

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

THERESA GOODFELLOW,

Plaintiff,

v.

ROCKET MORTGAGE, LLC,

Defendant.

No. 2:24-cv-001072-JAM-DMC

**ORDER DENYING PLAINTIFF'S MOTION
FOR PARTIAL SUMMARY JUDGMENT AND
GRANTING IN PART AND DENYING IN
PART DEFENDANT'S MOTION FOR
SUMMARY JUDGMENT**

This matter is before the Court on Plaintiff Theresa Goodfellow and Defendant Rocket Mortgage, LLC's cross-motions for summary judgement. See ECF Nos. 50-57, 59-61, 63-64, 66-67. For the reasons detailed below, Defendant's motion is granted in part and denied in part, and Plaintiff's motion is denied.¹

I. BACKGROUND

Plaintiff initiated this case in April 2024, then subsequently filed a First Amended Complaint, alleging five causes of action against Defendant. See ECF Nos. 1, 22. Plaintiff's claims stem from a loan Plaintiff received from Rocket Mortgage in conjunction with the purchase of a home in Shingletown, California ("the Property"), in 2020. See ECF Nos.

¹ This motion was determined to be suitable for decision without oral argument. E.D. Cal. L.R. 230(g); ECF No. 68.

1 56, Defendant's Statement of Undisputed Facts and 61, Plaintiff's
2 Response to D. SUF (collectively "St. of Facts") Nos. 1-2. In
3 connection with the loan, a California Fair Plan Fire insurance
4 policy was obtained for the Property. St. of Facts No. 3; see
5 also ECF No. 50, Plaintiff's Memorandum of Points and Authorities
6 in Support of Motion for Partial Summary Judgment ("P. MSJ") at
7 pg. 2. Though an escrow account was set up to facilitate
8 property tax and insurance payments, in the process of
9 transferring the loan from origination to servicing, the fire
10 insurance policy was inadvertently removed. See P. MSJ at pg. 1-
11 2; ECF No. 52, Defendant's Memorandum of Points and Authorities
12 in Support of its Cross-Motion for Summary Judgment and
13 Opposition to Plaintiff's Motion for Partial Summary Judgment
14 ("D. MSJ & Opp'n") at pg. 5; St. of Facts Nos. 5, 7. Toward the
15 end of 2020, Plaintiff began the process of refinancing her loan
16 through Defendant, which was completed in March 2021. St. of
17 Facts Nos. 15-16.

18 Before the refinance was completed, Plaintiff received a
19 notice of cancellation of the fire insurance policy, due to non-
20 payment. P. MSJ at pg. 4; St. of Facts Nos. 13-14. Under the
21 terms of the original loan, and the refinanced loan, Plaintiff
22 was obligated to maintain fire insurance. See St. of Facts Nos.
23 20-24. While some of the details are disputed, it appears there
24 was a misunderstanding by both parties regarding the fire
25 insurance policy, which included a belief that a California Fair
26 Plan Fire insurance policy was being paid from Plaintiff's escrow
27 account, until Defendant discovered an escrow shortage and a lack
28 of fire insurance in early 2022. See P. MSJ at pg. 2-3; D. MSJ &

1 Opp'n at pg. 6-8. After Plaintiff failed to provide proof of
2 maintaining fire insurance, in April 2022, Defendant obtained and
3 placed fire insurance on the Property at an added cost to
4 Plaintiff. St. of Facts Nos. 39-45. Plaintiff ultimately
5 obtained a fire insurance policy, which she paid separately, and
6 the lender placed fire insurance was cancelled. Id. Nos. 47-50.

7 Later in 2022, an escrow analysis revealed another escrow
8 shortage. P. MSJ at pg. 3-4; St. of Facts Nos. 62, 64. Though
9 the escrow analysis also flagged a fire insurance lapse, this was
10 incorrect and due to a software program problem. P. MSJ at pg.
11 3; St. of Facts Nos. 51, 53-56. This same software problem
12 resulted in an inactive \$1 "insurance policy" being added to
13 Plaintiff's mortgage statement; according to Plaintiff,
14 "[d]espite the present litigation, this issue still [presently]
15 exists []." Id. Continuing into 2023, Defendant ran a number of
16 escrow analyses. P. MSJ at pg. 3; D. MSJ & Opp'n at 8.
17 Following the refinance, Plaintiff's payment amounts fluctuated a
18 number of times, which Defendant attributed to increases in
19 property taxes. See P. MSJ at pg. 3-4; D. MSJ & Opp'n at pg. 8-
20 10. Although Plaintiff received a notice of a new, higher
21 monthly payment amount in February 2023, Plaintiff continued to
22 make some payments throughout the year at a lesser amount;
23 defendant also claims Plaintiff routinely waited until the 15th
24 of the month to make these payments. Id. According to
25 defendant, "as a result, . . . Plaintiff's 2023 payments were
26 regularly insufficient to cover the entire monthly loan payment
27 and when it was time to report Plaintiff's payment history for
28 April, July, August and September 2023, Plaintiff was reported

