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No. 99876-1

SUPREME COURT  
OF THE STATE OF WASHINGTON

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LAGUNA CREEK CALIFORNIA PARTNERS, LLC., a Washington  
limited liability company, et al.,

Respondents,

v.

BRENIA LAGUNA CREEK, LLC, a Washington limited liability  
company, et al.,

Petitioners.

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ANSWER TO PETITION FOR REVIEW

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CAIRNCROSS &  
HEMPELMANN, P.S.

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Property Management, Inc.; 1031 Xpress, Inc.; and Washington  
First Mortgage Corporation

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**A. Introduction.**

In an unpublished decision, the Court of Appeals dismissed as untimely the petitioners' (collectively, Brenia) appeal of the trial court's summary judgment orders dismissing Brenia's claims against respondents,<sup>1</sup> because Brenia did not file a notice of appeal within 30 days of the trial court's last order dismissing the sole remaining claims in the lawsuit. The Court of Appeals applied settled law to hold that Brenia's appeal of a subsequent fee award did not bring up for review the trial court's final judgment, and that Brenia could not toll the time for appealing the final judgment by filing what the trial court characterized as an "odd but inventive" (but indisputably untimely) motion for reconsideration.

The Court of Appeals' unpublished decision is consistent with *Denney v. City of Richland*, 195 Wn.2d 649, 462 P.3d 842 (2020), because Brenia was not "confused" by any of the trial court's orders, which expressly dismissed its claims with prejudice and did not contemplate entry of an additional "judgment" under CR 54.

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<sup>1</sup> Respondents are Laguna Creek California Partners, LLC and Laguna Creek Administration, Inc., plaintiffs below, Jon A. Wood; Roger E. Kuula; 1031 Xpress Laguna Creek, Inc.; Laguna Creek Apartment Associates, LLC; American Capital Development, Inc.; American Property Management, Inc.; 1031 Xpress Inc.; and Washington First Mortgage Corporation, third-party defendants below (collectively, Laguna).

Instead, Brenia repeatedly and expressly recognized, before the time for appeal had run, that Laguna had prevailed on the merits. This Court should deny review and award Laguna its attorney fees.

**B. Restatement of Issues Presented for Review.**

Did the Court of Appeals properly exercise its discretion to refuse to extend the time for Brenia’s appeal under RAP 18.8(b) because the trial court plainly and unambiguously dismissed all of Brenia’s claims, dismissed Laguna’s remaining claim, did not direct the parties to enter any CR 54 judgment, and Brenia repeatedly acknowledged no claims remained for adjudication?

**C. Restatement of Facts<sup>2</sup>**

Brenia dispenses with any mention of the underlying facts, contending they are “entirely procedural.” (Pet. 3) Leaving aside that Brenia’s argument for further review depends entirely on the “procedural facts” of dismissal of its claims, the history of this litigation entirely refutes Brenia’s contention that its failure to timely appeal was due to “confusion” or any other extraordinary circumstances within the meaning of RAP 18.8(b).

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<sup>2</sup> Citations are to the Court of Appeals decision (cited as Op. \_\_), and where relevant, to the clerk’s papers.

**1. After investing in Laguna’s apartment project, Brenia sought to replace Laguna as manager when rental revenue fell and costs increased following the Great Recession.**

This litigation arose from the 31 Brenia petitioners’ 2003 and 2004 investments in the Laguna Creek Apartments in Sacramento, CA, managed by Laguna (“the Property”). The individual Brenia investors, all accredited and sophisticated investors, signed a Subscription Agreement acknowledging that they received and “carefully reviewed” a Confidential Private Placement Memorandum describing the risks, fees, relevant contracts, potential conflicts of interest, ownership, and structure of the investment before investing. (Op. 5; CP 399, 538, 3112-3350) Each certified their financial wherewithal, experience, consultation with tax and legal counsel, and that they were purchasing the Property “as is.” (CP 3355) Each individual Brenia petitioner formed a limited liability company (also a petitioner) to hold a passive interest in the Property as a tenant-in-common. (CP 3067-71, 3100-01) Brenia appointed respondent Laguna Creek Administration, Inc. as Manager, with the sole authority to manage, convey or refinance the Property. (Op. 6)

