

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF CALIFORNIA

PromiseOne Bank v. Nehal, LLC

Case No. 25cv2948 W (DEB) (S.D. Cal. Feb. 4, 2026) · No. 25cv2948 W (DEB) · Decided February 4, 2026

SUMMARY

The United States District Court for the Southern District of California granted PromiseOne Bank’s motion to remand a Texas forcible detainer action removed by Nehal, LLC. The court held that the state-law forcible detainer claim did not present a federal question and that removal to the Southern District of California was improper. The court awarded \$4,049 in attorneys’ fees and costs jointly and severally against Nehal and its counsel, while denying without prejudice sanctions related to Nehal’s separate bankruptcy proceeding.

CASE DETAILS

COURT	United States District Court for the Southern District of California
WRITING FOR THE COURT	Thomas J. Whelan
JURISDICTION	United States District Court for the Southern District of California
DECIDED	February 4, 2026
DOCKET	25cv2948 W (DEB)
DISPOSITION	remanded
PROCEDURAL POSTURE	Plaintiff moved to remand a removed Texas forcible-detainer action and sought sanctions against the defendant and its counsel. The district court decided the motion on the papers without oral argument.
STANDARD OF REVIEW	The removing party bears the burden of establishing removal jurisdiction, and removal statutes are strictly construed with a strong presumption against removal jurisdiction. A motion to remand for lack of subject-matter jurisdiction must be granted whenever the court determines before final judgment that jurisdiction is lacking. Attorney-fee sanctions under 28 U.S.C. § 1447(c) depend on whether the removing party had an objectively reasonable basis for removal; Rule 11 applies an objective reasonableness standard, and § 1927 requires subjective bad faith or recklessness.
PRECEDENTIAL VALUE	Unknown

TOPICS

eviction subject matter jurisdiction sanctions venue civil procedure

PRACTICE AREAS

civil procedure commercial litigation real estate bankruptcy remedies

QUESTIONS PRESENTED

1. Whether the removed Texas forcible-detainer action arose under federal law or otherwise presented a substantial federal question sufficient to establish federal-question jurisdiction.
2. Whether removal to the Southern District of California was proper when the underlying action was pending in Bexar County, Texas.
3. Whether PromiseOne was entitled to attorney fees and costs under 28 U.S.C. § 1447(c), Federal Rule of Civil Procedure 11, and 28 U.S.C. § 1927 for the removal.
4. Whether sanctions could be awarded in this action for fees and costs incurred in Nehal's separate bankruptcy proceeding.
5. What amount of sanctions was properly attributable to the removal and filings in the federal action.

HOLDINGS

1. The action did not arise under federal law and did not present a substantial federal question. The state-law forcible-detainer claim could not be removed based on an anticipated defense or an asserted federal issue concerning the Small Business Administration loan.
2. Removal to the Southern District of California was improper because Bexar County, Texas, is served by the Western District of Texas, not the Southern District of California.
3. PromiseOne was entitled to attorney fees and just costs incurred as a result of Nehal's objectively unreasonable and frivolous removal under 28 U.S.C. § 1447(c), Rule 11, and § 1927.
4. The court declined to award sanctions for fees and costs incurred in Nehal's separate bankruptcy proceeding and denied that portion of the request without prejudice.
5. The proper sanction was \$4,049 in attorney fees and costs, awarded jointly and severally against Nehal and Attorney Marc Steven Applbaum.

KEY QUOTATIONS

“federal question jurisdiction is not established by an anticipated defense which is invalidated by some federal law; a suit only arises under the laws of the United States when the plaintiff’s “well pleaded” statement of his own cause of action shows that it is based upon those laws.” (Discussion III.A)

“The only thing Nehal has effectively demonstrated is that its removal of this case is frivolous and objectively unreasonable.” (Discussion III.B.1)

“Sanctions are awarded to PromiseOne Bank in the amount of \$4,049.00 against Attorney Marc Steven Applbaum and Defendant Nehal, LLC, jointly and severally.” (Conclusion)

FACTUAL BACKGROUND

PromiseOne Bank loaned Nehal, LLC \$2,079,000 to purchase San Antonio real property, secured by a deed of trust. After Nehal defaulted, PromiseOne foreclosed, acquired the property, and filed a Texas forcible-detainer action after Nehal failed to vacate following notice. Nehal filed for bankruptcy shortly before the first hearing, obtained relief from the automatic stay, and then removed the forcible-detainer action to the Southern District of California minutes before a scheduled state-court hearing, asserting federal-question jurisdiction based on the federal Small Business Administration loan.

