

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF OREGON

**Corvallis Hospitality, LLC v. Wilmington Trust, National Association
as Trustee for the Benefit of the Holders of LCCM 2017-LC26
Mortgage Trust Commercial Mortgage Pass-Through Certificates,
Series 2017-LC26; Midland Loan Services, Inc.; Beacon Default
Management, Inc.; and K-Star Asset Management, LLC**

Corvallis Hospitality · No. 6:22-cv-00024-MC; consolidated with 6:22-cv-00993-MC · Decided June 5, 2026

SUMMARY

The United States District Court for the District of Oregon denied Corvallis Hospitality, LLC’s motion to strike evidence supporting defendants’ motion for relief and entry of judgment. The court held that loan transaction summaries, accounting exhibits, contract-based calculations, and attorney billing records were admissible under the business-records exception and could be presented in admissible form. The court also concluded that the challenged declaration statements recited contract terms and did not constitute impermissible legal conclusions.

CASE DETAILS

COURT	United States District Court for the District of Oregon
WRITING FOR THE COURT	Michael J. McShane
JURISDICTION	United States District Court for the District of Oregon
DECIDED	June 5, 2026
DOCKET	6:22-cv-00024-MC; consolidated with 6:22-cv-00993-MC
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved to strike exhibits and declaration statements submitted in support of defendants' motion for relief and entry of judgment concerning amounts owed under a loan agreement. The court construed the motion to strike as evidentiary objections under Federal Rule of Civil Procedure 56(c)(2) and denied it.
STANDARD OF REVIEW	Under Federal Rule of Civil Procedure 56(c), the court considered whether the challenged material could be presented in an admissible form at trial and whether declarations were based on personal knowledge, set out admissible facts, and showed the declarant's competence.

TOPICS

evidence

hearsay

summary judgment

civil procedure

breach of contract

PRACTICE AREAS

evidence

civil procedure

contracts

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remedies

QUESTIONS PRESENTED

1. Whether the loan transaction histories and accounting summaries submitted with the Furay Declaration had an adequate foundation for admission under the business-records exception to hearsay.
2. Whether the loan exhibits were inadmissible because they were prepared for litigation or constituted improper summaries of business records.
3. Whether statements in the Furay Declaration concerning the loan agreement and calculations of amounts owed were impermissible legal conclusions.
4. Whether the attorney billing spreadsheets submitted with the Ascher and Watnick Declarations had sufficient foundation for admission as business records.

HOLDINGS

1. The loan exhibits were admissible business records because the special-servicing asset manager had sufficient knowledge of the lender's and servicer's record-keeping practices, relied on the records, and had a substantial interest in their accuracy.
2. The loan exhibits were admissible even though the summaries were submitted in litigation because they were generated from databases and underlying records maintained in the ordinary course of business and satisfied the requirements for summarizing business records.
3. The challenged statements were admissible because they recited loan-agreement provisions and compiled contractual terms informing calculations of amounts owed, rather than offering impermissible legal conclusions.
4. The billing exhibits were admissible because the declarations established that they accurately reflected contemporaneous time entries and the spreadsheets contained sufficiently detailed information regarding the billed work.

KEY QUOTATIONS

“Courts at the summary judgment stage consider evidence “[i]f the contents of a document can be presented in a form that would be admissible at trial.” (Legal Standard)

“A business record under Rule 803(6) must be (1) made contemporaneously, (2) made by someone with knowledge, (3) kept in the regular course of business, (4) made as the regular practice of a business, and (5) accompanied by testimony of a custodian or qualified witness.” (Discussion § I)

FACTUAL BACKGROUND

In 2017, Corvallis Hospitality, LLC obtained an \$18 million loan secured and serviced by defendants. It failed to make required loan payments from May through October 2020, after which Wilmington Trust notified it of default and accelerated the loan. The court had previously determined that the borrower breached the loan agreement and that the National Banking Act preempted Oregon H.B. 4204. Defendants then submitted loan-account summaries, contractual calculations, and attorney billing records to establish the amounts allegedly owed.

PROCEDURAL HISTORY

Corvallis Hospitality, LLC previously litigated claims arising from an \$18 million loan and the court found that it breached the loan agreement by failing to make required payments from May through October 2020. After a January 5, 2026 status conference, defendants moved for relief and entry of judgment determining the amounts owed, including attorney fees and costs. Plaintiff filed a response and a separate motion to strike the supporting evidence; the court treated the motion as Rule 56 evidentiary objections and denied it.

DISPOSITION

other

CASES CITED

- Loomis v. Cornish, 836 F.3d 991, 996-97 (9th Cir. 2016)
- Sandoval v. County of San Diego, 985 F.3d 657, 666 (9th Cir. 2021)
- Fraser v. Goodale, 342 F.3d 1032, 1036-37 (9th Cir. 2003)
- MRT Construction, Inc. v. Hardrives, Inc., 158 F.3d 478, 483 (9th Cir. 1998)
- United States v. Childs, 5 F.3d 1328, 1334 (9th Cir. 1993)
- ABS Entm't, Inc. v. CBS Corp., ABS Entertainment, Inc. v. CBS Corp., 908 F.3d 405, 426 (9th Cir. 2018)
- U.S. Bank Trust, N.A. as Trustee for LSF9 Master Participation Trust v. Jones, 925 F.3d 534, 537 (1st Cir. 2019)
- NDFI, LLC v. Cunningham, 2025 WL 3295069, at *6 (E.D.N.Y. Nov. 26, 2025)
- NLRB v. First Termite Control Co., 646 F.2d 424 (9th Cir. 1981)
- U-Haul International, Inc. v. Lumbermens Mutual Casualty Co., 576 F.3d 1040, 1043-44 (9th Cir. 2009)
- United States ex rel. Jordan v. Northrop Grumman Corp., 2003 WL 27366315, at *3 (C.D. Cal. Mar. 11, 2003)
- Antoninetti v. Chipotle Mexican Grill, Inc., 49 F. Supp. 3d 710, 717 (S.D. Cal. 2014)
- In re Capacitors Antitrust Litigation, 2022 WL 3137938, at *1 (N.D. Cal. July 26, 2022)