

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

Fransisca Arias, et al. v. Family First Funding, LLC, et al.

Arias · No. Civ. No. 23-1226 (JBD) · Decided February 19, 2026

SUMMARY

The United States District Court for the District of New Jersey considers AnnieMac Home Mortgage’s motion for attorneys’ fees and costs incurred in connection with competing motions to enforce a settlement agreement. The Court finds AnnieMac to be a prevailing party under the settlement’s fee-shifting provision and provisionally awards it \$14,154.60, subject to a supplemental submission regarding reply-brief time.

CASE DETAILS

COURT	United States District Court for the District of New Jersey
WRITING FOR THE COURT	J. Brendan Day
JURISDICTION	United States District Court for the District of New Jersey
DECIDED	February 19, 2026
DOCKET	Civ. No. 23-1226 (JBD)
DISPOSITION	other
PROCEDURAL POSTURE	Defendant American Neighborhood Mortgage Acceptance Company, LLC, doing business as AnnieMac Home Mortgage, moved for attorneys' fees and costs incurred in successfully pursuing aspects of a motion to enforce a settlement agreement. Defendant Scott Weikel opposed the fee application.
STANDARD OF REVIEW	The Court exercised discretion in determining prevailing-party status and in evaluating the reasonableness of fees and costs under the lodestar method, including line-by-line review of billing records.
PRECEDENTIAL VALUE	unpublished

TOPICS

- attorney fees
- costs
- contracts
- civil procedure

PRACTICE AREAS

- civil procedure
- contracts
- remedies

QUESTIONS PRESENTED

1. Whether AnnieMac was a prevailing party entitled to attorneys' fees and costs under the settlement agreement's fee-shifting provision.
2. Whether principles of fundamental fairness or Weikel's good-faith pursuit of his competing enforcement position barred a contractual fee award.
3. What amount of attorneys' fees and costs was reasonable under the lodestar method, including the reasonableness of the requested rates, hours, local-counsel work, and post-ruling settlement-implementation time.

HOLDINGS

1. AnnieMac was a prevailing party because it succeeded on a significant issue and obtained relief generally similar to the relief sought: enforcement of settlement language preserving defendants' non-reimbursement claims and defenses.
2. Neither bad faith nor a separate finding of fundamental fairness was required to recover fees under the parties' contractual settlement provision, which expressly authorized reasonable fees and costs incurred in an action to enforce the settlement.
3. AnnieMac was entitled to a reduced, provisional award of \$14,154.60 in attorneys' fees and costs, subject to supplementation for time spent reviewing the opposition and preparing a reply.

KEY QUOTATIONS

“A party may be deemed prevailing “even though the relief they obtained is not identical to the relief they specifically demanded, as long as the relief obtained is of the same general type.”” (at 8)

“Acting in “bad faith” is not a contractual prerequisite for the recovery of fees under the terms of the settlement agreement.” (at 11-12)

“The Third Circuit uses the “lodestar” method as a starting point to assess whether attorneys’ fees are reasonable” (at 15)

FACTUAL BACKGROUND

The parties reached a settlement resolving federal and state wage claims during a December 2024 settlement conference. They later disagreed whether the settlement required AnnieMac and the Gillens to waive or release defenses to claims Weikel had asserted in a separate New Jersey state-court action. AnnieMac sought enforcement of a version of the settlement preserving those defenses and was successful on that central issue, although the Court did not enforce the January 15 draft in every respect.

PROCEDURAL HISTORY

The parties reached a settlement during a settlement conference and later disputed the meaning and scope of the settlement terms. The Court previously enforced the settlement agreement, denied AnnieMac's motion to the extent it sought enforcement of a January 15 draft, otherwise granted AnnieMac's motion regarding the non-waiver of defenses, and denied Weikel's motion. The Court deferred determining the prevailing party and fee

amount, then granted in part and denied in part AnnieMac's fee motion, provisionally awarding \$14,154.60 subject to supplementation for reply-related work.

