

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

ALLSTATE INDEMNITY
COMPANY,

Plaintiff,

v.

RANDY LINDQUIST, et al.,

Defendants.

CASE NO. C20-1508JLR

ORDER

Before the court is Defendant JPMorgan Chase Bank, N.A.’s (“Chase”) motion to enter final judgment on the court’s January 18, 2022 summary judgment order. (Mot. (Dkt. # 144); Reply (Dkt. # 155); 1/18/22 Order (Dkt. # 126).) Plaintiff Allstate Indemnity Company (“Allstate”) opposes the motion. (Resp. (Dkt. # 151).) The court has considered the parties’ submissions, the relevant portions of the record, and the

//
//

1 applicable law. Being fully advised,¹ the court GRANTS Chase’s motion for separate
2 judgment.

3 In actions involving “more than one claim for relief,” or multiple parties, “the
4 court may direct entry of a final judgment as to one or more, but fewer than all, claims or
5 parties.” Fed. R. Civ. P. 54(b). The Supreme Court has articulated a two-part test to
6 determine whether a court may enter a final judgment pursuant to Rule 54(b).

7 *Curtiss-Wright Corp. v. Gen. Elec. Co.*, 446 U.S. 1, 7-10 (1980). First, the court must
8 determine that it is dealing with a final judgment. *Id.* at 7. Second, the court must
9 determine whether there is any just reason for delay. *Id.* at 8. In deciding whether there
10 is just reason for delay, the court must consider judicial administrative interests and the
11 equities involved. *Id.* Consideration of judicial administrative interests ensures that
12 application of Rule 54(b) “effectively preserves the historic federal policy against
13 piecemeal appeals.” *Wood v. GCC Bend, LLC*, 422 F.3d 873, 878 (9th Cir. 2005)
14 (quoting *Curtiss-Wright*, 446 U.S. at 8) (internal quotation marks omitted). Courts may
15 take into account “whether the claims under review were separable from the others
16 remaining to be adjudicated and whether the nature of the claims already determined was
17 such that no appellate court would have to decide the same issues more than once even if
18 there were subsequent appeals.” *Curtiss-Wright*, 446 U.S. at 8. Ultimately, “[i]t is left to
19 the sound judicial discretion of the district court to determine the ‘appropriate time’ when
20 //

21 ¹ The parties have not requested argument (*see* Mot. at 1; Resp. at 1) and the court
22 concludes argument would not aid its disposition of the motion, *see* Local Rules W.D. Wash.
LCR 7(b)(4).

1 each final decision in a multiple claims action is ready for appeal.” *Id.* (quoting *Sears,*
2 *Roebuck & Co. v. Mackey*, 351 U.S. 427, 437 (1956)).

3 Addressing the first prong, the court finds that it has entered a final judgment in
4 favor of Chase on Allstate’s declaratory judgment claim, the lone claim asserted against
5 it. (*See* Compl. (Dkt. # 1) at 9.) The court found that the Policy’s “Lender’s Loss
6 Payable Endorsement affords Chase coverage notwithstanding any alleged concealment
7 of material facts” regarding the occupancy status of Mr. Lindquist’s house by Chase or
8 Mr. Lindquist. (1/18/22 Order (Dkt. # 126) at 13.) That holding provides the “ultimate
9 disposition” of “a cognizable claim for relief,” which renders it a final judgment under
10 Rule 54(b). *See Curtiss-Wright Corp.*, 446 U.S. at 7.

11 Allstate’s arguments to the contrary are unpersuasive. (*See* Resp. at 4-5.) Allstate
12 first argues that “future,” unidentified, “developments in this case” could render an
13 appeal of the judgment in favor of Chase moot. (*Id.* at 4.) That is pure speculation. The
14 court’s order granting summary judgment to Chase turned on a legal issue distinct to
15 Chase—*i.e.*, an interpretation of the Lender’s Loss Payable Endorsement—that will not
16 be affected by adjudication of the remaining factual or legal issues in this case. Allstate
17 next argues that the court’s January 18, 2022 order is not final because it “only addresses
18 whether the Lender’s Loss Payable Endorsement provides coverage to Chase,” but “does
19 not address whether the loss is in fact a covered loss” under “the vacancy exclusion.” (*Id.*
20 at 4-5.) At summary judgment, however, “Allstate [wa]s not asserting that the vacancy
21 itself invalidates the policy but rather” arguing that “the intentional misrepresentation or
22 concealment of Chase about the vacancy is what has invalidated the policy.” (*See*

