

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

Flagstar Bank, N.A. v. Barbara Nowak, Artur Nowak, and Nicole Nowak

Flagstar Bank v. Nowak · No. 2:25-cv-08611 · Decided February 27, 2026

SUMMARY

The United States District Court for the District of New Jersey denied Defendants’ motion to reassign matters decided by a magistrate judge in an action brought by Flagstar Bank, N.A. The court held that the magistrate judge properly handled non-dispositive pretrial matters without party consent and properly issued a report and recommendation on the dispositive motion to remand. The court adopted the report and recommendation and ordered the clerk to serve the order by verified mail.

CASE DETAILS

COURT	United States District Court for the District of New Jersey
WRITING FOR THE COURT	Madeline Cox Arleo
JURISDICTION	United States District Court for the District of New Jersey
DECIDED	February 27, 2026
DOCKET	2:25-cv-08611
DISPOSITION	other
PROCEDURAL POSTURE	Defendants moved to reassign and sought review of orders entered by a magistrate judge. The district court denied the motion to reassign, upheld the magistrate judge's nondispositive orders under the clearly erroneous or contrary to law standard, and adopted the magistrate judge's Report and Recommendation recommending remand.
STANDARD OF REVIEW	Nondispositive magistrate-judge orders are reviewed under the clearly erroneous or contrary to law standard. A magistrate judge's Report and Recommendation on a dispositive matter is subject to de novo review when timely objections are filed; absent objections, the district judge may adopt the recommendation.
PRECEDENTIAL VALUE	unpublished
PARTIES	Barbara Nowak, Artur Nowak, Nicole Nowak v. Flagstar Bank, N.A.

TOPICS

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subject matter jurisdiction

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PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether a magistrate judge may handle nondispositive pretrial matters, including scheduling and related motions, without the parties' consent.
2. Whether the magistrate judge's orders granting an adjournment and denying Defendants' Motion for Relief Under Due Process & Equal Protection were clearly erroneous or contrary to law.
3. Whether a magistrate judge may consider a dispositive motion to remand and issue a Report and Recommendation without the parties' consent.
4. Whether the district court should adopt the magistrate judge's Report and Recommendation recommending remand when Defendants filed no objections.

HOLDINGS

1. A district judge may refer nondispositive pretrial matters to a magistrate judge without the parties' consent, and a party cannot prevent a magistrate judge from participating in the case entirely.
2. The magistrate judge's nondispositive orders were neither clearly erroneous nor contrary to law and therefore would not be set aside.
3. A district judge may refer a dispositive pretrial matter, including a motion to remand, to a magistrate judge without party consent so long as the magistrate judge issues a Report and Recommendation rather than a final order.
4. The Report and Recommendation recommending that Flagstar's motion to remand be granted was adopted as the findings of fact and conclusions of law of the district court because Defendants filed no objections.

KEY QUOTATIONS

“while a party may refuse to consent to a magistrate judge’s jurisdiction for certain types of proceedings, it cannot prevent a magistrate judge from being involved in the case entirely” (ECF No. 30; order)

“was neither clearly erroneous nor contrary to law” (ECF Nos. 14-15)

FACTUAL BACKGROUND

Flagstar sued the Nowak defendants for breach of contract and violations of the Uniform Fraudulent Transfer Act, with an amended pleading also asserting fraud-based claims. Defendants removed the action to federal court and disputed the magistrate judge's authority to handle remand, scheduling, and related procedural matters without party consent. The magistrate judge issued nondispositive orders concerning an adjournment and Defendants' due-process motion, then issued a Report and Recommendation recommending remand. Defendants did not object to the Report and Recommendation.

PROCEDURAL HISTORY

Flagstar filed an action asserting breach-of-contract and fraudulent-transfer claims. Defendants removed the action to federal court, and Flagstar moved to remand. The magistrate judge handled scheduling matters, denied Defendants' procedural motion, and issued a Report and Recommendation recommending that the motion to remand be granted. Defendants objected to the magistrate judge's authority and moved to reassign the orders, but did not object to the Report and Recommendation; the district court denied reassignment and adopted the Report and Recommendation.

DISPOSITION

other

REMAND INSTRUCTIONS

The court adopted the magistrate judge's Report and Recommendation recommending that Flagstar's motion to remand be granted. The order does not separately state an operative remand directive beyond adopting the R&R.

CASES CITED

- Beazer East, Inc. v. Mead Corp., 412 F.3d 429, 438 n.12 (3d Cir. 2005)
- In re U.S. Healthcare, 159 F.3d 142, 145 (3d Cir. 1998)
- Cipollone v. Liggett Group, Inc., 785 F.2d 1108, 1113 (3d Cir. 1986)
- Haines v. Liggett Group, Inc., 975 F.2d 81, 92 (3d Cir. 1992)
- United States v. United States Gypsum Co., 333 U.S. 364, 395 (1948)
- In re U.S. Healthcare, 159 F.3d 142, 146 (3d Cir. 1998)
- Uddin v. Sears, Roebuck & Co., No. 13-6504, 2014 WL 316988, at *1 (D.N.J. Jan. 27, 2014)

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