UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

Anthony Kressel and Jennifer Kressel v. NewRez LLC d/b/a Shellpoint and Wilmington Savings Fund Society, FSB, not in its individual capacity but solely as Owner Trustee of FIGRE Trust 2023-HE3

Case No. 25 cv 5904 · No. Case No. 25 cv 5904; 1:25-cv-05904 · Decided January 28, 2026

SUMMARY

The United States District Court for the Northern District of Illinois addresses defendants' motion to dismiss claims arising from alleged noncompliance with a bankruptcy reaffirmation agreement concerning a secured line of credit. The court holds that Anthony Kressel plausibly alleged standing under the FDCPA and for breach of contract, but lacks standing under RESPA and the Illinois Consumer Fraud Act. The court also concludes that the amended complaint adequately pleads the FDCPA and breach-of-contract claims, granting the motion in part and denying it in part.

CASE DETAILS

COURT	United States District Court for the Northern District of Illinois, Eastern Division
WRITING FOR THE COURT	Sunil R. Harjani
JURISDICTION	United States District Court for the Northern District of Illinois, Eastern Division
DECIDED	January 28, 2026
DOCKET	Case No. 25 cv 5904; 1:25-cv-05904
DISPOSITION	other
PROCEDURAL POSTURE	Defendants moved under Federal Rules of Civil Procedure 12(b)(1) and 12(b)(6) to dismiss the amended complaint for lack of standing and failure to state plausible claims.
STANDARD OF REVIEW	On a Rule 12(b)(1) motion, the plaintiff bears the burden of establishing subject-matter jurisdiction, and the court accepts well-pleaded factual allegations as true and draws reasonable inferences in the plaintiff's favor. On a Rule 12(b)(6) motion, the court accepts

	factual allegations as true and asks whether the complaint states a plausible claim for relief under Rule 8(a)(2).
PRECEDENTIAL VALUE	unpublished district court memorandum opinion; nonprecedential
PARTIES	Anthony Kressel, Jennifer Kressel v. NewRez LLC, doing business as Shellpoint, Wilmington Savings Fund Society, FSB, not in its individual capacity but solely as Owner Trustee of FIGRE Trust 2023-HE3

TOPICS

motions to dismiss · standing · fair debt collection · breach of contract · consumer protection

PRACTICE AREAS

civil procedure · consumer protection · fair debt collection · contracts · real estate

QUESTIONS PRESENTED

1. Whether Anthony Kressel had statutory and Article III standing to assert FDCPA claims despite not signing the line-of-credit agreement.
2. Whether Anthony Kressel had standing to assert a breach-of-contract claim based on the mortgage, line-of-credit agreement, and reaffirmation agreement.
3. Whether Anthony Kressel was a borrower under RESPA when he signed the mortgage but not the line-of-credit agreement.
4. Whether Anthony Kressel had standing to assert an ICFA claim absent allegations that he was a consumer or that the defendants' conduct satisfied the consumer-nexus test.
5. Whether the amended complaint plausibly alleged FDCPA, breach-of-contract, RESPA, and ICFA claims against the defendants.

HOLDINGS

1. Anthony plausibly alleged standing to assert the FDCPA claims because the provisions invoked protect persons beyond consumers and he alleged an injury from threats to foreclose on his home and demands for additional payments.
2. Anthony plausibly alleged standing to sue for breach of the reaffirmation agreement even though he did not sign the line-of-credit agreement or reaffirmation agreement.
3. Anthony lacked standing to assert a RESPA claim because he signed the mortgage but did not sign or assume the line-of-credit agreement and was not alleged to be personally obligated to repay the debt.
4. Anthony lacked standing to assert an ICFA claim because he did not allege that he was a consumer or that defendants' conduct had a sufficient consumer nexus.

5. The FDCPA claims plausibly alleged that Shellpoint was a debt collector because the debt was allegedly treated as being in default when Shellpoint acquired the servicing rights.
6. The breach-of-contract claim plausibly alleged that Shellpoint could be bound by the reaffirmation agreement and that plaintiffs suffered damages from the alleged difference between the required and demanded monthly payments.
7. Jennifer plausibly alleged a RESPA violation by alleging that Shellpoint failed to respond to a qualified written request within thirty business days and took actions concerning the account before responding.
8. Jennifer plausibly alleged deceptive and unfair practices under the ICFA by alleging that defendants demanded excessive payments, misallocated payments, threatened harmful consequences, imposed an excessive lien, and ignored attempts to resolve the dispute.

KEY QUOTATIONS

> *"each provision of the FDCPA must be analyzed individually to determine who falls within the scope of its protection"*

> *"A claim has facial plausibility when the plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged."*

> *"Conversely, signing a mortgage, or owning a home subject to one, does not make you a 'borrower'"*

> *"The term "any" is by its nature "broad language," which defeats Shellpoint's narrow reading of what actions should be considered."*

FACTUAL BACKGROUND

Anthony and Jennifer Kressel obtained a line of credit secured by a second mortgage on their Illinois home; Jennifer signed the credit agreement, while both spouses signed the mortgage. After the couple filed Chapter 7 bankruptcy, the servicing rights were transferred to NewRez/Shellpoint and the remaining mortgage and credit-agreement rights were transferred to Wilmington. Jennifer later signed a reaffirmation agreement requiring monthly payments of $269.34, but Shellpoint demanded $485.22, treated the lower payments as partial payments, threatened foreclosure and negative credit reporting, and allegedly failed to substantively respond to a qualified written request.