1 Allstate Resp. (Dkt. # 118) at 12; *see also id.* at 9 (“Notifying Allstate of the vacant status
2 is a condition precedent for coverage.”); Allstate MSJ (Dkt. # 100) at 13.) The court
3 squarely addressed the arguments that Allstate made and concluded that Chase is entitled
4 to coverage under the Lender’s Loss Payable Endorsement *even if* Mr. Lindquist’s home
5 was vacant and Chase or Mr. Lindquist misrepresented that fact to Allstate. (*See* 1/18/22
6 Order at 13.) Allstate cannot alter the finality of the January 18, 2022 order by asserting
7 new arguments it could have made at summary judgment.

8 Finally, Allstate argues that the court’s January 18, 2022 order is not final because
9 it does not establish “whether Chase is entitled to coverage for an amount certain.”
10 (Resp. at 4; *see also id.* at 7 (arguing that separate judgment is inappropriate because “the
11 result at trial could very well result in a set-off against the separate judgment sought by
12 Chase”).) But the amount of coverage Chase is entitled to is not at issue in this action
13 (*see* Compl. at 9) and, thus, is not relevant to the question of whether the court’s January
14 18, 2022 order is a final judgment. Indeed, the only question implicated by Allstate’s
15 declaratory judgment claim against Chase is *whether* coverage is owed (*see id.*), which
16 the court’s January 18, 2022 order fully and completely answered in Chase’s favor (*see*
17 1/18/22 Order at 15). *See Curtiss-Wright*, 446 U.S. at 7 (finding an order to be final
18 under Rule 54(b) where it provides the “ultimate disposition” of a cognizable claim).

19 The court also determines that “there is no just reason for delay[ing]” the entrance
20 of a final judgment in Chase’s favor. *See* Fed. R. Civ. P. 54(b). In analyzing this prong,
21 courts consider (1) whether the claims under review are separable from the others
22 remaining to be adjudicated; and (2) whether the nature of the claims determined is such

1 that no appellate court would have to decide the same issues more than once. *Curtiss-*
2 *Wright*, 446 U.S. at 7-10. As described above, the court’s order granting summary
3 judgment to Chase on Allstate’s declaratory judgment coverage claim turned entirely on
4 the legal conclusion that “the Lender’s Loss Payable Endorsement affords Chase
5 coverage notwithstanding any alleged concealment of material facts by Chase or Mr.
6 Lindquist.” (1/18/22 Order at 13.) Thus, the court’s judgment on that claim, which
7 raised a dispositive issue unique to Chase, is entirely separable from the claims that
8 remain between Allstate, Mr. Lindquist, Paul Davis, and Melody Grondahl. Indeed, the
9 court can envision no scenario under which the Ninth Circuit will need to review the
10 court’s interpretation of the Lender’s Loss Payable Endorsement more than once, even in
11 the event of subsequent appeals. Accordingly, the judicial administrative interests weigh
12 in favor of entering judgment for Chase.


13 Turning to the equitable considerations, the court finds that none are
14 overwhelming in this case, but collectively support a finding that there is no just reason to
15 delay entering judgment for Chase. *See Curtiss-Wright*, 446 U.S. at 8. Chase notes that
16 it will need to be more actively engaged in this litigation if summary judgment in its
17 favor is not finalized, which may cause it to incur litigation-related expenses it could
18 otherwise avoid by exiting the case. (*See Mot.* at 8.) Its effort to pursue recovery from
19 Allstate will also be delayed the longer it waits for judgment to be entered so that
20 Allstate’s anticipated appeal can commence. (*Id.* at 1, 8; *Resp.* at 8.) Allstate identifies
21 no persuasive equitable considerations that cut in the other direction. (*See id.* at 7-8.)

22 //

1 Thus, on balance, the equitable considerations weigh in favor of entering judgment, even
2 if only slightly.

3 Accordingly, the court concludes that its January 18, 2022 order granting
4 summary judgment to Chase is a final judgment within the meaning of Rule 54(b), and
5 that there is no just reason to delay entering judgment in Chase's favor. *Curtiss-Wright*
6 *Corp.*, 446 U.S. at 7-8; Fed. R. Civ. P. 54(b). For the foregoing reasons, Chase's motion
7 for final judgment (Dkt. # 144) is GRANTED.

8 Dated this 6th day of April, 2022.

9
10 

11 JAMES L. ROBART
12 United States District Judge
13
14
15
16
17
18
19
20
21
22