

UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF
WISCONSIN

**Westby Co-Op Credit Union v. Trails End Motel, LLC, Antoine
Samuel Wilson, Sr., Karen Frances Wilson, Columbia County, WR
Stewart & Associates, S.C., and Department of Revenue**

Westby Co-Op Credit Union · No. 26-cv-84-jdp · Decided February 6, 2026

SUMMARY

The United States District Court for the Western District of Wisconsin remanded a removed state foreclosure action for lack of subject-matter jurisdiction. The court held that the foreclosure claim presented a state-law matter, diversity jurisdiction was not established, and the Rooker-Feldman doctrine barred federal review of the state foreclosure judgment. The court denied the defendants’ pending motions, including motions to seal the record, as moot or unsupported.

CASE DETAILS

COURT	United States District Court for the Western District of Wisconsin
WRITING FOR THE COURT	James D. Peterson
JURISDICTION	United States District Court for the Western District of Wisconsin
DECIDED	February 6, 2026
DOCKET	26-cv-84-jdp
DISPOSITION	remanded
PROCEDURAL POSTURE	Defendants removed a state-court foreclosure action to federal district court. The district court sua sponte determined that it lacked subject matter jurisdiction and remanded the action to state court, denying the defendants' pending motions.
STANDARD OF REVIEW	The court independently examined whether federal subject matter jurisdiction existed, construed the removal statute narrowly, and resolved doubts in favor of remand.
PRECEDENTIAL VALUE	unknown
PARTIES	Antoine Samuel Wilson, Sr., Karen Frances Wilson v. Westby Co-Op Credit Union

TOPICS

subject matter jurisdiction

foreclosure

civil procedure

real estate

federalism

PRACTICE AREAS

Civil procedure

Federal jurisdiction

Removal and remand

Foreclosure

QUESTIONS PRESENTED

1. Whether the federal district court had original federal-question or diversity jurisdiction over the removed state foreclosure action.
2. Whether the federal district court could review or overturn the state court's foreclosure judgment under the Rooker-Feldman doctrine.
3. Whether the defendants' proposed federal counterclaims or additional pleading could establish federal jurisdiction over the removed action.
4. Whether the defendants' pending motions should be resolved after the case was remanded.

HOLDINGS

1. The removed foreclosure action did not arise under federal law because it was a state-law foreclosure matter.
2. The defendants failed to establish diversity jurisdiction over the foreclosure action.
3. The federal district court lacked jurisdiction to overturn the state court's foreclosure judgment under the Rooker-Feldman doctrine.
4. The defendants' proposed federal civil-rights and RICO-related counterclaims could not establish federal-question jurisdiction over the removed action.
5. The case had to be remanded to state court for lack of subject matter jurisdiction.

KEY QUOTATIONS

“This court has “an independent obligation to satisfy itself that federal subject matter jurisdiction exists before proceeding to the merits in any case.”” (Analysis)

“A complaint raises a federal question “only when the plaintiff’s statement of his own cause of action shows that it is based upon federal law. . . . Federal jurisdiction cannot be predicated on an actual or anticipated defense, or rest upon an actual or anticipated counterclaim.”” (Analysis)

FACTUAL BACKGROUND

Westby Co-Op Credit Union filed a state-law foreclosure action concerning property used by Karen and Antoine Wilson as both a home and the Trails End Motel. The motel, Columbia County, WR Stewart & Associates, S.C., and the Wisconsin Department of Revenue were also named as defendants. After the state court entered a foreclosure judgment, the Wilsons removed the case to federal court and asserted additional federal civil-rights and RICO-related claims.

PROCEDURAL HISTORY

Westby Co-Op Credit Union filed a foreclosure action in Columbia County Circuit Court in April 2024, and the state court entered a foreclosure judgment in March 2025. The Wilson defendants removed the action to the Western District of Wisconsin on February 2, 2026. The federal court concluded that the foreclosure action presented no federal question, that diversity jurisdiction was not established, and that the court could not review the state foreclosure judgment under the Rooker-Feldman doctrine.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The case was remanded to the Columbia County Circuit Court for lack of subject matter jurisdiction. The defendants' pending motions were denied as moot, except that the motion to seal was denied because court proceedings are presumptively open to the public and no persuasive justification for sealing was provided.

CASES CITED

- Smith v. American General Life & Accident Insurance Co., 337 F.3d 888, 892 (7th Cir. 2003)
- Doe v. Allied-Signal, Inc., 985 F.2d 908, 911 (7th Cir. 1993)
- Illinois v. Kerr-McGee Chemical Corp., 677 F.2d 571, 576 (7th Cir. 1982)
- Boyd v. Phoenix Funding Corp., 366 F.3d 524, 529 (7th Cir. 2004)
- Gilbank v. Wood Cnty. Dep't of Hum. Servs., 111 F.4th 754, 765 (7th Cir. 2024)
- Rooker v. Fidelity Trust Co., 263 U.S. 413 (1923)
- D.C. Court of Appeals v. Feldman, 460 U.S. 462 (1983)
- Vaden v. Discover Bank, 556 U.S. 49, 60 (2009)

OPINION

Westby Co-Op Credit Union v. Trails End Motel, LLC, Antoine Samuel Wilson, Sr., Karen Frances Wilson, Columbia County, WR Stewart & Associates, S.C., and Department of Revenue
PER CURIAM.