PROCEDURAL HISTORY

PromiseOne Bank filed a forcible-detainer action in the Justice Court, Precinct 2, Place 1, Bexar County, Texas. After Nehal, LLC filed for bankruptcy and obtained dismissal of the bankruptcy case following relief from the automatic stay, Nehal removed the forcible-detainer action to the Southern District of California on October 31, 2025. PromiseOne moved to remand and requested sanctions. The court remanded the case, awarded \$4,049 in sanctions jointly and severally against Nehal and its counsel, and denied without prejudice sanctions attributable to the bankruptcy proceeding.

DISPOSITION

remanded

REMAND INSTRUCTIONS

Remand the case to the Justice Court, Precinct 2, Place 1, Bexar County, Texas. Award \$4,049.00 in sanctions jointly and severally against Attorney Marc Steven Applbaum and Nehal, LLC. Deny without prejudice sanctions for fees and costs related to the bankruptcy proceeding.

CASES CITED

- Sparta Surgical Corp. v. National Association of Securities Dealers, Inc., 159 F.3d 1209, 1211 (9th Cir. 1998)
- Vaden v. Discover Bank, 556 U.S. 49, 60 (2009)
- Gaus v. Miles, Inc., 980 F.2d 564, 566 (9th Cir. 1992)
- Martin v. Franklin Capital Corp., 546 U.S. 132, 140-141 (2005)
- Lake v. Gates, 130 F.4th 1064, 1068 (9th Cir. 2025)
- In re Keegan Management Co., Securities Litigation, 78 F.3d 431, 436-437 (9th Cir. 1996)
- Louisville & Nashville Railroad Co. v. Mottley, 211 U.S. 149, 152 (1908)
- Beneficial National Bank v. Anderson, 539 U.S. 1, 8 (2003)
- Litton Loan Servicing, L.P. v. Villegas, No. C 10-05478 PJH, 2011 WL 204322, at *2 (N.D. Cal. Jan. 21, 2011)
- Operating Engineers Pension Trust v. A-C Co., 859 F.2d 1336, 1345 (9th Cir. 1988)
- New Alaska Development Corp. v. Guetschow, 869 F.2d 1298 (9th Cir. 1989)
- Council of Southern California v. FBI, 757 F.3d 870, 872 (9th Cir. 2014)

- United States v. Blodgett, 709 F.2d 608, 610 (9th Cir. 1983)

OPINION

PromiseOne Bank v. Nehal, LLC

PER CURIAM.

1 2 3 4 5 6 7 8 9

10 UNITED STATES DISTRICT COURT

11 SOUTHERN DISTRICT OF CALIFORNIA

12 13 PROMISEONE BANK, Case No.: 25cv2948 W (DEB) 14 Plaintiff,

ORDER GRANTING MOTION TO

15 v. REMAND AND GRANTING IN

PART REQUEST FOR SANCTIONS

16 NEHAL, LLC.

[DOC. 8]

17 Defendant. 18

19 20 Pending before the Court is Plaintiff PromiseOne Bank's ("PromiseOne") motion 21 to remand this case to the Justice Court, Precinct 2, Place 1, Bexar County, Texas, and for 22 an award of sanctions. Defendant Nehal, LLC ("Nehal") has not responded to the motion. 23 The Court decides the matter on the papers submitted and without oral argument. 24 See Civ. L.R. 7.1(d.1). For the following reasons, the Court GRANTS PromiseOne's 25 motion to remand [Doc. 8] and GRANTS IN PART PromiseOne's request for an award 26 of sanctions and AWARDS \$4,049, jointly and severally against Attorney Marc Steven 27 Applbaum and Nehal, LLC. 28

1 I. BACKGROUND

2 PromiseOne filed this forcible detainer action on August 21, 2025, in the Justice 3 Court in Bexar County, Texas, and Nehal removed the action on or about October 31, 4 2025. PromiseOne filed the pending motion to remand on November 20, 2025. 5 This forcible detainer lawsuit arises out of a loan PromiseOne made to Nehal for 6 the purchase of real property located in San Antonio, Texas (the "Property").1 On

7 December 5, 2017, Nehal executed a Business Loan Agreement and U.S. Small Business

8 Administration Note with PromiseOne in the amount of \$2,079,000.00, secured by a 9 Deed of Trust, encumbering the Property. (P&A [Doc 8] ¶ 2; Petition ¶ 3.) After Nehal 10 failed to meet the loan obligations, PromiseOne conducted a foreclosure sale of the 11 Property and became the owner. (P&A ¶ 3; Petition ¶¶ 4,5.) Despite being served with a 12 written Notice to Vacate, Nehal did not vacate the Property, leading PromiseOne to file 13 the Petition. (P&A ¶ 4; Petition ¶¶ 6–9.)

