

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Saran Adams v. Velocity Commercial Capital, LLC

Adams v. Velocity · No. 2:25-cv-04291-SRM-RAO · Decided October 30, 2025

SUMMARY

The United States District Court for the Central District of California ordered the parties to show cause why the action should not be transferred to the Southern District of Texas under 28 U.S.C. § 1404. The court noted that the plaintiff, the property, foreclosure proceedings, and alleged underlying events were located in Texas, making Texas appear to be the more appropriate forum.

CASE DETAILS

COURT	United States District Court for the Central District of California
JURISDICTION	United States District Court for the Central District of California
DECIDED	October 30, 2025
DOCKET	2:25-cv-04291-SRM-RAO
DISPOSITION	other
PROCEDURAL POSTURE	The district court sua sponte issued an order to show cause why the action should not be transferred to the Southern District of Texas for improper venue and convenience under 28 U.S.C. § 1404(a).
STANDARD OF REVIEW	For a transfer under 28 U.S.C. § 1404(a), the court considers whether the action might have been brought in the transferee district and whether convenience of the parties and witnesses and the interests of justice favor transfer. A court may consider transfer sua sponte after giving the parties an opportunity to present their views.
PRECEDENTIAL VALUE	unpublished
PARTIES	Saran Adams v. Velocity Commercial Capital, LLC

TOPICS

- venue
- forum non conveniens
- civil procedure
- injunctions
- declaratory judgment

PRACTICE AREAS

- civil procedure
- real estate
- remedies

QUESTIONS PRESENTED

1. Whether the court may sua sponte consider transferring the action under 28 U.S.C. § 1404(a) after giving the parties an opportunity to respond.
2. Whether the location of the property, alleged foreclosure activity, lis pendens, and related events in Texas support transferring the case to the Southern District of Texas.

HOLDINGS

1. A district court may transfer a civil action sua sponte under 28 U.S.C. § 1404(a), provided that the parties are first given an opportunity to present their views on the proposed transfer.
2. The allegations indicate that a substantial part of the events giving rise to Plaintiff's claims occurred in Texas and that the Southern District of Texas appears to be the appropriate forum for the action, warranting an order to show cause regarding transfer.

KEY QUOTATIONS

“A transfer of venue pursuant to § 1404(a) may be made by motion of either party or by the court sua sponte, so long as the parties are first given the opportunity to present their views on the issue.” (at 2)

FACTUAL BACKGROUND

Plaintiff, a Texas resident, brought claims concerning real property located in Houston, Texas, including allegations involving mortgage securitization, disclosure violations, fraud, conversion, and threatened foreclosure. The complaint alleged that foreclosure proceedings were initiated concerning the Texas property and that a lis pendens was recorded in Harris County. Plaintiff also stated that the 129th District Court of Harris County issued a temporary restraining order on December 3, 2024, halting the last known foreclosure attempt.

PROCEDURAL HISTORY

Plaintiff filed the action in the Central District of California seeking declaratory and injunctive relief concerning Texas real property and mortgage-related conduct. The court had denied Plaintiff's motion for a preliminary injunction. Before deciding whether to transfer the case, the court ordered the parties to submit written reasons why transfer to the Southern District of Texas should not occur.

DISPOSITION

other

CASES CITED

- Decker Coal Co. v. Commonwealth Edison Co., 805 F.2d 834, 843 (9th Cir. 1986)
- Norwood v. Kirkpatrick, 349 U.S. 29, 32 (1955)
- Pavao v. Unifund CCR Partners, 934 F. Supp. 2d 1238, 1242 (S.D. Cal. 2013)
- Costlow v. Weeks, 790 F.2d 1486, 1488 (9th Cir. 1986)

OPINION

1 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT 9 CENTRAL DISTRICT OF
CALIFORNIA 10 Case No. 2:25-cv-04291-SRM-RAO 11 SARAN ADAMS, 12 Plaintiff,
ORDER TO SHOW CAUSE AS TO WHY THE COURT SHOULD NOT 13 v. TRANSFER THE
CASE FOR 14 VELOCITY COMMERCIAL CAPITAL, IMPROPER VENUE LLC, 15
Defendant. 16 17 18 On May 9, 2025, Plaintiff Saran Adams, appearing pro se, initiated this
lawsuit 19 seeking declaratory and injunctive relief regarding real property located at 6410 Paris
20 Street, Houston, Texas 77021.