late." D. MSJ & Opp'n at pg. 9. Plaintiff's position, however, is this reporting "was at best misleading if not technically inaccurate," since Plaintiff was only paying approximately \$13 less than her billed monthly payment during most of 2013. P. MSJ at pg. 4. Plaintiff was "placed into collections[,] received harassing phone calls," and according to her declaration, "spent countless hours reviewing billing statements, escrow analyses, [] her credit report, [and] experienced extreme emotional distress manifesting in sleeplessness, anxiety, frustration, and impending doom related to her home being taken." P. MSJ at pg. 4. Defendants note Plaintiff did not suffer a fire-related loss, received several refunds from Defendant, benefitted from the refinance, and the drop in Plaintiff's credit score was the result of a number of other negative factors not attributable to Defendant. See D. MSJ & Opp'n.

II. OPINION

Plaintiff moves for summary judgment on Count Eight - her claim under the Real Estate Settlement Procedures Act ("RESPA," 12 U.S.C. § 2601, et seq.). Plaintiff also moves this Court "to find that Rocket Mortgage reported inaccurate information for Fair Credit Reporting Act and California Credit Agencies Act purposes," asking to "set this matter for trial related to the reasonableness of the investigation that took place and damages." P. MSJ and ECF No. 60, Plaintiff's Opposition to Defendant's Motion for Summary Judgment and Reply in Support of Plaintiff's Motion for Summary Judgment ("P. Opp'n & Reply"). Defendant opposes Plaintiff's motion and moves for summary judgment on all of Plaintiff's causes of action. D. MSJ & Opp'n and ECF No. 67,

1 Defendant's Reply in Support of its Cross-Motion for Summary
2 Judgment ("D. Reply"). In reaching its ruling below on the
3 parties' cross-motions for summary judgment, the Court has read
4 and considered the parties' briefs, as well as the evidence
5 submitted by the parties, including the documents filed and
6 submitted under seal. See ECF Nos. 50-57, 59-61, 63-64, 66-67.

7 A. Legal Standard

8 Summary judgment is appropriate when the record, read in
9 the light most favorable to the non-moving party, indicates
10 "that there is no genuine dispute as to any material fact and
11 the movant is entitled to judgment as a matter of law." Fed. R.
12 Civ. P. 56(a); Adickes v. S. H. Kress & Co., 398 U.S. 144, 157
13 (1970); U.S. v. Diebold, Inc., 369 U.S. 654, 655 (1962). A
14 genuine dispute of fact exists only if "there is sufficient
15 evidence favoring the nonmoving party for a jury to return a
16 verdict for that party." Anderson v. Liberty Lobby, Inc., 477
17 U.S. 242, 249 (1986). If the nonmoving party fails to make this
18 showing, "[t]he moving party is entitled to a judgment as a
19 matter of law." Celotex Corp. v. Catrett, 477 U.S. 317, 323
20 (1986) (quotations omitted); see also Matsushita Elec. Indus.
21 Co. v. Zenith Radio Corp., 475 U.S. 574, 587 (1986) ("Where the
22 record taken as a whole could not lead a rational trier of fact
23 to find for the nonmoving party, there is no 'genuine issue for
24 trial.'"") (citing and quoting First Nat. Bank of Ariz. v. Cities
25 Service Co., 391 U.S. 253, 289 (1968)).

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1 B. Plaintiff's State Law Claims and Request for Punitive
2 Damages

3 Defendant moves for summary judgment on Plaintiff's state
4 law claims, Counts One and Two of the operative complaint,
5 arguing they fail as a matter of law because there is no
6 evidence of a fiduciary relationship or duty. D. MSJ & Opp'n at
7 pg. 26-29. Plaintiff did not respond to Defendant's arguments
8 in her opposition. See P. Opp'n & Reply; D. Reply at pg. 10.
9 The Court finds Defendant's arguments are meritorious. See
10 Spencer v. DHI Mortg. Co., Ltd., 642 F. Supp. 2d 1153, 1160-63
11 (E.D. Cal. June 30, 2009) (dismissing negligence and breach of
12 fiduciary duty claims under California law holding, "Absent
13 special circumstances a loan transaction is at arms-length and
14 there is no fiduciary relationship between the borrower and
15 lender," and "[t]he relationship between a lending institution
16 and its borrower-client is not fiduciary in nature.") (internal
17 quotations and citations omitted).