14 Shortly before the first hearing in PromiseOne's forcible detainer suit on

15 September 10, 2025, Nehal filed for bankruptcy in the Southern District of California.

16 (P&A ¶ 5; Pl's Exhibits, Ex. 3 (the "Bankr. Petition").) The Bankruptcy Petition lists San 17 Antonio, Texas, 78228, as Nehal's principal place of business, with only a mailing 18 address in

California. (Bankr. Petition at p.1.) 19 On October 10, 2025, PromiseOne was granted relief from the automatic stay and 20 given permission to proceed with the forcible detainer suit. (P&A ¶ 5; Pl’s Exhibits, Ex. 5 21 (the “Bk. Order”).) Nehal never filed bankruptcy schedules, and the bankruptcy case was 22 then dismissed for failure to attend the initial 341(a) Meeting of Creditors. (P&A ¶ 8.) 23 After obtaining relief from the stay, PromiseOne reset the forcible detainer hearing 24 for October 31, 2025. (P&A ¶ 9.) Nehal then removed the lawsuit to this Court on 25 26 27 1 The Petition for Forcible Detainer (the “Petition”) is attached to the Notice of Removal [Doc. 1] as Exhibit A and to Exhibit’s to Plaintiff’s Motion for Remand and Sanction and Brief in Support (“Pl’s 28

1 October 31, 2025, “minutes before the hearing was set to begin.” (Id.) The removal notice 2 contends removal is proper because this case involves a federal question. (Notice of 3 Removal ¶ 8.) Nehal asserts that because PromiseOne has alleged violations relating to a 4 federal loan program, this case involves a claim that requires the resolution of a 5 substantial question of federal law. (Id. ¶ 10.) The removal notice however does not 6 indicate why the case was removed to the Southern District of California and not the 7 Western District of Texas. 8 On or around January 5, 2026, PromiseOne moved to remand this case to the 9 Justice Court in Bexar County, Texas, pursuant to 28 U.S.C. § 1447(c), arguing this 10 Court lacks jurisdiction. (Motion 2:9–12.) PromiseOne also requests an award of 11 sanctions, representing its incurred and anticipated attorneys’ fees and costs in this case 12 and the bankruptcy case. PromiseOne requests that the sanction is awarded against Nehal 13 and its counsel, jointly and severally, pursuant to 28 U.S.C.A. § 1447(c), Fed. R. Civ. P. 14 11, and 28 U.S.C. § 1927. (Id. 2:13–17.) Nehal has not filed an opposition to either the 15 motion to remand or request for sanctions. 16

17 II. LEGAL STANDARD

18 A. Motion to Remand 19 A civil action that is filed in state court may be removed by the defendant to the 20 district court of the United States for the district and division embracing the place where 21 such action is pending if the federal district court has original jurisdiction based on either 22 “diversity of citizenship” or a “federal question.” See 28 U.S.C. § 1441(a). After removal, 23 a motion to remand the case can be made within 30 days after filing the notice of removal 24 on any basis other than lack of subject matter jurisdiction. See. § 1447(c). However, “[i]f 25 at any time before final judgment it appears that the district court lacks subject matter 26 jurisdiction, the case shall be remanded.” Id. 27 When jurisdiction is based on a “federal question,” the question must be disclosed 28 on the face of the complaint. *Sparta Surgical Corp. v. Nat’l Ass’n of Securities Dealers, 1 Inc.*, 159 F.3d 1209, 1211 (9th Cir.1998) (citation omitted). Under the longstanding well- 2 pled complaint rule, jurisdiction is only proper “when the plaintiff’s statement of his own 3 cause of action shows that it is based upon federal law.” *Vaden v. Discover Bank*, 556 4 U.S. 49, 60 (2009). Federal jurisdiction cannot be predicated on “an actual or anticipated 5 defense,” nor can it rest upon “an actual or anticipated counterclaim.” Id. 6 The removal statute is strictly construed, and the court must reject federal 7 jurisdiction if there is any

