

STATE OF MICHIGAN  
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

CARRIE L. ESTABROOK,

Plaintiff,

v

Case No. 14-142439-CK  
Hon. Wendy Potts

SOAVE PROPERTIES, INC,

Defendant.

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OPINION AND ORDER RE: BUSINESS COURT JURISDICTION

At a session of Court  
Held in Pontiac, Michigan

On  
**AUG 21 2014**

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Plaintiff Carrie Estabrook filed this complaint alleging that Defendant Soave Properties breached an agreement to build a residence. Plaintiff submitted a notice of assignment to business court claiming that the matter is a business or commercial dispute because “all of the parties are business enterprises,” MCL 600.8031(1)(c)(i), and the dispute involves “commercial real property.” MCL 600.8031(2)(f).

This Court has an obligation to question sua sponte its jurisdiction over the subject matter of an action. *Yee v Shiawassee Co Bd of Comm'rs*, 251 Mich App 379, 399; 651 NW2d 756 (2002). Subject matter jurisdiction is determined by the allegations in the pleadings. *Trost v Buckstop Lure Co, Inc*, 249 Mich App 580, 587-588; 644 NW2d 54 (2002).

Business court jurisdiction is limited to actions involving a “business or commercial dispute.” MCL 600.8035(3). The statute defines a business or commercial dispute as:

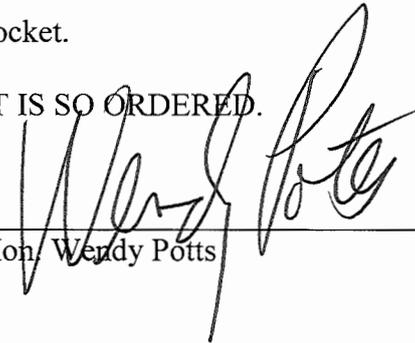
- (i) An action in which all of the parties are business enterprises.

- (ii) An action in which 1 or more of the parties is a business enterprise and the other parties are its or their present or former owners, managers, shareholders, members, directors, officers, agents, employees, suppliers, or competitors, and the claims arise out of those relationships.
- (iii) An action in which 1 of the parties is a nonprofit organization, and the claims arise out of that party's organizational structure, governance, or finances.
- (iv) An action involving the sale, merger, purchase, combination, dissolution, liquidation, organizational structure, governance, or finances of a business enterprise. [MCL 600.8031(1)(c)]

Contrary to Plaintiff's representation in the notice, the parties to this case are not all business enterprises as defined by MCL 600.8031(1)(b). Although Plaintiff alleges that Defendant is a corporation, Plaintiff admits in the first paragraph of her complaint that she is "an individual." Thus, the case does not fall under Business Court jurisdiction based on § 8031(1)(c)(i). Further, there are no allegations in the complaint supporting jurisdiction under §8031(1)(c)(ii) through (iv). Moreover, this case does not involve commercial property because Plaintiff admits in the third paragraph of her complaint that she hired Defendant to build a residence.

For all of these reasons, this dispute is excluded from Business Court jurisdiction and the Court orders the case reassigned to the general civil docket.

IT IS SO ORDERED.



Hon. Wendy Potts

Dated:

**AUG 21 2014**