DISPOSITION

other

CASES CITED

- John T. ex rel. Paul T. v. Delaware County Intermediate Unit, 318 F.3d 545, 555 (3d Cir. 2003)
- Apple Corps. Ltd. v. International Collectors Society, 25 F. Supp. 2d 480, 484-85, 497 (D.N.J. 1998)
- Goethe v. Goethe, No. A-3043-11T4, 2013 WL 2173182, at *4 (N.J. Super. Ct. App. Div. May 21, 2013)
- N. Bergen Rex Transportation, Inc. v. Trailer Leasing Co., 158 N.J. 561, 570 (1999)
- Satellite Gateway Communications, Inc. v. Musi Dining Car Co., 110 N.J. 280, 285 (1988)
- Philadelphia Indemnity Insurance Co. v. Mar-Bridge Enterprises, Inc., Civ. No. 18-15205 (DEA), 2021 WL 7868721, at *1 (D.N.J. Sept. 29, 2021)
- Blakey v. Continental Airlines, Inc., 2 F. Supp. 2d 598, 601-02 (D.N.J. 1998)
- Metropolitan Pittsburgh Crusade for Voters v. City of Pittsburgh, 964 F.2d 244, 250 (3d Cir. 1992)
- Dunn v. United States, 842 F.2d 1420, 1433 (3d Cir. 1988)
- Hensley v. Eckerhart, 461 U.S. 424, 433-34 (1983)
- McKenna v. City of Philadelphia, 582 F.3d 447, 455, 459 (3d Cir. 2009)
- Interfaith Community Organization v. Honeywell International, Inc., 426 F.3d 694, 703 n.5, 712 (3d Cir. 2005)
- Ursic v. Bethlehem Mines, 719 F.2d 670, 677 (3d Cir. 1983)
- Souryavong v. Lackawanna County, 872 F.3d 122, 128 (3d Cir. 2017)
- Perdue v. Kenny A. ex rel. Winn, 559 U.S. 542, 543-44 (2010)
- Chambers v. NASCO, Inc., 501 U.S. 32, 45-46 (1991)
- United States Liability Insurance Co. v. Marago, Civ. No. 22-1913 (RLS), 2024 WL 6078930, at *2 (D.N.J. May 13, 2024)
- Hobbs v. American Investors Management, Inc., 576 F.2d 29, 35 (3d Cir. 1978)
- Fortune Title Agency, Inc. v. Fortune Abstract Co. LLC, Civ. No. 23-1914 (JBC), 2025 WL 1627122, at *3 (D.N.J. Jan. 30, 2025)
- U.S. Sewer & Drain, Inc. v. Earle Asphalt Co., Civ. No. 15-1461 (TJB), 2016 WL 11663197, at *9-10 (D.N.J. June 22, 2016)
- Edmondson v. Lilliston Ford, Inc., Civ. No. 13-7704 (RMB), 2017 WL 1502788, at *7 (D.N.J. Apr. 19, 2017)
- Levy v. Global Credit & Collection Corp., Civ. No. 10-4229 (RBK), 2011 WL 5117855, at *2 (D.N.J. Oct. 27, 2011)
- Rode v. Dellarciprete, 892 F.2d 1177, 1183 (3d Cir. 1990)
- Johnson v. Georgia Highway Express, Inc., 488 F.2d 714, 717-19 (5th Cir. 1974)

- Asdal Holdings, LLC v. IdeaSoil, LLC, Civ. No. 22-04158 (AME), 2025 WL 1453134, at *4 n.5 (D.N.J. May 21, 2025)
- Depth Charge Marine, LTD. v. F/V C. ANN, Civ. No. 24-6336 (RK), 2025 WL 1088236, at *9 (D.N.J. Apr. 11, 2025)
- Lin v. Hudson City Savings Bank, Civ. No. 18-15387 (JBD), 2024 WL 1704730, at *4 (D.N.J. Apr. 19, 2024)
- Allegro Freight, Inc. v. World Trucking Express, Inc., Civ. No. 07-4294 (RBK), 2008 WL 4601926, at *3 (D.N.J. Oct. 10, 2008)
- Loughner v. University of Pittsburgh, 260 F.3d 173, 178 (3d Cir. 2001)
- Rhodes v. Marix Servicing, LLC, Civ. No. 12-1636 (MAS), 2020 WL 5760455, at *3 (D.N.J. Sept. 28, 2020)
- Evans v. Port Authority of New York and New Jersey, 273 F.3d 346, 362 (3d Cir. 2001)
- Port Drivers Federation 18, Inc. v. All Saints, Civ. No. 09-868 (WHW), 2011 WL 3610100, at *10 (D.N.J. Aug. 16, 2011)
- Sabinsa Corp. v. Herbakraft, Inc., Civ. No. 14-04738 (RBK), 2021 WL 5449087, at *6 (D.N.J. Nov. 22, 2021)
- Transamerica Life Insurance Co. v. Daibes Gas Holdings Atlanta, L.L.C., Civ. No. 18-10869 (CLW), 2022 WL 773261, at *5 (D.N.J. Jan. 27, 2022)
- Ingemi v. Pelino & Lentz, 866 F. Supp. 156, 162 (D.N.J. 1994)
- Castro v. McCarthy & Jennerich, Civ. No. 11-01832 (JAD), 2013 WL 335973, at *8 (D.N.J. Jan. 10, 2013)
- Pretlow v. Cumberland County Board of Social Services, Civ. No. 04-2885 (FLW), 2005 WL 3500028, at *6 (D.N.J. Dec. 20, 2005)
- Norton v. Wilshire Credit Corp., 36 F. Supp. 2d 216, 219 (D.N.J. 1999)
- Freid v. National Action Financial Services, Inc., Civ. No. 10-2870 (ES), 2011 WL 69384845, at *8 (D.N.J. Dec. 29, 2011)
- Clyburn v. Gem Recovery Systems, Civ. No. 17-562 (SCM), 2017 WL 4570288, at *5 (D.N.J. Oct. 13, 2017)