

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF SOUTH
CAROLINA, SPARTANBURG DIVISION

Equity Holding Corp. v. Crystal Jordan, All Occupants

C/A No. 7:26-cv-01087-BHH-KFM · No. 7:26-cv-01087-BHH-KFM · Decided March 19, 2026

SUMMARY

This Report and Recommendation addresses Crystal Jordan’s attempted removal of a South Carolina eviction action to federal court based on alleged Fair Housing Act violations. The magistrate judge recommends sua sponte remand for lack of subject matter jurisdiction, finding that the state-court eviction complaint does not present a federal question and that a federal defense cannot create removal jurisdiction. The recommendation also finds Jordan’s request for emergency injunctive relief moot and warns of possible sanctions for further improper removals.

CASE DETAILS

COURT	United States District Court for the District of South Carolina, Spartanburg Division
WRITING FOR THE COURT	Kevin F. McDonald
JURISDICTION	United States District Court for the District of South Carolina, Spartanburg Division
DECIDED	March 19, 2026
DOCKET	7:26-cv-01087-BHH-KFM
DISPOSITION	remanded
PROCEDURAL POSTURE	Defendant, proceeding pro se and in forma pauperis, attempted to remove a South Carolina eviction action to federal court and asserted federal-question jurisdiction based on alleged Fair Housing Act violations. The magistrate judge issued a Report and Recommendation recommending sua sponte remand for lack of subject matter jurisdiction.
STANDARD OF REVIEW	The district court must independently determine whether subject matter jurisdiction exists; objections to the Report and Recommendation are subject to de novo review of specifically objected-to portions, while absent timely objections the district court need only satisfy itself that there is no clear error on the face of the record.

PRECEDENTIAL VALUE	nonprecedential
PARTIES	Crystal Jordan, All Occupants v. Equity Holding Corp.

TOPICS

subject matter jurisdiction eviction landlord tenant civil procedure injunctions

PRACTICE AREAS

civil procedure real estate landlord tenant federal jurisdiction civil rights

QUESTIONS PRESENTED

1. Whether the federal court had subject matter jurisdiction over the removed state eviction action under the federal-question jurisdiction statute.
2. Whether the defendant could create federal-question jurisdiction by asserting Fair Housing Act violations as a defense or counterclaim to a state-law eviction action.
3. Whether the motion for a temporary restraining order and preliminary injunction could be considered when the court lacked subject matter jurisdiction.

HOLDINGS

1. The state eviction action did not present a federal question on the face of the state-court complaint, so the federal court lacked subject matter jurisdiction and should sua sponte remand the case.
2. The motion for a temporary restraining order and preliminary injunction should be found moot because the federal court lacked subject matter jurisdiction.

KEY QUOTATIONS

“Federal courts are courts of limited jurisdiction, “constrained to exercise only the authority conferred by Article III of the Constitution and affirmatively granted by federal statute.”” (3)

“The basis of federal question jurisdiction [] must appear upon the face of the state court complaint, and it cannot be supplied by reference to the answer or petition” (3)

“actions in which [state court] defendants merely claim a substantive federal defense to a state law claim do not raise a federal question” (3)

FACTUAL BACKGROUND

Equity Holding Corp. filed a state eviction action against Crystal Jordan and All Occupants on February 16, 2026, seeking to collect unpaid rent. At the time of removal, no hearing had been set and no writ of ejectment had issued. Jordan alleged that the eviction was retaliatory and violated protected housing and tenancy rights under the Fair Housing Act, and she filed a document styled as federal counterclaims and a complaint.

PROCEDURAL HISTORY

Equity Holding Corp. filed an eviction action against Crystal Jordan and All Occupants in Spartanburg County Magistrate Court for nonpayment of rent. No hearing had been set and no writ of ejectment had issued when Jordan filed a notice of removal in federal court. The magistrate judge recommended remand, recommended finding Jordan's motion for a temporary restraining order and preliminary injunction moot, and warned that sanctions could be imposed for additional improper removal notices.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The magistrate judge recommended that the action be remanded sua sponte to the Spartanburg County Magistrate Court for lack of subject matter jurisdiction. The recommendation also stated that the motion for a temporary restraining order and preliminary injunction should be deemed moot. The recommendation was subject to written objections and district-judge review.

CASES CITED

- Erickson v. Pardus, 551 U.S. 89 (2007) (per curiam)
- Weller v. Dep't of Soc. Servs., 901 F.2d 387, 391 (4th Cir. 1990)
- Dixon v. Coburg Dairy, Inc., 369 F.3d 811, 815 (4th Cir. 2004)
- Caterpillar Inc. v. Williams, 482 U.S. 386, 392 (1987)
- Ballard v. Carlson, 882 F.2d 93, 95 (4th Cir. 1989)
- In re Bulldog Trucking, Inc., 147 F.3d 347, 352 (4th Cir. 1998)
- Pinkley, Inc. v. City of Frederick, 191 F.3d 394, 399 (4th Cir. 1999)
- Lehigh Mining & Mfg. Co. v. Kelly, 160 U.S. 337 (1895)
- Gully v. First Nat'l Bank, 299 U.S. 109 (1936)
- In re Blackwater Sec. Consulting, LLC, 460 F.3d 576, 585 (4th Cir. 2006)
- Diamond v. Colonial Life & Acc. Ins. Co., 416 F.3d 310 (4th Cir. 2005)
- Thomas v. Arn, 474 U.S. 140 (1985)
- Wright v. Collins, 766 F.2d 841 (4th Cir. 1985)
- United States v. Schronce, 727 F.2d 91 (4th Cir. 1984)