UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

# Washington v. LoanDepot.com LLC

Washington · No. Civil Action No. 2025-0725 (CRC) · Decided March 17, 2026

## SUMMARY

The United States District Court for the District of Columbia denies without prejudice Marcus Washington’s motion for default judgment against Freddie Mac because service was not properly established, while allowing additional time to effect service. The court grants Shellpoint’s motion to dismiss and sua sponte dismisses the claims against LoanDepot, holding that Washington lacked standing to challenge the assignment of his mortgage documents or a prospective foreclosure.

## CASE DETAILS

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| COURT | United States District Court for the District of Columbia |
| WRITING FOR THE COURT | Christopher R. Cooper |
| JURISDICTION | United States District Court for the District of Columbia |
| DECIDED | March 17, 2026 |
| DOCKET | Civil Action No. 2025-0725 (CRC) |
| DISPOSITION | other |
| PROCEDURAL POSTURE | Plaintiff brought a quiet-title action invoking diversity jurisdiction. Shellpoint moved to dismiss, and plaintiff moved for default judgment against Freddie Mac. The court denied default judgment, granted Shellpoint's motion to dismiss, and sua sponte dismissed the claims against LoanDepot for lack of standing. |
| STANDARD OF REVIEW | On a motion to dismiss, the court considered whether it had subject-matter jurisdiction and whether the complaint stated a viable claim. Standing was treated as a threshold jurisdictional issue that the court could consider sua sponte. Pro se filings were construed liberally, but the plaintiff remained subject to the Federal Rules of Civil Procedure. |
| PRECEDENTIAL VALUE | Published district court memorandum opinion |
| PARTIES | Marcus Washington v. LoanDepot.com, LLC, Specialized Loan Servicing LLC, NewRez LLC d/b/a Shellpoint Mortgage Servicing, Federal Home Loan Mortgage Corporation as Trustee for Freddie Mac Multiclass Certificates, Series 5125 Trust |

## TOPICS

standing · motions to dismiss · service of process · default judgment · quiet title

## PRACTICE AREAS

civil procedure · real estate · constitutional law · remedies

## QUESTIONS PRESENTED

1. Whether Washington was entitled to default judgment against Freddie Mac when the materials filed as proof of service did not establish proper service of the summons and complaint.
2. Whether Washington had Article III standing to challenge the assignment of a note or deed of trust to which he was not a party or intended beneficiary.
3. Whether a threatened or hypothetical future foreclosure supplied the injury in fact necessary for Article III standing.
4. Whether the court could dismiss Washington's claims against LoanDepot sua sponte on the same standing grounds applicable to Shellpoint.

## HOLDINGS

1. Default judgment was not warranted because Washington failed to establish that he properly served Freddie Mac under Federal Rule of Civil Procedure 4. The court nevertheless granted him an additional thirty days to effect service because the docket had erroneously indicated that service was complete.
2. A borrower who is neither a party to nor an intended beneficiary of an assignment lacks standing to challenge the validity of that assignment, even when the assignment concerns the borrower's mortgage.
3. A threatened or potential future foreclosure, as opposed to an actual realized foreclosure, does not create the injury in fact required for constitutional standing.
4. The court could sua sponte dismiss Washington's claims against LoanDepot on the same standing grounds that required dismissal of the claims against Shellpoint.

## KEY QUOTATIONS

> *"Article III "standing is a threshold jurisdictional question.""* (5)

> *"If a plaintiff lacks standing, there is "no case" or "controversy," and the Court lacks jurisdiction to consider the claims."* (5)

> *"A threatened foreclosure, as opposed to an actual, realized foreclosure, cannot create the injury-in-fact required to generate constitutional standing."* (7)

## FACTUAL BACKGROUND

In May 2021, Washington purchased District of Columbia real property using a residential mortgage loan from LoanDepot and executed a note and deed of trust identifying MERS as LoanDepot's nominee. The deed of trust stated that the note and deed could be sold without prior notice to Washington. In February 2025, MERS assigned the deed of trust to Shellpoint, after which Washington sued to extinguish the defendants' alleged adverse claims and challenged the validity of the assignment and the possibility of a future foreclosure.

### PROCEDURAL HISTORY

Washington filed suit challenging the alleged assignment of his deed of trust and expressing concern about a possible future foreclosure. The court had previously denied his motion for default judgment against Freddie Mac in a minute order. In this memorandum opinion, the court reiterated that denial, granted Washington an additional thirty days to properly serve Freddie Mac, granted Shellpoint's motion to dismiss, and dismissed the claims against LoanDepot sua sponte.

### DISPOSITION

other

### REMAND INSTRUCTIONS

No remand was ordered. Washington was given an additional thirty days to properly serve Freddie Mac through a qualified third party or by registered mail with return receipt requested and to file adequate proof of service.

### CASES CITED

- Leake v. Prensky, 798 F. Supp. 2d 254, 255 (D.D.C. 2011)
- Richardson v. United States, 193 F.3d 545, 548 (D.C. Cir. 1999)
- Redwood v. Council of the District of Columbia, 679 F.2d 931, 933 (D.C. Cir. 1982)
- Dozier v. Ford Motor Co., 702 F.2d 1189, 1194 (D.C. Cir. 1983)
- Moore v. Agency for International Development, 994 F.2d 874, 876 (D.C. Cir. 1993)
- Liu v. Secretary of Department of Health & Human Services, No. 21-cv-495 (RDM), 2021 WL 12258020, at *1 (D.D.C. June 28, 2021)
- Holistic Candlers & Consumers Association v. FDA, 664 F.3d 940, 943 (D.C. Cir. 2012)
- Warth v. Seldin, 422 U.S. 490, 501 (1975)
- Lujan v. Defenders of Wildlife, 504 U.S. 555, 561 (1992)
- TransUnion LLC v. Ramirez, 594 U.S. 413, 423 (2021)
- Dorsey v. District of Columbia, 747 F. Supp. 2d 22, 27 (D.D.C. 2010), aff'd, No. 10-7172, 2011 WL 1766035 (D.C. Cir. Apr. 12, 2011)
- Jessup v. Progressive Funding, 35 F. Supp. 3d 25, 35 (D.D.C. 2014)
- Rivera v. Rosenberg & Associates, LLC, 142 F. Supp. 3d 149, 156-57 (D.D.C. 2015)
- Taylor v. Wells Fargo Bank, N.A., 85 F. Supp. 3d 63, 71 (D.D.C. 2015)
- Culhane v. Aurora Loan Services, 708 F.3d 282, 290 (1st Cir. 2013)
- Glaski v. Bank of America, 218 Cal. App. 4th 1079, 1094-95 (2013)