

Of Counsel:  
JEFFREY DANIEL LAU AND ASSOCIATES, AAL, LLC

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Electronically Filed  
THIRD CIRCUIT  
3CCV-23-0000302  
25-OCT-2024  
11:33 AM  
Dkt. 165 ANSW

Attorneys for Third-Party Defendant  
WATUMULL INVESTMENT CO., LLC

IN THE CIRCUIT COURT OF THE THIRD CIRCUIT

STATE OF HAWAII

NICOLE CRAIG, as an individual and as  
Trustee of the Revocable Living Trust of  
Nicole L. Craig, and ROES 1-50,  
inclusive,

Plaintiff,

vs.

HAWAIIAN PARADISE PARK OWNERS  
ASSOCIATION, a Hawai'i nonprofit  
corporation, KARIN HOFFMAN, as an  
individual and HPPOA Director,  
JEFFREY FINLEY, as an individual and  
HPPOA Director, and DOES 1-50,  
inclusive and DOES 1-20, inclusive,

Defendants.

HAWAIIAN PARADISE PARK OWNERS  
ASSOCIATION, a Hawai'i nonprofit  
corporation, KARIN HOFFMAN, as an  
individual and HPPOA Director,  
JEFFREY FINLEY, as an individual and  
HPPOA Director, and DOES 1-50,  
inclusive and DOES 1-20, inclusive,

Third-Party Plaintiffs,

vs.

WATUMULL INVESTMENT CO., LLC,

Third-Party Defendant.

CIVIL NO. 3CCV-23-0000302 (Hilo Division)  
(HTN) (Declaratory Judgment)

**THIRD PARTY DEFENDANT WATUMULL  
INVESTMENT CO., LLC'S ANSWER TO  
THIRD-PARTY COMPLAINT;  
CERTIFICATE OF SERVICE**

**THIRD PARTY DEFENDANT WATUMULL INVESTMENT CO., LLC'S  
ANSWER TO THIRD-PARTY COMPLAINT**

Comes now, Third Party Defendant WATUMULL INVESTMENT CO., LLC, (hereinafter referred to as "Third Party Defendant WATUMULL"), by and through its undersigned attorneys, and answers the Third-Party Complaint, filed herein on November 17, 2023 (Dkt. 92), by Third-Party Plaintiffs HAWAIIAN PARADISE PARK OWNERS ASSOCIATION, KARIN HOFFMAN, and JEFFREY FINLEY (hereinafter collectively referred to as "THIRD-PARTY PLAINTIFFS"), as follows:

**FIRST DEFENSE:**

1. THIRD-PARTY PLAINTIFFS have failed to state a cause of action against Third Party Defendant WATUMULL upon which relief can be granted.

**SECOND DEFENSE:**

2. Third Party Defendant WATUMULL denies the allegations in paragraphs 14, 15, 16, 17, 18, 20, 22, 23, 25, 26, 28, 30, and 32 of the Third-Party Complaint.

3. Third Party Defendant WATUMULL is without knowledge or information sufficient to form a belief as to the truth of the allegations in paragraphs 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 19 of the Complaint filed herein and therefore denies the allegations set forth therein and leaves the proof of the same to THIRD-PARTY PLAINTIFFS.

4. All allegations of THIRD-PARTY PLAINTIFFS's Third-Party Complaint not specifically answered hereinabove are hereby denied.

**AFFIRMATIVE DEFENSES**

5. Statute of Limitations
6. Laches and/or unreasonable delay
7. Waiver
8. Acquiescence
9. Detrimental reliance



10. Res Judicata and/or Collateral Estoppel
11. Improper Collateral Attack
12. Settlement Agreement
13. Breach of Contract
14. Tortious Interference with Contract
15. Insufficiency of process and/or Insufficiency of service of process
16. Lack of Standing
17. Lack of personal and/or subject matter jurisdiction
18. Misjoinder and/or Nonjoinder of Parties
19. Failure to join necessary or indispensable parties

**WHEREFORE**, Third Party Defendant WATUMULL prays:

1. That the Third-Party Complaint filed herein be dismissed with prejudice;
2. That Third Party Defendant WATUMULL be awarded attorney's fees and costs incurred herein; and
3. For such other further relief as this Court deems just and proper in the premises.

DATED: Honolulu, Hawaii, October 25, 2024.