Dkt. 1 (Compl.) ¶¶3.1, 6. Plaintiff Adams alleges that 21 Defendant Velocity Commercial Capital,
LLC (Velocity) engaged in an unauthorized 22 securitization of Plaintiffs mortgage, concealed
material facts, and violated federal 23 disclosure requirements. Id. ¶5.1-5.4. Plaintiff states that
this Court has federal 24 jurisdiction over the action because she brings claims under the
Declaratory Judgment 25 Act, 28 U.S.C. § 2201; the Truth in Lending Act, 15 U.S.C. § 1601; and
the Real Estate 26 Settlement Procedures Act, 12 U.S.C. § 2601.

Id. ¶2.1. However, the Court notes that 27 Plaintiff also brings claims for fraud under California
Civil Code § 1572 and common 28 law conversion but does not assert that the Court has
supplemental jurisdiction over these 1 claims. Id. Plaintiff asserts that venue in this district is
proper under 28 U.S.C. Section 2 1391(b) because Defendant Velocity is headquartered in
Westlake Village, California, 3 and a substantial part of the events or omissions giving rise to the
claims occurred in this 4 district.

Id. ¶2.2 5 Section 1391(b) provides that venue in a civil case may be proper in a district (1) 6 in
which any defendant resides, if all defendants are residents of the State in which the 7 district is
located; (2) in which a substantial part of the events or omissions giving rise 8 to the claim
occurred; or (3) if there is no district in which an action may otherwise be 9 brought as provided in
this section, any judicial district in which any defendant is subject 10 to the court's personal
jurisdiction with respect to such action. 28 U.S.C. § 1391(b)(1).

11 Where a defendant is an entity, whether or not incorporated, it shall be deemed to reside 12 in
any judicial district in which such defendant is subject to the courts personal 13 jurisdiction with
respect to the civil action in question. Id. § 1391(c)(2). 14 Under 28 U.S.C. Section 1404, a district
court [f]or the convenience of parties and 15 witnesses, in the interest of justice, may transfer any
civil action to any other district or 16 division where it might have been brought[.] 28 U.S.C. §
1404(a).

Section 1404(a) 17 partially displaces the common law doctrine of forum non conveniens with
respect to 18 transfers between federal courts. *Decker Coal Co. v. Commonwealth Edison Co.*, 805
19 F.2d 834, 843 (9th Cir. 1986).

In passing Section 1404(a), Congress intended to permit 20 courts to grant transfers upon a lesser showing of inconvenience than was needed for 21 dismissal under the doctrine of forum non conveniens. *Norwood v. Kirkpatrick*, 349 U.S. 22 29, 32 (1955). A transfer of venue pursuant to § 1404(a) may be made by motion of 23 either party or by the court sua sponte, so long as the parties are first given the 24 opportunity to present their views on the issue. *Pavao v. Unifund CCR Partners*, 934 F. 25 Supp. 2d 1238, 1242 (S.D.

Cal. 2013) (citing *Costlow v. Weeks*, 790 F.2d 1486, 1488 (9th 26 Cir. 1986)). 27 Here, Plaintiff Adams alleges that she is a resident of Texas, the property at issue is 28 located in Texas, and that foreclosure proceedings were initiated on the property. Compl. 1 || 993.1, 5.4.

The Complaint also alleges that a recorded lis pendens on the property was 2 ||issued in Harris County, Texas. /d. at 3. In her declaration in support of her Motion for a 3 || Preliminary Injunction, which the Court has denied, Plaintiff Adams alleges that 4 || Defendant Velocity allegedly is attempting to foreclose on the property in Texas. Dkt. 12 5 || see Dkt.

20. Plaintiff also asserts that on December 3, 2024, the 129th District Court 6 ||of Harris County, Texas, issued a temporary restraining order in her favor, Case No. 7 || 2024-58431, which “halt[ed] the last known foreclosure attempt.” Dkt. 12 95.

Thus, it 8 || appears that a “substantial part of the events” giving rise to Plaintiff’s claims arose in 9 || Texas. See 28 U.S.C. § 1391(b)(2). Although neither party has thus far contested that the 10 || Central District of California is the proper venue to hear Plaintiffs claims, Texas appears 11 || to be the appropriate forum. 12 Accordingly, for the reasons stated above, the Parties are hereby ORDERED TO 13 || SHOW CAUSE in writing on or before November 15, 2025 as to why the instant action 14 ||should not be transferred to United States District Court for the Southern District of 15 || Texas pursuant to 28 U.S.C. Section 1404.

16 17 IT IS SO ORDERED. 18 Selo 19 || Dated: October 30, 2025 0 HON. SERENA R. MURILLO 5 UNITED STATES DISTRICT JUDGE 22 23 24 25 26 27 28