UNITED STATES DISTRICT COURT FOR THE DISTRICT OF OREGON

Medford LLC v. U.S. Bank, N.A. and Nathan F. Smith

Medford LLC · No. 1:24-cv-02021-MC · Decided April 15, 2026

SUMMARY

The United States District Court for the District of Oregon denied Medford LLC's motion for relief under Federal Rule of Civil Procedure 60(b)(1) and its request to file a Second Amended Complaint. The court held that Medford LLC had not identified a specific error in the prior determination that it lacked Article III standing because its alleged injuries were not traceable to the defendants' conduct.

CASE DETAILS

COURT	United States District Court for the District of Oregon
WRITING FOR THE COURT	Michael McShane
JURISDICTION	United States District Court for the District of Oregon
DECIDED	April 15, 2026
DOCKET	1:24-cv-02021-MC
DISPOSITION	other
PROCEDURAL POSTURE	After dismissing Plaintiff's claims for lack of Article III standing, the court considered Plaintiff's motion under Federal Rule of Civil Procedure 60(b)(1) for relief from the prior judgment and permission to file a Second Amended Complaint.
STANDARD OF REVIEW	A Rule 60(b)(1) motion requires the movant to show that the district court committed a specific error; relief is an extraordinary remedy available only in highly unusual circumstances.
PRECEDENTIAL VALUE	unknown
PARTIES	Medford LLC v. U.S. Bank, N.A., Nathan F. Smith

TOPICS

motion for reconsideration · standing · subject matter jurisdiction · civil procedure · real estate

PRACTICE AREAS

civil procedure · constitutional law · commercial litigation · real estate

QUESTIONS PRESENTED

1. Whether Plaintiff was entitled to relief under Federal Rule of Civil Procedure 60(b)(1) based on an alleged mistake in the court's prior standing analysis.
2. Whether Plaintiff's proposed Second Amended Complaint cured the previously identified Article III standing defect by alleging a direct property deprivation.
3. Whether the court continued to lack subject matter jurisdiction because Plaintiff could not establish traceability.

HOLDINGS

1. Relief under Rule 60(b)(1) was unwarranted because Plaintiff failed to identify a specific error in the court's prior standing analysis.
2. Plaintiff did not establish standing because its proposed allegations addressed injury but did not establish that its injury was fairly traceable to Defendants' challenged conduct.
3. The court lacked subject matter jurisdiction because Plaintiff still lacked Article III standing.

KEY QUOTATIONS

> *"A motion for relief under Federal Rule of Civil Procedure 60(b) is an "'extraordinary remedy' . . . 'not [to] be granted, absent highly unusual circumstances.'""*

> *"To succeed on a Rule 60(b)(1) motion, a "plaintiff must show that the district court committed a specific error.""*

> *"Plaintiff could not show traceability because Plaintiff was the "architect of [its] own injuries.""* (3–4)

FACTUAL BACKGROUND

Medford LLC obtained property by quitclaim deed after the Owens' mortgage had been in default for a year. Medford did not dispute that it purchased the property subject to existing liens and without assuming the burden of the defaulted loan. The court previously concluded that Medford's injuries were not fairly traceable to Defendants' challenged conduct because Medford was the architect of its own injuries.

PROCEDURAL HISTORY

The court previously denied Plaintiff's motion for a temporary restraining order, denied a prior motion for relief, and granted Defendants' motion to dismiss for lack of standing. Plaintiff then moved for relief under Rule 60(b)(1), asserting that the court had made a legal or factual mistake and seeking to file a Second Amended Complaint. The court denied the motion because Plaintiff did not identify a specific error in the prior standing analysis.

