

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

SBD Real Estate Four, LLC v. Nomura Dry Cleaners, Inc. et al.

No. 2:25-cv-01395-CAS-RAOx, United States District Court for the Central District of California (December 15, 2025)

SUMMARY

The United States District Court for the Central District of California denies as moot Yoshiharu Nomura’s motion to dismiss because he died before the action was filed. The court grants SBD Real Estate Four, LLC leave to amend its complaint to name Nomura’s estate under California Probate Code section 550 and seek recovery limited to applicable insurance coverage. The court concludes that the amendment is not futile and would not unduly prejudice the opposing parties.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Christina A. Snyder
JURISDICTION	United States District Court for the Central District of California
DECIDED	December 15, 2025
DOCKET	2:25-cv-01395-CAS-RAOx
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved for leave to file a first amended complaint naming the Estate of Yoshiharu Nomura as a defendant under California Probate Code section 550. Nomura's counsel moved to dismiss claims against Nomura because he had died before the action was filed. The court granted leave to amend and denied the motion to dismiss as moot.
STANDARD OF REVIEW	Rule 12(b)(6) tests the legal sufficiency of the complaint; the court accepts material allegations and reasonable inferences as true and determines whether the complaint plausibly states a claim. A motion for leave to amend under Rule 15(a) is reviewed under the factors of bad faith, undue delay, prejudice, futility, and prior amendment, with leave generally freely granted absent prejudice or a strong showing of another factor.
PRECEDENTIAL VALUE	nonprecedential

TOPICS

motion to amend

motions to dismiss

probate procedure

cercla

civil procedure

PRACTICE AREAS

environmental law

civil procedure

probate

estate litigation

QUESTIONS PRESENTED

1. Whether plaintiff should be granted leave under Federal Rule of Civil Procedure 15(a) to amend the complaint to name the Estate of Yoshiharu Nomura as a defendant under California Probate Code section 550.
2. Whether Federal Rule of Civil Procedure 25 precludes amendment or substitution where the deceased individual died before commencement of the action.
3. Whether Nomura's motion to dismiss should be decided after plaintiff sought leave to amend.

HOLDINGS

1. Leave to amend was appropriate because all five Rule 15(a) factors favored amendment: there was no undue delay or bad faith, amendment would not meaningfully prejudice the opposing parties, amendment was not futile, and plaintiff had not previously amended its complaint.
2. Rule 25 does not, by its text, preclude plaintiff from amending the complaint to name the Estate of Nomura under California Probate Code section 550, even though Nomura died before the action commenced.
3. Nomura's motion to dismiss was denied as moot.

KEY QUOTATIONS

“By its terms, Rule 25 does not apply to substitutions where the defendant for whom substitution is sought was dead before the commencement of the action, nor does it otherwise preclude substitutions of the decedent with the decedent’s estate pursuant to state law, such as California Probate Code § 550.” (Discussion § II.B.4)

“In accordance with the foregoing, the Court GRANTS plaintiff leave to amend to file its first amended complaint naming the Estate of Nomura as a defendant pursuant to Cal. Probate Code § 550. The Court DENIES as moot Nomura’s counsel’s motion to dismiss plaintiffs claims against Nomura.” (Conclusion)

FACTUAL BACKGROUND

SBD sued Yoshiharu Nomura and other defendants concerning alleged environmental contamination and asserted CERCLA, declaratory-relief, nuisance, trespass, and indemnity or contribution claims. Nomura died on March 27, 2014, before SBD filed suit on March 6, 2025. After Nomura's counsel appeared and sought dismissal on that basis, SBD sought to name Nomura's estate and limit recovery to insurance-policy coverage. SBD had already served the alleged insurer, Fireman's Fund Insurance Company.

PROCEDURAL HISTORY

SBD Real Estate Four, LLC filed this CERCLA and related state-law action on February 19, 2025. After learning that Yoshiharu Nomura had died before the complaint was filed, plaintiff moved to amend the complaint to name his estate and limit recovery to available insurance coverage. Nomura's counsel moved to dismiss, arguing that the action against a deceased person was void and that Federal Rule of Civil Procedure 25 barred amendment. The court granted leave to amend and denied the dismissal motion as moot.

DISPOSITION

other

CASES CITED

- Conservation Force v. Salazar, 646 F.3d 1240, 1242 (9th Cir. 2011)
- Balisteri v. Pacifica Police Dep't, 901 F.2d 696, 699 (9th Cir. 1990)
- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 555 (2007)
- Pareto v. FDIC, 139 F.3d 696, 699 (9th Cir. 1998)
- Sprewell v. Golden State Warriors, 266 F.3d 979, 988 (9th Cir. 2001)
- Ashcroft v. Iqbal, 556 U.S. 662, 679 (2009)
- Moss v. United States Secret Service, 572 F.3d 962, 969 (9th Cir. 2009)
- In re American Continental Corp./Lincoln Savings & Loan Securities Litigation, 102 F.3d 1524, 1537 (9th Cir. 1996), rev'd on other grounds sub nom. Lexecon, Inc. v. Milberg Weiss Bershad Hynes & Lerach, 523 U.S. 26 (1998)
- In re Silicon Graphics Inc. Securities Litigation, 183 F.3d 970, 986 (9th Cir. 1999)
- Lee v. City of Los Angeles, 250 F.3d 668, 689 (9th Cir. 2001)
- Schreiber Distrib. Co. v. Serv-Well Furniture Co., 806 F.2d 1393, 1401 (9th Cir. 1986)
- Jordan v. County of Los Angeles, 669 F.2d 1311, 1324 (9th Cir. 1982), vacated on other grounds, 459 U.S. 810 (1982)
- Johnson v. Buckley, 356 F.3d 1067, 1077 (9th Cir. 2004)
- Nunes v. Ashcroft, 348 F.3d 815, 818 (9th Cir. 2003)
- Texaco v. Ponsoldt, 939 F.2d 794, 798 (9th Cir. 1991)
- Bowles v. Reade, 198 F.3d 752, 758 (9th Cir. 1999)
- Kaplan v. Rose, 49 F.3d 1363, 1370 (9th Cir. 1995)
- Eminence Cap., LLC v. Aspeon, Inc., 316 F.3d 1048, 1052 (9th Cir. 2003)
- DCD Programs, Ltd. v. Leighton, 833 F.2d 183, 187 (9th Cir. 1987)
- LN Mgmt., LLC v. JPMorgan Chase Bank, N.A., 957 F.3d 943, 954-55 (9th Cir. 2020)
- Tajran v. Estate of McDonald, No. 19-CV-1290-BAS-KSC, 2020 WL 256209, at *6 (S.D. Cal. Jan. 17, 2020)
- Roberts v. County of Riverside, No. EDCV191877JGBSHKX, 2021 WL 408138, at *3 (C.D. Cal. Jan. 14, 2021)
- Foman v. Davis, 371 U.S. 178 (1962)
- Lexecon, Inc. v. Milberg Weiss Bershad Hynes & Lerach, 523 U.S. 26 (1998)

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