doubt as to whether the removal is proper. *Gaus v. Miles, Inc.*, 898 F.2d 564, 566 (9th Cir. 1992). This “strong presumption” against removal jurisdiction means that the defendant bears the burden of proving the propriety of removal. *Id.* 12 B. Motion for Sanctions PromiseOne moves for the award of sanctions under Section 1447(c), Federal Rule 14 of Civil Procedure 11, and Section 1927. (Motion, [Doc. 8] ¶¶ 16, 20.) Under Section 15 1447(c), an order remanding the case may require the payment of just costs and any 16 actual expenses incurred as a result of removal, including attorney’s fees. See 28 U.S.C. § 17 1447(c). However, this award of fees is discretionary, and has been characterized by the 18 Supreme Court as seeking to “deter removals sought for the purpose of prolonging 19 litigation and imposing costs on the opposing party, while not undermining Congress’ 20 basic decision to afford defendants a right to remove as a general matter, when the 21 statutory criteria are satisfied.” *Martin v. Franklin Capital Corp.*, 546 U.S. 132, 140 22 (2005). Thus, “absent unusual circumstances, attorney’s fees should not be awarded when 23 the removing party has an objectively reasonable basis for removal.” *Id.* at 141.

24 Rule 11 requires that an attorney certify that the pleading, written motion, or other 25 paper he is presenting to the court is not “being presented for any improper purpose, such 26 as to harass, cause unnecessary delay, or needlessly increase the cost of litigation.” Fed. 27 R. Civ. P. 11(b)(1). Any noncompliant filing is grounds for sanctions, which can include 28 an order directing payment to the movant of part or all of the attorney’s reasonable fees 1 and other expenses directly resulting from the violation and warranted for effective 2 deterrence. Fed. R. Civ. P. 11(c)(4). To impose sanctions on an attorney or party under 3 Rule 11, the court must employ an objective standard of reasonableness in determining if 4 a pleading is “both baseless and made without a reasonable and competent inquiry.” *Lake 5 v. Gates*, 130 F.4th 1064, 1068 (9th Cir. 2025). 6 Finally, under Section 1927, “[a]ny attorney...who so multiplies the proceedings in 7 any case unreasonably and vexatiously may be required by the court to satisfy personally 8 the excess costs, expenses, and attorneys’ fees reasonably incurred because of such 9 conduct.” See 28 U.S.C. § 1927. Sanctions under Section 1927 are extraordinary and 10 must be exercised with extreme caution. *In re Keegan Mgmt. Co., Sec. Litig.*, 78 F.3d 11 431, 437 (9th Cir. 1996). Unlike Rule 11, an award of sanctions under § 1927 requires a 12 finding of “subjective bad faith,” as when the attorney “knowingly or recklessly raise[d] a 13 frivolous argument[.]” *Id.* 14

15 III. DISCUSSION

16 A. Motion to Remand 17 PromiseOne argues removal was improper because there is no federal question 18 jurisdiction and Nehal’s anticipated defense based on the U.S. Small Business 19 Administration loan cannot provide a basis for removal. (P&A ¶¶ 14, 15.) PromiseOne 20 additionally notes that even had removal been proper, the case should not have been 21 removed to this Court, but rather to the Western District of Texas. (*Id.* ¶ 11.) The Court 22 agrees with both arguments. 23 As an initial matter, the Court grants PromiseOne’s motion to remand based on 24 Nehal’s failure to file an opposition as required by Civil Local Rule 7.1. Civil Local Rule 25