Of Counsel:

/s/ Kurt K. Leong  
JEFFREY DANIEL LAU  
KURT K. LEONG  
Attorneys for Third-Party Defendant  
WATUMULL INVESTMENT CO., LLC

Of Counsel:

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Electronically Filed

THIRD CIRCUIT

3CCV-23-0000302

17-NOV-2023

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Dkt. 92 ANCMP

Attorneys for Defendants/Third-Party Plaintiffs

HAWAIIAN PARADISE PARK OWNERS

ASSOCIATION, KARIN HOFFMAN,

and JEFFREY FINLEY

IN THE CIRCUIT COURT OF THE THIRD CIRCUIT

STATE OF HAWAII

NICOLE CRAIG, as an individual and as  
Trustee of the Revocable Living Trust of  
Nicole L. Craig, and ROES 1-50,  
inclusive,

Plaintiff,

vs.

HAWAIIAN PARADISE PARK  
OWNERS ASSOCIATION, a Hawai'i  
nonprofit corporation, KARIN  
HOFFMAN, as an individual and HPPOA  
Director, JEFFREY FINLEY, as an  
individual and HPPOA Director, and  
DOES 1-50, inclusive and DOES 1-20;  
inclusive,

Defendants.

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HAWAIIAN PARADISE PARK  
OWNERS ASSOCIATION, a Hawai'i  
nonprofit corporation, KARIN

Civil No. 3CCV-23-0000302 (Hilo Division)  
(HTN)(Declaratory Judgment)

DEFENDANTS HAWAIIAN PARADISE PARK  
OWNERS ASSOCIATION, KARIN HOFFMAN,  
AND JEFFREY FINLEY'S ANSWER TO FIRST  
AMENDED COMPLAINT FOR DECLARATORY  
JUDGMENT, BREACH OF FIDUCIARY DUTY,  
TEMPORARY AND PERMANENT INJUNCTIVE  
RELIEF, AND PUNITIVE DAMAGES, FILED  
NOVEMBER 9, 2023 [DKT. 86]; DEFENDANTS  
AND THIRD-PARTY PLAINTIFFS HAWAIIAN  
PARADISE PARK OWNERS ASSOCIATION,  
KARIN HOFFMAN, AND JEFFREY FINLEY'S  
THIRD-PARTY COMPLAINT AGAINST  
WATUMULL INVESTMENT CO., LLC;  
DEMAND FOR JURY TRIAL; [PROPOSED]  
SUMMONS; CERTIFICATE OF SERVICE

TRIAL DATE: January 27, 2025

JUDGE: Hon. Henry T. Nakamoto

(Caption continues onto following page)



HOFFMAN, as an individual and HPPOA  
Director, JEFFREY FINLEY, as an  
individual and HPPOA Director, and  
DOES 1-50, inclusive and DOES 1-20;  
inclusive,

Third-Party Plaintiffs,

vs.

WATUMULL INVESTMENT CO., LLC

Third-Party Defendant.

638-050

**DEFENDANTS HAWAIIAN PARADISE PARK OWNERS ASSOCIATION, KARIN  
HOFFMAN, AND JEFFREY FINLEY'S ANSWER TO FIRST AMENDED COMPLAINT  
FOR DECLARATORY JUDGMENT, BREACH OF FIDUCIARY DUTY, TEMPORARY  
AND PERMANENT INJUNCTIVE RELIEF, AND PUNITIVE DAMAGES,  
FILED NOVEMBER 9, 2023 [DKT. 86]**

Defendants HAWAIIAN PARADISE PARK OWNERS ASSOCIATION ("HPPOA"),  
KARIN HOFFMAN, and JEFFREY FINLEY (hereinafter collectively referred to as  
"Defendants"), by and through their counsel, Roeca Luria Shin LLP ("RLS Firm"), and for answer  
to the Amended Complaint, filed on November 9, 2023 [Dkt. 86], state as follows:

**PRELIMINARY STATEMENT**

**FIRST DEFENSE**

1. With respect to the allegations contained in Paragraph 1 of the Amended  
Complaint, Defendants only admit to utilizing approximately one acre for CMB's, and deny the  
rest of the allegations.

2. With respect to the allegations contained in Paragraph 2 of the Amended  
Complaint, this paragraph contains legal conclusions to which no response is required. To the  
extent a response is required, Defendants deny them.

IN THE CIRCUIT COURT OF THE THIRD CIRCUIT

STATE OF HAWAII

NICOLE CRAIG, as an individual and as  
Trustee of the Revocable Living Trust of  
Nicole L. Craig, and ROES 1-50,  
inclusive,

Plaintiff,

vs.

HAWAIIAN PARADISE PARK  
OWNERS ASSOCIATION, a Hawai'i  
nonprofit corporation, KARIN  
HOFFMAN, as an individual and HPPOA  
Director, JEFFREY FINLEY, as an  
individual and HPPOA Director, and  
DOES 1-50, inclusive and DOES 1-20;  
inclusive,

Defendants.