DISPOSITION

other

CASES CITED

- Kemp v. United States, 596 U.S. 528, 533 (2022)
- Novalpina Cap. Partners I GP S.A.R.L. v. Read, 149 F.4th 1092, 1104 (9th Cir. 2025)
- Carroll v. Nakatani, 342 F.3d 934, 945 (9th Cir. 2003)
- Straw v. Bowen, 866 F.2d 1167, 1172 (9th Cir. 1989)
- Lujan v. Defs. of Wildlife, 504 U.S. 555, 560 (1992)

OPINION

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF OREGON MEDFORD DIVISION MEDFORD LLC, Case No. 1:24-cv-02021-MC Plaintiff, OPINION and ORDER v. U.S. BANK, N.A. and NATHAN F. SMITH, Defendants. _______________________________ MCSHANE, Judge: This Court previously dismissed Plaintiff's claims for lack of standing. Plaintiff now moves for relief under Federal Rule of Civil Procedure 60(b)(1) and asks to file a Second Amended Complaint.1 Because Plaintiff has not identified a mistake in the Court's standing analysis, Plaintiff's Motion for Relief, ECF No. 43, is DENIED.

BACKGROUND The parties and the court are familiar with the facts as previously outlined in the litigation of the case. See Dec. 22, 2025, Op. & Order (denying Plaintiff's Motion for Temporary Restraining Order), ECF No. 29; see also Feb. 10, 2026, Op. & Order (denying Plaintiff's Motion for Relief from ECF No. 29), ECF No. 40; Mar. 3, 2026, Op. & Order (granting Defendants' Motion to Dismiss for lack of standing), ECF No. 41.

1 The Court understands Plaintiff's Motion to allege a judicial error of law or fact such that it falls within the purview of Rule 60(b)(1). Accordingly, Plaintiff is not entitled to relief under Rule 60(b)(6). Kemp v. United States, 596 U.S. 528, 533 (2022) (clarifying Rule 60(b)(6) is only available "when Rules 60(b)(1) through (b)(5) are inapplicable.").

LEGAL STANDARD A motion for relief under Federal Rule of Civil Procedure 60(b) is an "'extraordinary remedy'... 'not [to] be granted, absent highly unusual circumstances.'" Novalpina Cap. Partners I GP S.A.R.L. v. Read, 149 F.4th 1092, 1104 (9th Cir. 2025) (quoting Carroll v. Nakatani, 342 F.3d 934, 945 (9th Cir. 2003)). Rule 60(b)(1) allows courts to relieve litigants from a final judgment in the event of "mistake, inadvertence, surprise, or excusable neglect." Fed.

R. Civ. P. 60(b)(1). To succeed on a Rule 60(b)(1) motion, a "plaintiff must show that the district court committed a specific error." Straw v. Bowen, 866 F.2d 1167, 1172 (9th Cir. 1989). DISCUSSION Plaintiff has not shown that this Court committed a specific error. Plaintiff's Motion attempts to cure the Article III standing defect that the Court previously identified.

See Mar. 3, 2026, Op. & Order. But Plaintiff's argument misunderstands the Court's previous decision. In its previous Order, the Court held that Plaintiff lacked standing because Plaintiff could not show traceability. Id. 3–4; see also Lujan v. Defs. of Wildlife, 504 U.S. 555, 560 (1992) (a plaintiff's injury must be fairly traceable to the defendant's challenged conduct).

Plaintiff could not show traceability because Plaintiff was the "architect of [its] own injuries." Mar. 3, 2026, Op. & Order 3–4. Plaintiff cannot establish that Defendants' challenged conduct caused its injuries because (1) Plaintiff obtained the property via quitclaim deed after the Owens' mortgage had been in default for a year and (2) Plaintiff does not "dispute that it purchased the property subject to all existing liens and without assuming the burden of the defaulted loan."

Id. 4. While Plaintiff's instant Motion and proposed Second Amended Complaint purport to establish standing, they do not address traceability. Instead, Plaintiff simply buttresses the "injury" element required for Article III standing: "[the Second Amended Complaint] attempts to cure [the] defect by alleging a direct property deprivation." Pl.'s Mot. Relief ¶ 13, ECF No. 43.

Because Plaintiff once again speaks only to injury and not traceability, Plaintiff does not allege a mistake in the Court's analysis. Absent that, Plaintiff still lacks standing and this Court is without subject matter jurisdiction. CONCLUSION Because this Court does not have jurisdiction, Plaintiff's Motion for Relief under Federal Rule of Civil Procedure 60(b)(1), ECF No. 43, is DENIED.

IT IS SO ORDERED. DATED this 15th day of April 2026. _____/s/ Michael McShane ______ Michael McShane United States District Judge