18 Defendant also moved for summary judgment on Plaintiff's
19 punitive damages claims as to Counts One, Two, and Three; there
20 was also no response to this argument in Defendant's motion by
21 Plaintiff. See D. MSJ & Opp'n at pg. 29-33; P. Opp'n & Reply;
22 D. Reply at pg. 10. The Court finds that Plaintiff's punitive
23 damages claims as to Counts One and Two fail since the
24 underlying claims do so as well, and Plaintiff has failed to
25 demonstrate Defendant is "guilty of oppression, fraud, or
26 malice," by clear and convincing evidence to support a punitive
27 damages claim as to Count Three. See D. MSJ & Opp'n at 29-33.

28 It is not the court's task "to scour the record in search

1 of a genuine issue of triable fact.” Keenan v. Allan, 91 F.3d
2 1275, 1279 (9th Cir. 1996) (quotations and citation omitted).
3 Instead, a court is entitled to rely on the nonmoving party to
4 “identify with reasonable particularity the evidence that
5 precludes summary judgment.” Id. (quotations and citation
6 omitted). Accordingly, based on Defendant’s motion, Plaintiff’s
7 lack of response, and the record before the Court, Defendant’s
8 motion for summary judgment is granted as to Counts One and Two,
9 Breach of Fiduciary Duty and Negligence, respectively, and as to
10 Plaintiff’s punitive damages claims. Accord Fed. R. Civ. P.
11 56(e)(3) (summary judgment may be granted “[i]f a party fails to
12 properly support an assertion of fact or fails to properly
13 address another party’s assertion of fact . . .”).

14 C. Plaintiff’s CCRA and FCRA Causes of Action

15 Defendant moves for summary judgment on Plaintiff’s Third
16 and Fifth causes of action, under the California Consumer Credit
17 Reporting Agencies Act (Cal. Civ. Code § 1785.25(a), “CCRA”) and
18 the Fair Credit Reporting Act (15 U.S.C. § 1681s-2(b), “FCRA”).
19 Defendant avers Plaintiff’s CCRA claim fails because there is
20 either no evidence or minimal evidence of two essential
21 elements: “incomplete or inaccurate” reporting and knowledge.
22 See D. MSJ & Opp’n at pg. 21-25. Defendant also argues
23 Plaintiff’s FCRA claim fails because Plaintiff has not
24 demonstrated a dispute by a borrower to a credit reporting
25 agency, and without this showing, there is no separate private
26 cause of action under the FCRA. Id. at 21.

27 Starting with Plaintiff’s FCRA claim, “[t]he FCRA expressly
28 creates a private right of action for willful or negligent

1 noncompliance with its requirements. [] However, § 1681s-2
2 limits this [] to claims arising under subsection (b), the
3 duties triggered upon notice of a dispute from a [credit
4 reporting agency]." Gorman v. Wolpoff & Abramson, LLP, 584 F.3d
5 1147, 1154 (9th Cir. 2009). In her opposition to Defendant's
6 motion for summary judgment, Plaintiff includes evidence that
7 there was a dispute to a credit reporting agency, which was then
8 received by Defendant. P. Opp'n & Reply at pg. 8; see also ECF
9 No. 64, Exh. A. Defendant does not directly respond to this
10 evidence and instead reiterates its initial argument that there
11 is no private cause of action under the FCRA given the
12 circumstances of this case. D. Reply at pg. 8. Plaintiff's
13 evidence is sufficient to overcome Defendant's motion for
14 summary judgment on this basis, since Plaintiff has demonstrated
15 there is, at a minimum, a material dispute of fact regarding
16 willful or negligent noncompliance with the FCRA, following the
17 notice of dispute. Accord Gorman, 584 F.3d at 1155.

18 Turning to Plaintiff's CCRA claim, Plaintiff focuses on the
19 deposition testimony of Defendant's 30(b)(6) witness, Lauren
20 Schmidt, to support her argument there is a genuine issue of
21 material fact regarding Defendant's knowledge of the incomplete
22 or inaccurate reporting. P. Opp'n & Reply at pg. 9-10. The
23 CCRA imposes a number of obligations on Defendant related to
24 credit reporting and responding to disputes by consumers,
25 including disputes through a credit reporting agency. See
26 Carvalho v. Equifax Information Services, LLC, 629 F.3d 876, 889
27 (9th Cir. 2010). While Defendant argues it established
28 Plaintiff's payments were calculated correctly, thereby

1 defeating Plaintiff's CCRA claim because its reporting could not
2 be inaccurate or incomplete as a matter of law, Plaintiff's
3 reliance on deposition testimony, fluctuations in Plaintiff's
4 payments, and the notices of dispute to a credit reporting
5 agency, demonstrate there is a dispute of material fact
6 regarding Plaintiff's CCRA claim. Accordingly, Defendant's
7 motion for summary judgment on this ground is also denied. Fed.
8 R. Civ. P. 56(a); Adickes v. S. H. Kress & Co., 398 U.S. 144,
9 157 (1970); U.S. v. Diebold, Inc., 369 U.S. 654, 655 (1962).

