The motion for leave to amend was denied, and the request to stay the federal action was also denied.

CASES CITED

- Adams v. International Paper Co., No. CV 17-0105-WS-B, 2017 WL 1828908, at *3 (S.D. Ala. May 5, 2017)
- Ingram v. CSX Transportation, Inc., 146 F.3d 858, 862 (11th Cir. 1998)
- Reyes v. BJ's Restaurants, Inc., 774 F. App'x 514, 517 (11th Cir. 2019)
- McCrory v. Costco Wholesale Corp., 584 F. Supp. 3d 1091, 1097 (S.D. Ala. 2022)
- Dever v. Family Dollar Stores, LLC, 755 F. App'x 866, 869 (11th Cir. 2018)
- Hensgens v. Deere & Co., 833 F.2d 1179, 1182 (5th Cir. 1987)
- Hickerson v. Enterprise Leasing Co., 818 F. App'x 880, 885-86 (11th Cir. 2020)
- T&G Corp. v. United Casualty & Surety Insurance Co., 552 F. Supp. 3d 1334, 1344 (S.D. Fla. 2021)
- Mayes v. Rappaport, 198 F.3d 457, 462 (4th Cir. 1999)
- Heininger v. Wecare Distributors, Inc., 706 F. Supp. 860, 862 (S.D. Fla. 1989)

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