UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

# Olusola Ojelade and Sherifat Sola-Ojelade v. PHH Mortgage Servicing Corporation, et al.

Ojelade · No. Civil Action No. 25-1111 (RK) · Decided December 8, 2025

## SUMMARY

The United States District Court for the District of New Jersey granted PHH Mortgage Corporation's motion to dismiss the pro se plaintiffs' amended complaint alleging violations of the Truth in Lending Act's periodic-statement requirement. The court held that the claim was barred by TILA's one-year statute of limitations and that the plaintiffs had not pleaded facts supporting equitable tolling. Dismissal was with prejudice as to PHH only.

## CASE DETAILS

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| COURT | United States District Court for the District of New Jersey |
| WRITING FOR THE COURT | Robert Kirsch |
| JURISDICTION | United States District Court for the District of New Jersey |
| DECIDED | December 8, 2025 |
| DOCKET | Civil Action No. 25-1111 (RK) |
| DISPOSITION | dismissed |
| PROCEDURAL POSTURE | Defendant PHH moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss the amended complaint alleging violations of the Truth in Lending Act. The court resolved the motion without oral argument and dismissed the claims against PHH with prejudice. |
| STANDARD OF REVIEW | On a motion to dismiss, the court accepts well-pleaded factual allegations as true and draws all favorable inferences for the plaintiff, but disregards legal conclusions and conclusory recitations of the elements. A complaint must contain sufficient factual matter to state a claim that is plausible on its face. Pro se pleadings are held to less stringent standards than formal pleadings drafted by lawyers. |
| PRECEDENTIAL VALUE | unpublished |
| PARTIES | Olusola Ojelade, Sherifat Sola-Ojelade v. PHH Mortgage Servicing Corporation, et al. |

### TOPICS

motions to dismiss · statute of limitations · truth in lending · consumer protection · civil procedure

### PRACTICE AREAS

civil procedure · consumer protection · real estate · mortgages · remedies

### QUESTIONS PRESENTED

1. Whether plaintiffs plausibly stated a TILA claim against PHH for failing to provide periodic statements for the alleged second mortgage.
2. Whether equitable tolling could save plaintiffs' TILA claim against PHH from the TILA's one-year statute of limitations.
3. Whether further amendment would be futile and therefore dismissal should be with prejudice.

### HOLDINGS

1. Plaintiffs' TILA claim against PHH was subject to TILA's one-year statute of limitations, and the allegations showed that the claim should have been filed by 2022.
2. Plaintiffs failed to plead sufficient facts showing that PHH engaged in misleading conduct beyond the alleged TILA violation or that plaintiffs exercised reasonable due diligence; therefore equitable tolling did not apply.
3. The court could consider documents integral to or explicitly relied upon in the complaint and undisputedly authentic documents attached to the motion to dismiss.
4. Dismissal with prejudice was appropriate because further amendment would be futile.

### KEY QUOTATIONS

> *"PHH's failure to continue its required correspondence alone does not support an equitable tolling claim."* (at 8)

> *"Accordingly, because Plaintiffs fail to plead facts sufficient to equitably toll the statute of limitations for their TILA claim against PHH, that claim must again be dismissed."* (at 9)

> *"Accordingly, PHH's MTD is GRANTED, and the Complaint is DISMISSED WITH PREJUDICE as to Defendant PHH only."* (at 10)

### FACTUAL BACKGROUND

Plaintiffs obtained two mortgage accounts on their New Jersey home in 2005 and entered into a 2013 loan modification that they believed consolidated the accounts into one mortgage. They alleged that PHH and Newrez serviced the second mortgage through 2021 but sent no communications concerning it, while Shellpoint serviced it from 2021 until plaintiffs sold the property in 2024. After the sale, plaintiffs learned that a second lien allegedly remained outstanding and asserted that the servicers violated the TILA requirement to provide periodic mortgage statements.

## PROCEDURAL HISTORY

The court previously dismissed plaintiffs' initial complaint without prejudice as to PHH, Ocwen Financial Corporation, and Newrez LLC and granted leave to amend, while allowing a claim against Shellpoint Mortgage Servicing to proceed. Plaintiffs filed an amended complaint asserting substantially the same TILA allegations. PHH moved to dismiss, while Newrez and Shellpoint answered. The court granted PHH's motion and dismissed the amended complaint with prejudice as to PHH only.

## DISPOSITION

dismissed

## CASES CITED

- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 570 (2007)
- Clark v. Coupe, 55 F.4th 167, 178 (3d Cir. 2022)
- Wilson v. USI Insurance Services LLC, 57 F.4th 131, 140 (3d Cir. 2023)
- Kulwicki v. Dawson, 969 F.2d 1454, 1462 (3d Cir. 1992)
- Haines v. Kerner, 404 U.S. 519, 520 (1972) (per curiam)
- Block v. Seneca Mortgage Servicing, 221 F. Supp. 3d 559, 589 (D.N.J. 2016)
- Vorchheimer v. Philadelphian Owners Ass'n, 903 F.3d 100, 112 (3d Cir. 2018)
- In re Burlington Coat Factory Securities Litigation, 114 F.3d 1410, 1426 (3d Cir. 1997)
- Sarsfield, Inc. v. CitiMortgage, Inc., 707 F. Supp. 2d 546, 560 (M.D. Pa. 2010)
- Oshiver v. Levin, Fishbein, Sedran & Berman, 38 F.3d 1380, 1387 (3d Cir. 1994)
- Rotkiske v. Klemm, 890 F.3d 422 (3d Cir. 2018) (en banc)
- Aversano v. Santander Bank, N.A., 828 F. App'x 109, 112 (3d Cir. 2020)
- Hedges v. United States, 404 F.3d 744, 751 (3d Cir. 2005)
- Menichino v. Citibank, N.A., No. 12-58, 2013 WL 3802451, at *7–9 (W.D. Pa. July 19, 2013)
- Lukovsky v. City & County of San Francisco, 535 F.3d 1044, 1052 (9th Cir. 2008)
- Conover v. Patriot Land Transfer, LLC, No. 17-4625, 2019 WL 397978, at *3 (D.N.J. Jan. 31, 2019)
- Commonwealth of Pennsylvania ex rel. Zimmerman v. PepsiCo, Inc., 836 F.2d 173, 181 (3d Cir. 1988)
- Grayson v. Mayview State Hospital, 293 F.3d 103, 111 (3d Cir. 2002)
- Estate of Fabics v. City of New Brunswick, 674 F. App'x 206, 210 (3d Cir. 2016)
- DeLuca v. CitiMortgage, No. 11-3634, 2012 WL 32136, at *5 (D.N.J. Jan. 4, 2012)