

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

Athena Kostopoulos, on behalf of herself and others similarly situated v. Nationstar Mortgage LLC, d/b/a Mr. Cooper and Friedman Vartolo, LLP, and John Does 1-25

Kostopoulos · No. 2:25-cv-02859 · Decided December 29, 2025

SUMMARY

The United States District Court for the District of New Jersey granted Defendants’ motions to dismiss Athena Kostopoulos’s Fair Debt Collection Practices Act claims against Nationstar Mortgage LLC and Friedman Vartolo, LLP. The court held that the Rooker-Feldman doctrine deprived it of subject-matter jurisdiction because the claims challenged state-court foreclosure judgments and sought review or rejection of those judgments. The complaint was dismissed with prejudice.

CASE DETAILS

COURT	United States District Court for the District of New Jersey
WRITING FOR THE COURT	Jamel K. Semper
JURISDICTION	United States District Court for the District of New Jersey
DECIDED	December 29, 2025
DOCKET	2:25-cv-02859
DISPOSITION	dismissed
PROCEDURAL POSTURE	Defendants moved under Federal Rules of Civil Procedure 12(b)(1) and 12(b)(6) to dismiss Plaintiff's FDCPA complaint. The court granted the motions and dismissed the complaint with prejudice.
STANDARD OF REVIEW	For a facial Rule 12(b)(1) challenge to standing, the court applies the same standard used for a Rule 12(b)(6) motion and considers the complaint's allegations. Under Rule 12(b)(6), the complaint must contain sufficient factual matter to state a facially plausible claim; factual allegations are accepted as true and construed in the plaintiff's favor.
PRECEDENTIAL VALUE	unpublished

TOPICS

- subject matter jurisdiction
- motions to dismiss
- foreclosure
- fair debt collection
- civil procedure

PRACTICE AREAS

civil procedure

consumer protection

real estate

foreclosure

fair debt collection

QUESTIONS PRESENTED

1. Whether the Rooker-Feldman doctrine deprived the federal district court of subject matter jurisdiction over Plaintiff's FDCPA claims challenging Nationstar's authority to pursue foreclosure.
2. Whether Plaintiff's FDCPA claims were, in substance, an effort to obtain federal review and rejection of prior state-court foreclosure judgments.
3. Whether the court needed to reach Defendants' alternative arguments under Rules 12(b)(6) and 23 after determining that Rooker-Feldman barred the action.

HOLDINGS

1. The Rooker-Feldman doctrine barred Plaintiff's claims because she lost in state court, alleged injuries caused by state-court judgments rendered before the federal action, and invited the district court to review and reject those judgments.
2. The complaint was dismissed with prejudice because the court lacked subject matter jurisdiction under Rooker-Feldman.

KEY QUOTATIONS

“the Rooker-Feldman Doctrine provides that district courts do not have jurisdiction over ‘cases brought by state-court losers complaining of injuries caused by state-court judgments rendered before the district court proceedings commenced and inviting district court review and rejection of those judgments.’” (III)

“Thus, all four requirements of the Rooker-Feldman doctrine are met: Plaintiff lost in state court; the Complaint alleges injuries caused by the adverse state-court judgments, which were rendered before this instant suit was filed, and Plaintiff is inviting the district court to review and reject the state-court judgments in his foreclosure action.” (III)

“Therefore, this Court lacks subject matter jurisdiction and must dismiss the Complaint because “[a]djudicating Plaintiff’s claims would require this Court to impermissibly engage in appellate review of the foreclosure action.”” (III)

FACTUAL BACKGROUND

Plaintiff and her husband obtained a residential mortgage loan in 2003 and defaulted in 2006. New Jersey foreclosure proceedings resulted in summary judgment, a final foreclosure judgment, and repeated state-court rulings that Nationstar had standing to foreclose. Plaintiff subsequently filed Chapter 11 and Chapter 13 bankruptcy proceedings that delayed the sheriff's sale but were dismissed. She then filed this FDCPA action alleging that Defendants falsely represented Nationstar's interest in the mortgage and authority to pursue a pluries writ of execution.

PROCEDURAL HISTORY

Plaintiff brought a putative class action alleging that Nationstar Mortgage LLC and Friedman Vartolo, LLP violated the FDCPA by pursuing a foreclosure sale and making misrepresentations about Nationstar's interest and authority. Defendants moved to dismiss for lack of subject matter jurisdiction, failure to state a claim, and failure to identify a proper class. The court dismissed the action with prejudice under the Rooker-Feldman doctrine because Plaintiff's claims sought review and rejection of prior New Jersey foreclosure judgments.

DISPOSITION

dismissed

CASES CITED

- In re Burlington Coat Factory Sec. Litig., 114 F.3d 1410, 1426 (3d Cir. 1997)
- PBGC v. White Consolidated Industries, Inc., 998 F.2d 1192, 1196 (3d Cir. 1993)
- Kostopoulos v. Wilmington Sav. Fund Soc'y FSB, No. 24-06215, 2025 WL 339274, at *1 (D.N.J. Jan. 29, 2025)
- Nationstar Mortgage, LLC v. Kostopoulos, No. A-1532-18 at 9 (App. Div. Sept. 20, 2019)
- Ballentine v. United States, 486 F.3d 806, 810 (3d Cir. 2007)
- Const. Party of Penn. v. Aichele, 757 F.3d 347, 357-358 (3d Cir. 2014)
- Spokeo, Inc. v. Robins, 578 U.S. 330, 338 (2016)
- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 570 (2007)
- Connelly v. Lane Const. Corp., 809 F.3d 780, 786, 789 (3d Cir. 2016)
- Phillips v. Cty. of Allegheny, 515 F.3d 224, 231 (3d Cir. 2008)
- Pinker v. Roche Holdings Ltd., 292 F.3d 361, 374 n.7 (3d Cir. 2002)
- VU Urb. Renewal A, LLC v. Lewis, No. 22-6773, 2022 WL 17722881, at *1 (D.N.J. Dec. 15, 2022)
- Vuyanich v. Smithton Borough, 5 F.4th 379, 384 (3d Cir. 2021)
- Gage v. Wells Fargo Bank, NA AS, 521 F. App'x 49, 51 (3d Cir. 2013)
- Great W. Mining and Mineral Co. v. Fox Rothschild LLP, 615 F.3d 159, 166 (3d Cir. 2010)
- Exxon Mobil Corp., 544 U.S. 280, 284 (2005)
- Perez v. Seterus, Inc., No. 17-5862, 2017 WL 5513687, at *3 (D.N.J. Nov. 16, 2017)
- Anderson v. Stern & Eisenberg, P.C., No. 24-11198, 2025 WL 1505327, at *3, *5 (D.N.J. May 27, 2025)