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WISCONSIN
WESTBY CO-OP CREDIT UNION,
Plaintiff, v. OPINION and ORDER
TRAILS END MOTEL, LLC, ANTOINE SAMUEL
WILSON, SR., KAREN FRANCES WILSON,
26-cv-84-jdp
COLUMBIA COUNTY, WR STEWART &
ASSOCIATES, S.C., and DEPARTMENT OF
REVENUE,

Defendants. Plaintiff Westby Co-Op Credit Union originally filed this civil action for foreclosure in April 2024 in Columbia County Circuit Court, seeking foreclosure on a property that defendants Karen and Antoine Wilson use as a home and a business, the Trails End Motel. The motel is also a defendant along with Columbia County, WR Stewart & Associates, S.C., and the Wisconsin Department of Revenue. See Columbia County Case No. 2024CV111.1 The state court entered a foreclosure judgment in March 2025. On February 2, 2026, the Wilsons removed that case to this court. I will remand the case to state court because this court cannot exercise jurisdiction over it. 1 The Wilsons also provide the case number of a long-closed 2021 small claims action involving the parties, Columbia County Case No. 2021SC177, but the Wilsons don't discuss the case in their filings and its inclusion doesn't affect the outcome.

ANALYSIS

This court has “an independent obligation to satisfy itself that federal subject matter jurisdiction exists before proceeding to the merits in any case.” *Smith v. Am. Gen. Life & Accident Ins. Co.*, 337 F.3d 888, 892 (7th Cir. 2003). An action may be removed here from state court if this court would have had original jurisdiction over the complaint had it been filed here first. 28 U.S.C. § 1441(a). In determining whether removal is proper under § 1441, a district court must construe the removal statute narrowly and resolve any doubts regarding subject matter jurisdiction in favor of remand. *Doe v. Allied-Signal, Inc.*, 985 F.2d 908, 911 (7th Cir. 1993); *Illinois v. Kerr-McGee Chemical Corp.*, 677 F.2d 571, 576 (7th Cir. 1982). Generally, federal courts have the authority to hear two types of cases: (1) cases in which the plaintiff alleges a violation of his or her constitutional rights or rights established under federal law, 28 U.S.C. § 1331; and (2) cases in which a citizen of one state alleges a state law claim against a citizen of another state that amounts to more than \$75,000. 28 U.S.C. § 1332. As the parties seeking to invoke federal jurisdiction, the Wilsons bear the burden of demonstrating that removal is proper. *Boyd v. Phoenix Funding Corp.*, 366 F.3d 524, 529 (7th Cir. 2004). The underlying case is a foreclosure action, which is a state-law matter, not a federal question. And this court cannot exercise diversity jurisdiction over the foreclosure claim because there is no indication that plaintiff Westby Co-op (a Wisconsin-chartered credit union) is a citizen of a different state from the Wilsons or their motel. And in any event, this federal district court does not have jurisdiction to overturn the state court's judgment of foreclosure. See *Gilbank v. Wood Cnty. Dep't of Hum. Servs.*, 111 F.4th 754, 765 (7th Cir. 2024). The governing principle is referred to as the Rooker-Feldman doctrine, named after two Supreme Court cases that applied the doctrine. *Rooker v. Fid. Tr. Co.*, 263 U.S. 413 (1923), and *D.C. Ct. of Appeals v. Feldman*, 460 U.S. 462 (1983). The Wilsons filed another pleading in this case, a purported complaint against Westby Co-op, Wisconsin, Columbia County, the city of Wisconsin Dells, and unidentified “John and Jane Doe” defendants, raising claims under federal civil rights statutes and the Racketeer Influenced and Corrupt Organizations. Dkt. 2. Even if I considered those claims as proposed counterclaims, that wouldn't affect the jurisdictional analysis. A complaint raises a federal question “only when the plaintiff's statement of his own cause of action

shows that it is based upon federal law. . . . Federal jurisdiction cannot be predicated on an actual or anticipated defense, or rest upon an actual or anticipated counterclaim.” Vaden v. Discover Bank, 556 U.S. 49, 60 (2009) (cleaned up). I will remand this case to state court. The Wilsons have filed a host of motions along with their notice of removal, including motions for a temporary restraining order, for relief from judgment, to vacate judgment, and for in forma pauperis status. Dkt. 2; Dkt. 4; Dkt. 5; Dkt. 10; Dkt. 11; Dkt. 13. I will deny all of those motions as moot because I am remanding the case. The Wilsons also move to seal the record, Dkt. 12. I will deny that motion because court proceedings are presumptively open to the public and the Wilsons don’t give a persuasive reason to seal the record here.

ORDER

IT IS ORDERED that:

1. This case is REMANDED to state court for lack of subject matter jurisdiction.
2. All of defendants’ pending motions are DENIED.

Entered February 6, 2026. BY THE COURT: /s/ _____

JAMES D. PETERSON

District Judge