While the project initially fared well, vacancies increased and rent revenues fell following the 2008 housing crisis, necessitating a 2009 capital call to investors. In 2012, the Manager sought to



refinance the Property's debt and, to meet lenders' requirements, exercised its right to convert Brenia's tenancy-in-common interests into interests in a single limited liability company. (CP 402) No Brenia investor voted against the conversion, and each obtained an LLC interest in newly formed Laguna Creek California Partners, LLC. The refinancing closed in December 2013. (Op. 7-8; CP 541-43)

The recession also thwarted Laguna's original plan to sell the Property in 2008, before customary maintenance would become more expensive. (CP 3104-06) Beginning in 2010 and through 2014, individual Brenia investors exchanged correspondence voicing displeasure with Laguna's management, its fees, the tax consequences of the conversion and other matters. Several consulted with legal counsel. (*See, e.g.*, CP 3600-23)

**2. The trial court dismissed with prejudice all of the parties' competing claims in a series of orders and deemed Laguna the prevailing party.**

Brenia took no legal action, but individual Brenia investors passed a "Resolution" in 2017 to replace the Manager and revoke the Consents to Sell they gave to Laguna when it announced its plan to sell the Property in 2016. (CP 3105-06) With no buyer, and facing deferred maintenance needs, the Manager issued a second capital call in May 2017 to pay for a major roof repair. (Op. 8-9) The

Manager then commenced this action on April 24, 2017, for Brenia's breaches of the Master LLC, because the Resolution made it impossible to sell the Property. (CP 1-20, 3106) In a series of discrete and unambiguous orders in this action, King County Superior Court Judge James Rogers ruled in favor of Laguna, and after granting Brenia leave to amend its answer to assert additional claims, dismissed all of Brenia's claims with prejudice.

In June 2017, Judge Rogers entered a preliminary injunction prohibiting Brenia from replacing Laguna as Manager, affirming Laguna's authority to make the second capital call, and enjoining Brenia from rescinding their consents to sell. (Op. 9; CP 122-26) Brenia then amended its answer in September 2017 to assert eight counterclaims against Laguna, seeking injunctive and declaratory relief, an accounting, breach of contract, breach of fiduciary duty, unjust enrichment, violation of WSSA, and fraud. (Op. 9-10; CP 276-337) In March 2018, the trial court dismissed Brenia's breach of contract, injunctive and declaratory judgment claims on partial summary judgment, and continued for six months the hearing on summary judgment on Brenia's Securities Act claim. (Op. 10; CP 1973-85) On reconsideration, the trial court explained that it had previously validated all the Project agreements, and "to the extent

[Brenia] seeks to resurrect contract claims based upon the validity of those documents, those claims have been dismissed.” (CP 12663)

The trial court then denied without prejudice Brenia’s motion to file a 72-page proposed Amended Answer (Op. 10; CP 2058-2129) that sought to add third-party claims against related Laguna entities that should have been raised in opposition to summary judgment:

[such claims] cannot be resurrected through amendments or through the addition of other entities which the Defendant knew about and now claim were acting for Mr. Kuula and Mr. Wood and were known at the time of the [First] Summary Judgment Motion

(CP 2647) The trial court allowed Brenia to submit a new proposed amended answer to add claims related to their “2003/4 investments, water intrusion and receivership” allegations, but required that the amended answer first be submitted to Laguna, so Laguna could raise further objections. (Op. 10; CP 2648)

Brenia waited until three days before Laguna’s renewed summary judgment motion was due before filing its amended proposed pleading. (CP 2649-2725) Contrary to Judge Roger’s order (CP 2649-51), Brenia alleged no new facts and struck only one of the causes of action it had previously proposed. (Op. 11; CP 2652-2724) Laguna’s renewed motion both opposed Brenia’s amended pleading and sought dismissal of *all* of Brenia’s counterclaims and third party

claims in advance of the long-continued summary judgment hearing.  
(Op. 11; CP 3065, n.2)

