

Bond Case Briefs

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EMINENT DOMAIN - TEXAS

Mesquite Asset Recovery Group, L.L.C. v. City of Mesquite, Texas

United States Court of Appeals, Fifth Circuit - September 23, 2025 - F.4th - 2025 WL 2700591

Development groups brought action against city in state court, asserting takings claim under federal and Texas constitutions and seeking declaratory relief and attorneys' fees for breach of contract and other state-law violations, after city allegedly refused to extend time for performance under contract and terminated it.

Following removal, city filed motion to dismiss. United States District Court for the Northern District of Texas granted the motion. Groups appealed.

The Court of Appeals held that:

- Groups failed to state a takings claim, and
- Federal Declaratory Judgment Act claim was subject to dismissal, following remand of claim for breach of contract under Texas law to state court.