

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)