In a 19-page October 26, 2018 order, Judge Rogers ruled that Brenia's "Second Amended [Answer] continues to be problematic, continuing to try to bring back in already dismissed or abandoned claims." (CP 12655, 12662: "to the extent that the movant seeks to resurrect contract claims . . . those claims have been dismissed") Judge Rogers denied Brenia's motion to add three amended claims, but "for purposes of summary judgment" expressly considered "the remainder of the [second amended] complaint." (CP 12655) In the same order, Judge Rogers dismissed *all* of Brenia's claims (Op. 11-12 CP 12652-53, 12657-61) on the ground that Laguna's "statute of limitations [defense] . . . really decides the entire motion" (CP 12657), because the individual Brenia investors knew or should have known of all claims arising from the allegations of Laguna's "mismanagement, breaching their fiduciary duties, taking extra fees, not adequately managing the investment property, etc. at least three years before they filed their claims on September 17, 2017." (CP

12652, 12658-61)<sup>3</sup> “Because there is no genuine issue of fact regarding any of [Brenia’s] claims, all of [Brenia’s] claims are dismissed with prejudice,” and Judge Rogers concluded Laguna was the “substantially prevailing party,” entitled to fees. (CP 12653)

**3. Brenia acknowledged that Laguna was the prevailing party but did not timely appeal the trial court’s dismissal of Laguna’s remaining damages claim on December 12, 2018.**

Brenia did not seek reconsideration or argue that the trial court’s unambiguous dismissal of “all claims” left any causes of action for Brenia to pursue. (Op. 12) Laguna moved for its attorney fees on November 30, 2018, on the ground it had “prevailed on all their claims and defenses,” notifying Brenia that it was concurrently voluntarily dismissing the sole remaining claim in the lawsuit—Laguna’s damages claim for Brenia’s breach of contract. (CP 12668) Laguna filed its CR 41 motion for voluntary dismissal and the trial court granted that motion without any opposition from Brenia on December 12, 2018, leaving no claims by either party remaining for adjudication. (Op. 13; CP 13522-25)

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<sup>3</sup> Noting Brenia’s counsel’s “regular habit of violating or ignoring local (and state) rules on filing, page limits, time deadlines, etc. and asking for forgiveness later, or not at all,” the trial court denied Brenia a second CR 56(f) continuance. It also struck “thousands of pages” that Brenia’s counsel submitted without reasonable excuse on the afternoon before the hearing. (CP 12657)

Brenia did not dispute that Laguna had finally prevailed on all claims in its December 12, 2018 response to Laguna's fee motion. To the contrary, Brenia acknowledged that the trial court had "deemed [Laguna] the prevailing party in this lawsuit," and opposed only the amount, not the right to a fee award. (Op. 13; CP 13206) Moreover, Brenia thereafter took no action indicating it believed Judge Rogers' orders failed to finally resolve the parties' claims; Brenia did not file witness or exhibit lists, pretrial motions, briefs, or other pleadings required under the deadlines in the case schedule order, and did not appear for the scheduled trial in February 2019. (CP 13826)

Brenia did not file a notice of appeal within 30 days of the December 12, 2018 order. On January 17, 2019, more than 30 days after entry of the trial court's final order on the merits, Brenia opposed Laguna's proposed findings of fact on its fee award, arguing for the first time that "all claims have not been adjudicated, [and] no party should be declared the prevailing party." (Op. 13; CP 13677, 13664, n.1) Judge Rogers rejected that argument and approved Laguna's fees because his "March 30, October 26, and December 12 [2018] orders together resolve and dispose entirely of all claims in this matter." (CP 13698, FF 5) Judge Rogers recognized that Brenia could not revive its claims in an untimely motion to reconsider:

In an odd but inventive procedural move, instead of moving to reconsider the Court's [October 26, 2018] Summary Judgment Order docket no. 467, Defendants assert, by opposition to an attorneys' fees motion, that the Defendants have eleven causes of action left to pursue.