PROCEDURAL HISTORY

Plaintiffs filed the original complaint on May 27, 2025. Defendants filed an initial motion to dismiss, after which Plaintiffs filed an amended complaint on July 16, 2025. Defendants filed a second motion to dismiss, and the court struck the original motion because the parties briefed only the second motion. The court granted the motion in part and denied it in part, dismissing Anthony Kressel's RESPA and ICFA claims for lack of standing while allowing the remaining claims to proceed.

DISPOSITION

other

CASES CITED

- Hallinan v. Fraternal Order of Police of Chicago Lodge No. 7, 570 F.3d 811, 820 (7th Cir. 2009)
- Ctr. for Dermatology & Skin Cancer, Ltd. v. Burwell, 770 F.3d 586, 588-89 (7th Cir. 2014)
- Ezekiel v. Michel, 66 F.3d 894, 897 (7th Cir. 1995)
- Richards v. Mitcheff, 696 F.3d 635, 637 (7th Cir. 2012)
- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 555, 570 (2007)
- Adams v. City of Indianapolis, 742 F.3d 720, 728 (7th Cir. 2014)
- Heredia v. Capital Management Services, L.P., 942 F.3d 811, 814 (7th Cir. 2019)
- Todd v. Collecto, Inc., 731 F.3d 734, 736-39 (7th Cir. 2013)
- Harzewski v. Guidant Corp., 489 F.3d 799, 803 (7th Cir. 2007)
- Evory v. RJM Acquisitions Funding L.L.C., 505 F.3d 769, 773 (7th Cir. 2007)
- Koval v. Harris & Harris, Ltd., 2017 WL 1321152, at *2 (N.D. Ill. Apr. 5, 2017)
- Smith v. GC Services Ltd. Partnership, 986 F.3d 708, 710 (7th Cir. 2021)
- Markakos v. Medicredit, Inc., 997 F.3d 778, 780 (7th Cir. 2021)
- OneWest Bank FSB v. Cielak, 2016 IL App (3d) 150224, 20
- Schwinder v. Austin Bank of Chicago, 348 Ill. App. 3d 461, 469 (2004)
- Keen v. Helson, 930 F.3d 799, 801-06 (6th Cir. 2019)
- Ank Bey El v. CitiMortgage, Inc., 2025 WL 3552702, at *12 (E.D.N.Y. Dec. 11, 2025)
- Sharp v. Deutsche Bank National Trust Co., 2015 WL 4771291, at *6 (D.N.H. Aug. 11, 2015)
- Sabrina Roppo v. Travelers Commercial Insurance Co., 869 F.3d 568, 595 (7th Cir. 2017)
- Williams Electronics Games, Inc. v. Garrity, 366 F.3d 569, 579 (7th Cir. 2004)
- Bank One Milwaukee v. Sanchez, 336 Ill. App. 3d 319 (2003)
- RBG Plastics, LLC v. Sparkles Gift & Party Shop, Inc., 2025 WL 2764505, at *7 (N.D. Ill. Sept. 29, 2025)
- Gburek v. Litton Loan Servicing LP, 614 F.3d 380, 384 (7th Cir. 2010)
- Schlosser v. Fairbanks Capital Corp., 323 F.3d 534, 536 (7th Cir. 2003)
- Bonfiglio v. Citifinancial Servicing, LLC, 2015 WL 5612194, at *7 (N.D. Ill. Sept. 23, 2015)
- Bible v. United Student Aid Funds, Inc., 799 F.3d 633, 651 (7th Cir. 2015)
- Moore v. Wells Fargo Bank, N.A., 908 F.3d 1050, 1053, 1060 (7th Cir. 2018)
- Cardiello v. The Money Store, Inc., 2001 WL 604007, at *1 (S.D.N.Y. June 1, 2001)
- Hammond Power Solutions, Inc. v. National Union Fire Insurance Co. of Pittsburgh, PA, 142 F.4th 945, 950 (7th Cir. 2025)
- Johnstone v. Bank of America, N.A., 173 F. Supp. 2d 809, 816 (N.D. Ill. 2001)
- Chapman v. Yellow Cab Cooperative, 875 F.3d 846, 848 (7th Cir. 2017)
- Burke v. Nationstar Mortgage, LLC, 2022 WL 888811, at *11 (N.D. Ill. Mar. 25, 2022)
- Diedrich v. Ocwen Loan Servicing, LLC, 839 F.3d 583, 590 (7th Cir. 2016)
- Robinson v. Toyota Motor Credit Corp., 775 N.E.2d 951, 960-61 (Ill. 2002)

- Wigod v. Wells Fargo Bank, N.A., 673 F.3d 547, 574-75 (7th Cir. 2012)
- Siegel v. Shell Oil Co., 612 F.3d 932, 934 (7th Cir. 2010)
- Connick v. Suzuki Motor Co., 675 N.E.2d 584, 584 (Ill. 1996)
- Daley v. Datacom Systems Corp., 585 N.E.2d 51, 66 (Ill. 1991)
- Windy City Metal Fabricators & Supply, Inc. v. CIT Technology Financing Services, Inc., 536 F.3d 663, 669-72 (7th Cir. 2008)
- Ananthapadmanabhan v. BSI Financial Services, Inc., 2015 WL 8780579, at *5 (N.D. Ill. Dec. 15, 2015)
- Webb v. Frawley, 906 F.3d 569, 581 (7th Cir. 2018)
- Lewis v. Mills, 677 F.3d 324, 332 (7th Cir. 2012)