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HAWAIIAN PARADISE PARK  
OWNERS ASSOCIATION, a Hawai'i  
nonprofit corporation, KARIN  
HOFFMAN, as an individual and HPPOA  
Director, JEFFREY FINLEY, as an  
individual and HPPOA Director, and  
DOES 1-50, inclusive and DOES 1-20;  
inclusive,

Third-Party Plaintiffs,

vs.

WATUMULL INVESTMENT CO., LLC

Third-Party Defendant.

Civil No. 3CCV-23-0000302 (Hilo Division)  
(HTN)(Declaratory Judgment)

DEFENDANTS/THIRD-PARTY PLAINTIFFS  
HAWAIIAN PARADISE PARK OWNERS  
ASSOCIATION, KARIN HOFFMAN, and  
JEFFREY FINLEY'S THIRD-PARTY  
COMPLAINT AGAINST WATUMULL  
INVESTMENT CO., LLC

TRIAL DATE: January 27, 2025  
JUDGE: Hon. Henry T. Nakamoto

**DEFENDANTS/THIRD-PARTY PLAINTIFFS HAWAIIAN PARADISE PARK  
OWNERS ASSOCIATION, KARIN HOFFMAN, AND JEFFREY FINLEY'S  
THIRD-PARTY COMPLAINT AGAINST WATUMULL INVESTMENT CO., LLC**



Defendants/Third-Party Plaintiffs HAWAIIAN PARADISE PARK OWNERS ASSOCIATION, KARIN HOFFMAN, and JEFFREY FINLEY (hereinafter referred to as “Defendants/Third-Party Plaintiffs”), by and through their counsel, Roeca Luria Shin LLP, a Third-Party Complaint against WATUMULL INVESTMENT CO., LLC (hereinafter “Third-Party Defendant”), alleges as follows:

1. P O BOX 10905  
HONOLULU, Hawaii 96816
2. Plaintiff Nicole Craig’s FIRST AMENDED COMPLAINT FOR DECLARATORY JUDGMENT, BREACH OF FIDUCIARY DUTY, TEMPORARY AND PERMANENT INJUNCTIVE RELIEF, AND PUNITIVE DAMAGES, NOVEMBER 9, 2023 [DKT. 86] in the above- captioned action, a copy of which is attached hereto as Exhibit "A". The Amended Complaint alleges, among other things, that Plaintiff was injured and/or damaged as a result of certain acts and/or omissions of Defendants/Third-Party Plaintiffs concerning activity occurring on real property located in Hawaiian Paradise Park (“HPP”) identified by TMKs as 1-5-047-026, 1-5-028-050, and 1-5-054-234.
3. Third Party Defendant or its predecessor(s) in interest, including but not limited to Hawaiian Paradise Park Corp. was the former owner of real property located in HPP identified by TMKs as 1-5-047-026, 1-5-028-050, 1-5-023-040, and 1-5-054-234 (“HPP Property”).
4. Third Party Defendant owns real property located in HPP identified by TMKs as 1-5-047-173, 1-5-028-001, 1-5-023-001, and 1-5-054-201 (“Neighboring Property”).
5. In 1963, the County of Hawai‘i took legal action and Hawaiian Paradise Park Corp. was ordered to build roadways in HPP.

6. The roads Hawaiian Paradise Park Corp. built were never dedicated to the County of Hawai'i because they did not meet the County of Hawai'i's standards for construction of roads.

7. In 1972, Paradise Hui Hanalike (Defendant HPPOA / Third Party Plaintiff HPPOA's former name) was formed by HPP residents to force resolution of ongoing issues of road construction and maintenance with Hawaiian Paradise Park Corp.

8. In 1977, Paradise Hui Hanalike and Hawaiian Paradise Park Corp. reached a settlement under which Hawaiian Paradise Park Corp. quitclaimed its property in interest in certain roadway parcels and several lots of twenty acres each to Paradise Hui Hanalike, including the HPP Property.

9. Hawaiian Paradise Park Corp. included certain restrictions in the HPP Property deeds, including prohibitions on any commercial or residential use when it conveyed the HPP property to Paradise Hui Hanalike.

10. The HPP Property lots are all located across the street from the corresponding Neighboring Property lots.

11. Third Party Defendant or its predecessor(s) in interest planned to commercially develop the Neighboring Property.

12. Third Party Defendant or its predecessor(s) in interest included certain restrictions in the HPP Property deeds to protect its commercial interests in its Neighboring Property.