The Order docket no. 467 clearly states, on pages 7/19, and all of Defendants' remaining claims are dismissed with prejudice. If there was some question about the meaning of the very clear language, Defendants should have raised it. It has now been four months and obviously, the deadline under the rules has long passed. To the extent this legal position is a Motion to Reconsider, the Motion is Denied.

(CP 13712)

On March 29, 2019, Brenia filed a notice of appeal from the trial court's March 26, 2019 judgment for attorney fees and costs. (Op. 13-14; CP 13744-55) In an unpublished decision, the Court of Appeals ruled that Brenia's appeal was timely only as to the fee award, but ineffective to bring up for review the dismissal of Brenia's claims, because final judgment had been entered more than thirty days before Brenia filed its notice of appeal.<sup>4</sup> Distinguishing *Denney v. City of Richland*, 195 Wn.2d 649, 462 p.3d 842 (2020), the Court of Appeals declined to extend the time for filing the notice of appeal

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<sup>4</sup> The Court of Appeals affirmed the fee award against the Brenia LLCs and, on Laguna's cross-appeal, held that the individual Brenia investors were equally liable for Laguna's attorney fees. (Op. 18-22) Brenia has not challenged those decisions in its petition for review.

because Brenia had not been confused by the trial court's orders and failed to demonstrate any extraordinary circumstances justifying relief under RAP 18.8(b). (Op. 17)

**D. Argument Why This Court Should Deny Review.**

The Court of Appeals' discretionary decision to deny Brenia's request for RAP 18.8(b) relief is wholly consistent with well-settled law from this Court and the Court of Appeals. *See* RAP 13.4(b)(1), (2). The courts below properly rejected Brenia's contentions, both that it was "confused" by the trial court's unambiguous rulings dismissing all of its claims, and that those orders gave Brenia any reasonable basis to believe that anything remained unresolved but Laguna's attorney fees request when Brenia made its untimely motion for reconsideration, 107 days after entry of final judgment. Brenia does not take issue with the longstanding rule that a party must timely appeal a final judgment—the last dispositive merits ruling in a case—a principle that this Court recently reaffirmed in *Denney*. Nor does Brenia challenge the equally clear rule that an appeal from a fee award does not bring up for review the underlying substantive judgment. RAP 2.2(a)(1); RAP 2.4(b). The Court of Appeals' refusal to extend time for Brenia's appeal is entirely



consistent with *Denney*, and with the established authority upon which the *Denney* Court relied. This Court should deny review.

- 1. Brenia did not require “the benefit of *Denney*” to confirm that the trial court had dismissed all its claims with prejudice and entered a final and appealable judgment, leaving unresolved only the amount of Laguna’s fee award.**

The Court of Appeals broke no new ground in holding that Brenia’s appeal of the trial court’s March 8, 2019 attorney fee award was untimely to bring up for review the trial court’s decisions on the merits because the trial court entered final judgment when it dismissed the last remaining merits claim on December 12, 2018, and Brenia’s “odd but inventive” untimely motion for reconsideration could not revive an otherwise untimely appeal. (Op. 13-14; CP 13712) The Court of Appeals’ unpublished decision is not only entirely consistent with *Denney*, but faithfully adhered to a host of previous decisions on which this Court relied in *Denney*.

“[A] notice of appeal must be filed within . . . 30 days after entry of the decision of the trial court that the party filing the notice wants reviewed” or within 30 days of the entry of an order deciding a “timely. . . motion for reconsideration or new trial under CR 59.” RAP 5.2(a), (e). This Court has strictly enforced the 30-day time limit for appealing a final judgment as “jurisdictional.” *See, e.g., FutureSelect*

*Portfolio Mgmt., Inc. v. Tremont Grp. Holdings, Inc.*, 190 Wn.2d 281, 291, ¶ 18, 413 P.3d 1 (2018); *Cohen v. Stingl*, 51 Wn.2d 866, 322 P.2d 873 (1958); *see also*, *Schaefer v. Columbia River Gorge Com'n*, 121 Wn.2d 366, 367-68, 849 P.2d 1225 (1993) (untimely motion for reconsideration does not toll time for filing notice of appeal).