7.1.f.3.c. expressly provides that “[i]f an opposing party fails to file papers in the manner 26 required by Local Rule 7.1.e.2, that failure may constitute a consent to the granting of a 27 motion or other request for ruling by the Court.” Here, Nehal did not file an opposition 28 and has not requested additional time in which to do so. Moreover, there is no evidence 1 before the Court suggesting that PromiseOne’s moving papers failed to reach Nehal’s 2 counsel or that Nehal was not aware of this pending motion. Relying on Local Rule 3 7.1.f.3.c., the Court deems the failure to oppose the motion to remand as consent to its 4 merits. 5 Furthermore, regardless of Nehal’s failure to oppose the motion, the Court finds 6 the removal is inappropriate for two reasons. First, there is clearly no federal question 7 jurisdiction. It is long established that federal question jurisdiction is not established by 8 an anticipated defense which is invalidated by some federal law; a suit only arises under 9 the laws of the United States when the plaintiff’s “well pleaded” statement of his own 10 cause of action shows that it is based upon those laws. *Vaden v. Discover Bank*, 556 U.S. 11 49, 50 (2009) (citing *Louisville & Nashville R. Co. v. Mottley*, 211 U.S. 149, 152 (1908)). 12 A complaint purporting to rest on state law can be recharacterized as one “arising under” 13 federal law if the law governing the complaint is exclusively federal such that federal law 14 preempts state law. *Beneficial Nat. Bank v. Anderson*, 539 U.S. 1, 8 (2003). 15 While Nehal vaguely asserts that violations of the U.S. Small Business 16 Administration loan give rise to federal preemption of PromiseOne’s state law claim, this 17 Court finds that PromiseOne’s Petition does not implicate a substantial question of 18 federal law. Although forcible detainers are subject to federal jurisdiction and can be 19 removed when federal subject matter jurisdiction exists, the Petition in this case clearly 20 arises from Nehal’s failure to vacate the property after defaulting on the loan. (Petition ¶¶ 21 6–11.) The Petition is grounded in Texas state law. It asserts a single cause of action for 22 forcible detainer pursuant to Texas Property Code § 24.002. (Id. ¶ 10.) PromiseOne’s 23 right to relief for the forcible detainer claim does not depend on the resolution of a 24 substantial question of federal law. *Litton Loan Servicing, L.P. v. Villegas*, No. C 10- 25 05478 PJH, 2011 WL 204322, at *2 (N.D. Cal. Jan. 21, 2011). Rather, PromiseOne is 26 entitled to judgment upon establishing the conditions in the Texas Property Code are met. 27 (Id.) Accordingly, the Petition lacks any federal claims. 28 1 Second, removal to this Court is also inappropriate because the Southern District of 2 California is not the district responsible for Bexar County, Texas. A short internet search 3 reveals the correct court should have been in the Western District of Texas.² This district 4 is wholly inappropriate for removal, especially to resolve issues of Texas property law. 5 This Court is at a loss regarding how this matter ended up before it, having seen no 6 cognizable ties to the state of California, let alone the Southern District of California. 7 Nehal has failed to oppose the motion, has failed to show federal subject matter 8 jurisdiction exists, and has failed to justify removing the case to this district. For these 9 reasons, the Court will grant PromiseOne’s motion to remand. 10 11 B. Motion for Sanctions 12 PromiseOne seeks an award of \$8,149 in fees and costs already incurred against 13 Nehal and its counsel for the improperly filed bankruptcy petition and the improperly 14 filed removal.³ (P&A ¶

22.) Sanctions are “an extraordinary remedy, one to be exercised 15 with extreme caution.” Operating Eng’rs Pension Trust v. A-C Co., 859 F.2d 1336, 1345 16 (9th Cir. 1988). The sanctions standards are high, and the trend is against the award of 17 sanctions for allegedly improper or frivolous filings. See generally New Alaska 18 Development Corp. v. Guetschow, 869 F2d 1298 (1989). Despite the exacting standards, 19 the Court finds sanctions are warranted for the removal. With regard to the bankruptcy 20 proceeding, while PromiseOne has persuaded this Court that the bankruptcy proceeding 21 was filed to delay resolution of the Petition, PromiseOne has not cited authority 22 23 24 2 The United States District Court for the Western District of Texas consists of seven divisional offices, 25 including the San Antonio office that serves Bexar County, where the forcible detainer suit was originally filed. Frequently Asked Questions, General, UNITED STATES DISTRICT COURT WESTERN 26 DISTRICT OF TEXAS, <https://www.txwd.uscourts.gov/court-information/frequently-asked-questions/> 27 3 PromiseOne also requests fees that it anticipates in filing a reply and dealing with any appeal. (Pl’s Exhibits, Ex. 6 at ¶¶ G.) However, Nehar did not file an opposition, and thus no reply was required. 28 1 demonstrating that the Court has authority to award sanctions for attorneys’ fees incurred 2 in a separate case. 3 4 1. PromiseOne is entitled to sanctions for the removal 5 As set forth above, section 1447(c) allows the court to order “payment of just costs 6 and any actual expenses, including attorney fees, incurred as a result of the removal.” 28 7 U.S.C.A. § 1447(c). Courts may award attorney’s fees under § 1447(c) only where the 8 removing party lacked an objectively reasonable basis for seeking removal. Martin, 546 9 U.S. at 141. Rule 11 is intended to deter baseless filings in district court and imposes a 10 duty of “reasonable inquiry” so that anything filed with the court is “well grounded in 11 fact, legally tenable, and not interposed for any improper purpose.” Council of So. Cal. v. 12 F.B.I., 757 F.3d 870, 872 (9th Cir. 2014). And section 1927 authorizes sanctions against 13 an attorney who unreasonably and vexatiously multiplies the proceedings in any case 14 upon a finding of subjective bad faith and recklessness. In re Keegan, 78 F.3d at 436. 15 In the Notice of Removal, Nehal fails to even half-heartedly argue its default of the 16 loan constitutes a substantial question of federal law. Rather than illustrating the contours 17 of the alleged federal question, the notice consists of a few haphazardly strung together 18 jurisdictional buzzwords. Then, after PromiseOne filed the motion to remand, Nehal 19 failed to respond to explain how its failure to comply with the loan’s terms constitutes “a 20 claim arising under the Constitution, laws, or treaties of the United States.” 28 U.S.C.A. § 21 1441(c). The only thing Nehal has effectively demonstrated is that its removal of this 22 case is frivolous and objectively unreasonable. 23 This point is made even clearer by Nehal’s removal to the Southern District of 24 California rather than the district court responsible for matters arising from Bexar 25 County, Texas. A reasonable attorney also should have known that a California federal 26 court is not the appropriate venue to settle matters of Texas property law. This Court is at 27 a loss to discern any non-abusive justification for removing this case to this district 28 1 instead of Texas district court. Nehal’s only ties to this district are its abandoned 2 bankruptcy proceeding and