13. Third Party Defendant or its predecessor(s) in interest included certain restrictions in the HPP Property deeds to prevent Defendant HPPOA / Third Party Plaintiff HPPOA from engaging in activities upon the HPP Property which could create commercial competition with Third Party Defendant or its predecessor(s) in interest.



14. Third Party Defendant or its predecessor(s) in interests' inclusion of certain restrictions in the HPP Property deeds was meant to prevent or stifle commercial competition.

15. Third Party Defendant or its predecessor(s) in interests' inclusion of certain restrictions in the HPP Property deeds was meant to create a commercial monopoly for itself in the immediate vicinity of the HPP Property and Neighboring Property.

16. Third Party Defendant or its predecessor(s) in interests' inclusion of certain restrictions in the HPP Property deeds constituted unfair and deceptive acts or practices.

17. Third Party Defendant or its predecessor(s) in interests' inclusion of certain restrictions in the HPP Property deeds was and continues to be against public policy.

18. Third Party Defendant or its predecessor(s) in interests' inclusion of certain restrictions in the HPP Property deeds was and continues to be unlawful.

19. Third Party Defendant or its predecessor(s) in interest do not appear to have ever commercially developed the Neighboring Property.

20. Third Party Defendant has no ongoing reason to maintain the unlawful restrictions in the HPP Property deeds.

#### **COUNT 1: DECLARATORY RELIEF AS TO HPP PROPERTY DEEDS**

21. Defendants/Third-Party Plaintiffs reallege and reincorporate Paragraphs 1 through 20 as if fully restated herein.

22. An actual controversy exists as to the validity and lawfulness of the restrictions contained in the HPP Property deeds.

23. Declaratory relief is sought for the restrictions contained in the HPP Property deeds to be declared void *ab initio*.

## **COUNT 2: INJUNCTIVE RELIEF AS TO HPP PROPERTY DEEDS**

24. Defendants/Third-Party Plaintiffs reallege and reincorporate Paragraphs 1 through 23 as if fully restated herein.

25. An actual controversy exists as to the validity and lawfulness of the restrictions contained in the HPP Property deeds.

26. Injunctive / equitable relief is sought for the restrictions contained in the HPP Property deeds to be removed.

## **COUNT 3: ACTS/ OMISSIONS OF THIRD-PARTY DEFENDANT**

27. Defendants/Third-Party Plaintiffs reallege and reincorporate Paragraphs 1 through 26 as if fully restated herein.

28. If Plaintiff was injured or damaged as alleged, such injuries and/or damages were the legal result of acts and/or omissions of the Third-Party Defendant, and not the legal result of any act and/or omission of Defendants/Third-Party Plaintiffs.

## **COUNT 4: ACTIVE AND PRIMARY LIABILITY OF THIRD-PARTY DEFENDANT**

29. Defendants/Third-Party Plaintiffs reallege and reincorporate Paragraphs 1 through 28 as if fully restated herein

30. If it is determined that Defendants/Third-Party Plaintiffs and the Third-Party Defendants, or any of them, are liable to Plaintiff, the liability of Defendants/Third-Party Plaintiffs is passive and secondary and the liability of the Third-Party Defendant, is active and primary.

## **COUNT V: INDEMNITY, CONTRIBUTION, AND/OR REIMBURSEMENT**

31. Defendants/Third-Party Plaintiffs reallege and reincorporate Paragraphs 1 through 30 as if fully restated herein



32. If any judgment is entered against Defendants/Third-Party Plaintiffs, Defendants/Third-Party Plaintiffs are entitled to indemnity, contribution and/or reimbursement from the Third-Party Defendants, and each of them.

WHEREFORE, Defendants/Third-Party Plaintiffs pray as follows:

A. That if Plaintiff be found entitled to any judgment herein, such judgment be entered against the Third-Party Defendants, or any of them, and not against Defendants/Third-Party Plaintiffs;

B. That if it be determined that Defendants/Third-Party Plaintiffs and one or more of the Third-Party Defendants are joint tortfeasors, the relative degrees of fault of each joint tortfeasor be determined as provided for by Sections 633-11 through 663-17 of the Hawaii Revised Statutes, and that Defendants/Third-Party Plaintiffs have judgment for indemnity, contribution and/or reimbursement against each joint tortfeasor for any excess which must be paid or owed by Defendants/Third-Party Plaintiffs over and above their pro rata share;










C. That Defendants/Third-Party Plaintiffs be awarded their costs and reasonable attorneys' fees; and

D. That the Court award such other and further relief as it deems just and equitable.








DATED: Honolulu, Hawai'i, November 17, 2023.