Relying on the plain language of RAP 2.4(b), this Court in *Denney* ratified Court of Appeals decisions holding that “[a]n appeal from an attorney fee decision does not bring up for review a separate judgment on the merits unless a timely notice of appeal is filed from that judgment.” 195 Wn.2d at 655, quoting *Bushong v. Wilsbach*, 151 Wn. App. 373, 377, 213 P.3d 42 (2009). *See also* *Denney*, 195 Wn.2d at 657, quoting *Carrara, LLC v. Ron & E Enterprises, Inc.*, 137 Wn. App. 822, 826, 151 P.3d 161 (2007) (party may not “couch [its] appeal of [a] summary judgment order in its appeal of attorney fees.”). *See* 2A Tegland, Washington Practice: Rules Practice RAP 2.4 (8th ed. 2014) (“counsel should appeal from the judgment on the merits, even if the issue of attorney fees is still pending.”) (quoted as “sum[ming] up the practical lesson for appellants” in *Denney*, 195 Wn.2d at 655-56). And this Court in *Denney* reiterated the established rule that the “final judgment” is a “court’s last action that settles the rights of the parties and disposes of all issues in

controversy, except for the award of costs (and, sometimes, attorney’s fees),” 195 Wn.2d at 653-54, quoting *State v. Taylor*, 150 Wn.2d 599, 602, 80 P.3d 605 (2003) and BLACK’S LAW DICTIONARY 847 (7th ed. 1999).

Brenia did not need “the benefit of *Denney*” (Pet. 7) to recognize that it was required to file its notice of appeal within 30 days of the trial court’s last dispositive merits ruling. The Court of Appeals faithfully followed not just *Denney*, but settled precedent in holding that Brenia’s March 29, 2019 notice of appeal of the trial court’s fee judgment, “came months too late” (Op. 17) to bring up the merits decisions, because the December 12, 2018 order dismissing the sole remaining claims in the lawsuit was a final judgment.

**2. Brenia was not “confused” by the trial court’s unambiguous orders, which clearly dismissed all of its claims with prejudice.**

The Court of Appeals properly rejected Brenia’s contention “that the trial court’s orders created confusion” because “the trial court’s October summary judgment order in plain language dismissed all of Brenia’s claims with prejudice . . .” (Op. 17) It did not take a “soothsayer” (Pet. 11) to recognize that the trial court’s orders dismissing both parties’ remaining claims left nothing but fees for resolution and was final and appealable. Indeed, Brenia

expressly acknowledged the case was over in December 2018, when Brenia both admitted Laguna was the “prevailing party” (CP 13206) and filed its own motion for attorney fees relating to an earlier discovery dispute. (CP 13569-73)

As the Court of Appeals noted (Op.17), the plaintiff in *Denney* failed to timely appeal a summary judgment order that not only dismissed all his claims, but expressly stated “Defendant City of Richland is the prevailing party herein and may present judgment accordingly.” 195 Wn.2d at 652. The City presented a conforming proposed judgment within three days, but it was not entered until the 30<sup>th</sup> day following the summary judgment of dismissal. This Court granted Denney relief under RAP 18.8(b) because while his notice of appeal of the summary judgment was untimely, Denney acted in reasonable reliance on the trial court’s direction for entry of a subsequent “judgment” under CR 54: “Denney’s counsel interpreted the March judgment, entered in accordance with CR 54, to be the final judgment from which to appeal, waiting for presentation of the proposed order and appealing after the judgment was signed.” 195 Wn.2d at 659.

The Court of Appeals properly held that “Brenia does not benefit from the same confusion found in *Denney*” because the trial

court “in plain language dismissed all of Brenia’s claims . . . [.] dismissed all of Laguna’s remaining claims . . . [and n]othing in either order directed entry of a separate final judgment.” (Op. 17) Further, Brenia “conceded that Laguna had prevailed,” expressly recognizing that the only remaining issue was the award of fees to Laguna as the prevailing party. (Op. 17) And unlike the plaintiff in *Denney*, Brenia never manifested any indication that the trial court’s orders contemplated entry of a formal judgment under CR 54.

