

CAUSE NO. D-1-GN-20-003310

YOYO

Plaintiff,

v.

INVERSE INVESTMENTS, LLC, &
SCOTT A. CARSON

Defendants.

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IN THE DISTRICT COURT OF

TRAVIS COUNTY, TEXAS

459TH JUDICIAL DISTRICT

PLAINTIFF’S ORIGINAL PETITION AND RULE 193.7 NOTICE

TO THE HONORABLE JUDGE OF SAID COURT:

Plaintiff, Yoyo (“Yoyo” or “Plaintiff”) file this Original Petition and Rule 193.7 Notice, complaining of Defendants, Inverse Investments, LLC (“Inverse”), and Scott A. Carson (“Carson”), (collectively “Defendants”) and would respectfully show the following:

I. DISCOVERY

1. Plaintiff requests that discovery in this case proceed under Discovery Control Plan Level 2 pursuant to the Texas Rules of Civil Procedure.

II. NATURE OF THE CASE

2. On or about October 29, 2018, Yoyo entered into a Joint Venture Agreement (the “Agreement”) with Inverse to purchase real estate notes or properties (the “Assets”) for \$100,000.00. Yoyo delivered the full amount of \$100,000 to Inverse but it has failed and refused to perform its end of the bargain. Yoyo sent Inverse a notice to terminate the Agreement. After months and years of phone calls and attempts to contact Inverse, it has become apparent that Inverse does not intend to honor the Agreement. To date, Yoyo has not received a return of its \$100,000.00.

III. JURISDICTION, VENUE, AND CONDITIONS PRECEDENT

3. This Court has jurisdiction over this matter because the amount in controversy exceeds the minimum jurisdictional limits of this Court.

4. Venue is proper in Travis County under Section 15.002(a)(3) of the Texas Civil Practice & Remedies Code because Defendant's principal office is located in Travis County, Texas.

5. Yoyo seeks monetary relief of \$100,000 or less and nonmonetary relief. Yoyo reserves the right to amend its claim for relief in the event that it learns of additional damages in discovery.

6. All conditions precedent for Plaintiff to recover have been performed, have occurred, or have been waived or excused.

IV. PARTIES

7. Plaintiff, Yoyo

8. Defendant, Inverse Investments, LLC is a Texas limited liability company, whose principal place of business is in Travis County, Texas and may be served with process through its registered agent Scott A. Carson at 13785 Research Boulevard, Suite 125-146 Austin, Texas 78750 or wherever he may be found. Issuance of Citation is hereby requested.

9. Defendant, Scott A. Carson is an individual doing business in Travis County, Texas and may be served with process at 13785 Research Boulevard, Suite 125-146 Austin, Texas 78750 or wherever he may be found. Issuance of Citation is hereby requested.

V. FACTS

10. On or about October 29, 2018, Plaintiff entered into an Agreement with Inverse to acquire the Assets for a one-time payment of \$100,000.00. Inverse agreed to include Yoyo as a co-owner of the Assets, if feasible. This did not happen.

11. Also, Inverse agreed to create an account for Inverse and Yoyo to have full access and transparency for all transactions related to the Assets and/or real property purchased using Yoyo's \$100,000.00. These accounts would track the purchase and subsequent sale of the Assets. This did not happen.

12. The parties agreed that all proceeds stemming from the lease or sale of the Assets would be split evenly between Yoyo and Inverse. To date, Inverse has not informed Yoyo of any sale of the Assets.

13. The Agreement specified that if Inverse failed to sell the Assets purchased using Yoyo's \$100,000.00 after 12 months, Yoyo had the option to terminate the Agreement and Inverse would have 90 days to return Yoyo's \$100,000.00 plus interest at 12% per annum.

14. It has been over 12 months since the Assets was purchased and no sale has been announced. Yoyo sent Inverse a termination notice and requested a return of its \$100,000.00 plus the 12% interest specified in the Agreement. Yoyo requested an explanation numerous times via email, telephonically, and finally through its attorney to no avail.

15. Yoyo now seeks its damages from the Defendants for the amount it was promised in the Agreement. Yoyo also seeks their reasonable and necessary, equitable and just attorneys' fees incurred in pursuing collection of these amounts through this lawsuit.

VI. CAUSES OF ACTION

A. Breach of Contract

16. Plaintiff incorporates all the preceding paragraphs in their entirety for all purposes.

17. Plaintiff has a valid contract with Inverse for the purchase and sale of Assets.

Plaintiff performed under the contract. Inverse breached the contract. Plaintiff has suffered damages as Inverse has failed to fulfill any of its obligations under the contract.

18. Inverse's failure to perform caused Yoyo's damages as Yoyo has yet to receive the \$100,000.00 plus 12% interest under the Agreement.

B. Fraud

19. Plaintiff incorporates all the preceding paragraphs in their entirety for all purposes.

20. Inverse, through its agent, Carson, made materially false representations to Plaintiff with the intent that Plaintiff enter into the Agreement. Plaintiff relied on Defendants' materially false representations and entered into the contract thereby causing injury to Plaintiff.

21. Accordingly, Plaintiff seek a recovery of their actual damages and consequential damages suffered as a result of Defendants' fraud. Plaintiff further seeks exemplary damages pursuant to TEX. CIV. PRAC. & REM. CODE § 41.003(a)(1) because of Defendants' fraud.

C. Attorney's and Other Fees

22. Plaintiff asks the Court to award it reasonable and necessary attorney fees from Defendants under Texas Civil Practice and Remedies Code § Chapter 38.001 and the Texas Business and Commerce Code § 27.01(e). Plaintiff is also entitled to their expert witness fees and other costs provided for in Texas Business and Commerce Code § 27.01(e).

IX. RULE 193.7 NOTICE

23. Pursuant to Rule 193.7 of the Texas Rules of Civil Procedure, Plaintiff hereby gives actual notice to Defendants that any and all documents produced by Defendants may be used against Defendants at any pretrial proceeding and/or at the trial of this matter without the necessity of authenticating the documents.

X. PRAYER

WHEREFORE, Plaintiff respectfully requests that the Court:

- a) award Plaintiff actual and consequential damages;
- b) award Plaintiff exemplary damages;
- c) award Plaintiff its attorney fees;
- d) award Plaintiff prejudgment interest and post-judgment interest;
- e) award Plaintiff costs of suit;
- f) grant Plaintiff all relief in law and in equity to which it is entitled.

Respectfully submitted,
RAPP & KROCK, PC

/s/ R. Alex Weatherford
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ATTORNEYS FOR PLAINTIFF

Automated Certificate of eService

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Kayla Martin on behalf of R. Alex Weatherford
Bar No. 24079553
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Envelope ID: 43966758
Status as of 06/23/2020 15:08:19 PM -05:00

Associated Case Party: The Yoyo Living Trust

Name	BarNumber	Email	TimestampSubmitted	Status
R. Alex Weatherford		aweatherford@rappandkrock.com	6/23/2020 1:41:49 PM	SENT