/s/ Barron T. Oda  
JAMES SHIN  
JAMES R. FERGUSON  
BARRON T. ODA  
Attorneys for Defendants/Third-Party Plaintiffs  
HAWAIIAN PARADISE PARK OWNERS  
ASSOCIATION, KARIN HOFFMAN,  
and JEFFREY FINLEY



160	08/23/2024	 Certificate of Service EFile Document upload of type Certificate of Service	LETENUAN I HAWAIIAN PARADISE PARK OWNERS ASSOCIATION'S FIRST REQUEST FOR ANSWERS TO INTERROGATORIES TO PLAINTIFF NICOLE CRAIG, DATED AUGUST 23, 2024; and (2) DEFENDANT'S HAWAIIAN PARADISE PARK OWNERS ASSOCIATION, KARIN HOFFMAN, AND JEFFREY FINLEY'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS AND THINGS TO PLAINTIFF NICOLE CRAIG, DATED AUGUST 23, 2024]	Hawaiian Paradise Park Owners Association - Defendant Karin Hoffman - Defendant Jeffrey Finley - Defendant	Ferguson, James Richard
161	08/23/2024	 Notice of Electronic Filing		Hawaiian Paradise Park Owners Association - Defendant Karin Hoffman - Defendant Jeffrey Finley - Defendant	
162	09/16/2024	 Notice of Adding Parties		All Case Parties	
163	10/23/2024	 Certificate of Mailing EFile Document upload of type Certificate of Mailing	CERTIFICATE OF SERVICE	NICOLE CRAIG - Plaintiff	CRAIG, NICOLE
164	10/23/2024	 Notice of Electronic Filing		NICOLE CRAIG - Plaintiff	
165	10/25/2024	 Answer EFile Document upload of type Answer	THIRD PARTY DEFENDANT WATUMULL INVESTMENT CO., LLC'S ANSWER TO THIRD-PARTY COMPLAINT	WATUMULL INVESTMENT CO., LLC - 3rd Party Defendant	WATUMULL INVESTMENT CO., LLC
166	10/25/2024	 Notice of Electronic Filing		WATUMULL INVESTMENT CO., LLC - 3rd Party Defendant	
167	10/25/2024	 Stip to Continue Case EFile Document upload of type Stip to Continue Case	PROPOSED STIPULATION TO VACATE TRIAL DATE, AND TO SET TRIAL SETTING STATUS CONFERENCE, AND ORDER	WATUMULL INVESTMENT CO., LLC - 3rd Party Defendant	WATUMULL INVESTMENT CO., LLC
168	10/25/2024	 Notice of Electronic Filing		WATUMULL INVESTMENT CO., LLC - 3rd Party Defendant	



92	11/17/2023	 ANSWER TO COMPLAINT EFile Document upload of type ANSWER TO COMPLAINT	DEFENDANT'S HAWAIIAN PARADISE PARK OWNERS ASSOCIATION, KARIN HOFFMAN, AND JEFFREY FINLEY S ANSWER TO FIRST AMENDED COMPLAINT FOR DECLARATORY JUDGMENT, BREACH OF FIDUCIARY DUTY, TEMPORARY AND PERMANENT INJUNCTIVE RELIEF, AND PUNITIVE DAMAGES, FILED NOVEMBER 9, 2023 [DKT. 86]; DEFENDANTS AND THIRD-PARTY PLAINTIFFS HAWAIIAN PARADISE PARK OWNERS ASSOCIATION, KARIN HOFFMAN, AND JEFFREY FINLEY S THIRD-PA	Hawaiian Paradise Park Owners Association - Defendant Karin Hoffman - Defendant Jeffrey Finley - Defendant	Oda, Barron T.
93	11/17/2023	 Notice of Electronic Filing		Hawaiian Paradise Park Owners Association - Defendant Karin Hoffman - Defendant Jeffrey Finley - Defendant	
94	11/17/2023	 Payment Due to Court		Barron T Oda - Attorney	
95	11/17/2023	 Notice of Electronic Filing		Barron T Oda - Attorney	
96	11/17/2023	 Payment Payment by Credit Card-Civil in the amount of \$515.00 by Oda, Barron T.		Barron T Oda - Attorney	
97	11/20/2023	 Summons	SUMMONS	Hawaiian Paradise Park Owners Association - Defendant Karin Hoffman - Defendant Jeffrey Finley - Defendant NICOLE CRAIG - Plaintiff	Oda, Barron T.
98	11/20/2023	 Notice of Electronic Filing		Hawaiian Paradise Park Owners Association - Defendant Karin Hoffman - Defendant Jeffrey Finley - Defendant NICOLE CRAIG - Plaintiff	
			[PROPOSED] ORDER DENYING DEFENDANTS HAWAIIAN PARADISE PARK		