Cognizant that Judge Roger’s October 26, 2018 order expressly stated that “all claims” “are dismissed with prejudice” (CP 12652), Brenia now argues that “the trial court could not dismiss claims . . . that Laguna did not raise in its motion.” (Pet. 14, citing *White v. Kent Med. Ctr., Inc., P.S.*, 61 Wn. App. 163, 168-69, 810 P.2d 4 (1991) and *R. D. Merrill Co. v. State, Pollution Control Hearings Bd.*, 137 Wn.2d 118, 147, 969 P.2d 458, 473 (1999)).<sup>5</sup> Both *White* and *Merrill* stand for the unremarkable proposition that a party cannot raise a new basis for summary judgment for the first time in a reply

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<sup>5</sup> Brenia misstates those claims addressed by Judge Rogers’ 17-page October 26, 2018 order. (Pet. 16-17) For instance, Judge Rogers expressly rejected Brenia’s claims alleging Laguna failed to disclose facts or conditions related to the physical integrity or construction of the Project because Brenia expressly agreed that they were purchasing the property “AS IS” (CP 12653), and in its order authorizing amendment held that Brenia’s claim for receivership is “a remedy that is typically discussed only after one party prevails on an issue or claim.” (CP 2647)

rather than in the initial motion. Here, however, just days after Brenia asserted its non-conforming second amended answer (CP 2649-2725), Laguna moved to dismiss *all* of Brenia’s claims in its summary judgment motion, regardless whether Judge Rogers had authorized those claims or barred them in his July 23<sup>rd</sup> order. (CP 2647, 3065, n.2) Brenia then addressed *all* its claims in its response. (CP 4231-36)<sup>6</sup> As Judge Rogers found, “At argument and in briefing, the Plaintiffs made it clear that they moved for summary judgment assuming all the amended claims were properly brought, and the Court ruled on this basis.” (CP 13712, n.1)

Brenia, which did not appear for trial and conceded Laguna had prevailed, was not, nor could it have been, confused by the trial court’s orders expressly dismissing all its claims with prejudice.

**3. The Court of Appeals properly exercised its discretion in refusing to extend the time for Brenia’s appeal under RAP 18.8(b).**

The Court of Appeals did not abuse its discretion under RAP 18.8(b) in denying Brenia’s untimely appeal. Brenia’s failure to

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<sup>6</sup> Brenia conceded that many of those counterclaims, including those for unjust enrichment, CPA, and an accounting, were a mere “continuation” of previous claims or “companion” causes of action based on the same facts as asserted in other claims. (CP 4231-36) Laguna in its summary judgment reply reiterated that “*all* [Brenia’s] current claims” failed (CP 11214) because they “are either time-barred, barred by the relevant contracts, or fail to meet statutory requirements.” (CP 11217)

timely appeal was not due to “extraordinary circumstances,” and allowing an untimely appeal is not necessary to “prevent a gross miscarriage of justice.” RAP 18.8(b).

Our courts have consistently adhered to the RAP 18.8(b)’s clear warning that “[t]he appellate court will ordinarily hold that the desirability of finality of decisions outweighs the privilege of a litigant to obtain an extension of time under this section.”<sup>7</sup> Brenia’s failure to timely appeal was not due to excusable neglect, such as “delays in the mail,” *Moore v. Burdman*, 84 Wn.2d 408, 409, 526 P.2d 893 (1974), a pro se party’s “failure to appreciate a recent change to the RAPs,” *Scannell v. State*, 128 Wn.2d 829, 834-35, 912 P.2d 489 (1996) (Pet. 12), or any other extraordinary circumstance. Nor was an extension necessary “to prevent a gross miscarriage of justice,” RAP 18.8(b), as Judge Rogers in a 17-page order thoroughly and thoughtfully addressed all 72 pages of Brenia’s amended counterclaims and granted summary judgment because its claims were both untimely and refuted by the parties’ unambiguous agreements.