counsel's mailing address. 3 For these reasons, the Court finds PromiseOne is entitled to attorney's fees and just 4 costs incurred as a result of this objectively unreasonable and frivolous removal under 5 section 1447(c), Rule 11 and section 1927. 6 With regard to the bankruptcy case, PromiseOne's request for sanctions appears to 7 be based on the argument that section 1927 authorizes the award of fees because that case 8 was filed for the sole purpose of unreasonably and vexatiously driving up the costs of the 9 forcible detainer lawsuit. Given the facts of this case, this Court is sympathetic to 10 PromiseOne's position. However, PromiseOne has not cited—and this Court's own 11 independent research has not revealed—any case awarding sanctions under section 1927 12 based on a party's filing an entirely different lawsuit. Instead, the closest factual situation 13 involved an award of sanctions for filing a frivolous appeal within the same case. See 14 U.S. v. Blodgett, 709 F.2d 608, 610 (9th Cir. 1983). In the absence of such authority, this 15 Court is not convinced it has the authority to award fees and costs related to a case not 16 pending before it. 17 18 2. The amount of the sanction 19 The sole remaining issue is the amount of the sanction. PromiseOne requests 20 \$7,925 in fees and \$224 in costs for a total sanction of \$8,149. The problem with the 21 attorney's fee component of the request is that it is not limited to work related to the 22 removal or Nehal's filings with this Court. PromiseOne's counsel's billing statements 23 (submitted as support for the sanction) include \$4,100 in fees that were incurred before 24 the case was removed on October 31, 2025. (Pl's Exhibit, Ex. 6A at pp.1–2.) Thus, those 25 fees were not “incurred as a result of the removal” as required by section 1447(c) and 26 27 28 1 || were not included in any document Nehal filed in this Court as required by Rule 11.4 2 || Accordingly, the Court will award PromiseOne \$4,049 in attorneys' fees and costs, 3 ||jointly and severally against Nehal and its counsel. 4

5 ||IV. CONCLUSION & ORDER

6 For the foregoing reasons, the Court GRANTS Plaintiff PromiseOne Bank's 7 ||motion to remand [Doc. 8] and request for sanctions, and ORDERS as follows: 8 e This case is remanded to the Justice Court, Precinct 2, Place 1, Bexar County, 9 Texas. 10 e Sanctions are awarded to PromiseOne Bank in the amount of \$4,049.00 against 1] Attorney Mare Steven Applbaum and Defendant Nehal, LLC, jointly and 12 severally. 13 e Sanctions for the bankruptcy proceeding are denied without prejudice. 14 IT IS SO ORDERED. 15 || Dated: February 4, 2026 \

17 Hn. 7 omas J. Whelan

18 United States District Judge 19 20 21 22 23 24 25 26 | 27 ||4 The Advisory Committee Notes for the 1993 Amendment further clarify that any sanction under Rule 7g || 11 “should not exceed the expenses and attorneys' fees for the services directly and unavoidably caused by the violation of the certification requirement.” 10