10 Given the disputes of material facts outlined above,
11 Plaintiff's motion for summary judgment regarding her CCRA and
12 FCRA claims is likewise denied. Fed. R. Civ. P. 56.

13 D. Plaintiff's RESPA Claim

14 Defendant moves for summary judgment on Plaintiff's Eighth
15 cause of action, arguing Plaintiff cannot demonstrate she
16 suffered actual damages, a required element of a RESPA claim.
17 D. MSJ & Opp'n at 17-20. Plaintiff claims emotional damages,
18 alone, can satisfy the "actual damages" element of a RESPA
19 claim, though acknowledges there is a split of authority
20 supporting this theory. P. Opp'n & Reply at pg. 7. It is
21 undisputed, however, that there is no evidence of any pecuniary
22 or other damages, outside of Plaintiff's claim of emotional
23 distress damages, underlying Plaintiff's RESPA claim. See P.
24 Opp'n & Reply at pg. 7; D. Reply at pg. 7-8.

25 A number of cases relied on by Plaintiff, including Hickcox
26 v. Rocket Mortgage, LLC, involve both an identifiable monetary
27 loss and emotional distress damages. See Hickcox, No. 22-cv-
28 00437, 2024 WL 871472 (E.D. Cal. Feb. 29, 2024) (declining to

1 grant summary judgment by separating out plaintiff's emotional
2 damages from other quantifiable, economic damages). In this
3 case, separate from arguing Plaintiff's claim fails as a matter
4 of law because it is based solely on emotional damages,
5 Defendant correctly notes there is no evidence supporting
6 Plaintiff's claim for emotional damages. See D. Reply at pg. 7
7 ("Courts 'have disallowed RESPA claims for emotional distress
8 that are conclusory and unsupported.'") (citing and quoting
9 Tanasi v. CitiMortgage, Inc., 257 F. Supp. 3d 232, 270 (D. Conn.
10 June 30, 2017)). Plaintiff does not cite any evidence
11 substantiating her claimed damages in this case; instead, she
12 simply claims she "should be allowed to collect her emotional
13 distress damages." P. Opp'n & Reply at pg. 7. It is well-
14 established that "[a] conclusory, self-serving affidavit,
15 lacking detailed facts and any supporting evidence, is
16 insufficient to create a genuine issue of material fact."
17 F.T.C. v. Publishing Clearing House, Inc., 104 F.3d 1168, 1171
18 (9th Cir. 1997) (citing Hansen v. United States, 7 F.3d 137, 138
19 (9th Cir.1993); United States v. One Parcel of Real Property,
20 904 F.2d 487, 492 n. 3 (9th Cir.1990)). Accordingly, based on
21 Defendant's motion, Plaintiff's failure to present any evidence
22 in response as to an essential element (damages), and the record
23 before the Court, Defendant's motion for summary judgment is
24 granted as to Count Eight, Plaintiff's RESPA claim. Accord Fed.
25 R. Civ. P. 56(e)(3) (summary judgment may be granted "[i]f a
26 party fails to properly support an assertion of fact or fails to
27 properly address another party's assertion of fact");
28 Keenan v. Allan, 91 F.3d 1275, 1279 (9th Cir. 1996) Given this

1 finding, the Court need not reach any of the other arguments by
2 the parties supporting and opposing summary judgment on
3 Plaintiff's RESPA claim.

4 III. ORDER

5 For the reasons set forth above, the Court DENIES
6 Plaintiff's motion for partial summary judgment. Defendant's
7 motion for summary judgment is GRANTED IN PART and DENIED IN
8 PART, as follows:

9 1. Summary judgment is granted as to Plaintiff's First and
10 Second Causes of Action, for Breach of Fiduciary Duty and
11 Negligence, respectively;

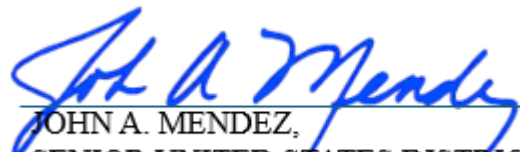
12 2. Summary judgment is granted as to Plaintiff's punitive
13 damages claims;

14 3. Summary judgment is granted as to Plaintiff's Eighth
15 Cause of Action, under RESPA; and

16 4. Defendant's motion is denied as to Plaintiff's Third
17 and Fifth Causes of Action, under the CCRA and FCRA,
18 respectively.

19 IT IS SO ORDERED.

20 Dated: January 20, 2026

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22 JOHN A. MENDEZ,
23 SENIOR UNITED STATES DISTRICT JUDGE
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