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<sup>7</sup> See, e.g., *Futureselect*, 190 Wn.2d at 294-94, ¶ 25; *Marriage of Orate*, 11 Wn. App.2d 807, 814, ¶ 26, 455 P.3d 1158 (2020); *State, Dep’t of Social and Health Servs. v. Fox*, 192 Wn. App. 512, 371 P.3d 537 (2016); *Beckman v. State, Dep’t of Social and Health Servs.*, 102 Wn. App. 687, 11 P.3d 313 (2000).

RAP 18.8(b)'s requirement of "extraordinary circumstances . . . to prevent a gross miscarriage of justice" necessarily vests discretion in the appellate court. Brenia's insistence that this Court engage in a de novo review of the Court of Appeals' assessment of the specific facts of this case would substantially undermine the appellate rule's stated policy of finality, encouraging review by this Court whenever the Court of Appeals exercises its discretion to grant (or deny) an extension of time. The consequences of ignoring RAP 18.8(b)'s "desirability of finality" are manifest here, where Brenia has now delayed for more than four years Laguna's efforts to expeditiously remove Brenia's cloud on the Property's title after Laguna obtained injunctive and declaratory relief in 2017, and Brenia then engaged not just the appellate court commissioner, but a merits panel, to consider its motion to extend the time to appeal.

The Court of Appeals carefully considered not just the plain language of Judge Rogers' orders, but the entire history of this litigation, including Brenia's pattern of "violating or ignoring local (and state) rules on filing, page limits, time deadlines, etc. and asking for forgiveness later, or not at all." (CP 12656; *see* Op. 10-12). It determined, based on Brenia's own conduct, that Brenia's failure to appeal was not due to confusion or any extraordinary circumstances,



but was yet another instance of Brenia seeking “to bring claims that were either dismissed or have since become untimely.” (Op. 18) The Court of Appeals’ careful exercise of its discretion is well-supported by established law, presents no ground for review under RAP 13.4(b)(1) and (2), and would undermine, not further, the public interest in the finality of judgments. *See* RAP 13.4(b)(4).

**4. Laguna should be awarded its fees on appeal.**

The Court of Appeals granted Laguna’s request for appellate fees against the individual and LLC Brenia investors. (Op.21-22) Laguna is also entitled to its attorney fees in this Court. RAP 13.4(j).

**E. Conclusion.**

The Court should deny review and award Laguna its fees.

Dated this 9<sup>th</sup> day of August, 2021.

CAIRNCROSS &  
HEMPELMANN, P.S.

SMITH GOODFRIEND, P.S.

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WSBA No. 14355

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Laguna Creek Administration, Inc.; Jon A. Wood; Roger E. Kuula;  
1031 Xpress Laguna Creek Inc.; Laguna Creek Apartment  
Associates, LLC; American Capital Development, Inc.; American  
Property Management, Inc.; 1031 Xpress, Inc.; and Washington  
First Mortgage Corporation

### DECLARATION OF SERVICE

The undersigned declares under penalty of perjury, under the laws of the State of Washington, that the following is true and correct:

That on August 9, 2021, I arranged for service of the foregoing Answer to Petition for Review, to the Court and to the parties to this action as follows:

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Mark D. Kimball MDK Law Associates 777 – 108th Avenue NE, Suite 2000 Bellevue, WA 98004 <a href="mailto:mkimball@mdklaw.com">mkimball@mdklaw.com</a>	<input type="checkbox"/> Facsimile <input type="checkbox"/> Messenger <input type="checkbox"/> U.S. Mail <input checked="" type="checkbox"/> E-Mail

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**DATED** at Seattle, Washington this 9<sup>th</sup> day of August, 2021.

/s/ Andrienne E. Pilapil  
Andrienne E. Pilapil

**SMITH GOODFRIEND, PS**

**August 09, 2021 - 11:42 AM**

**Transmittal Information**

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