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**STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
SECURITIES DIVISION**

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IN THE MATTER OF DETERMINING ) Order No.: S-18-2430-18-CO01  
Whether there has been a violation of the )  
Securities Act of Washington by: ) CONSENT ORDER  
)  
Seneca Ventures, LLC, )  
)  
Respondent )  
)

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**INTRODUCTION**

Pursuant to the Securities Act of Washington, RCW 21.20, the Securities Division of the Department of Financial Institutions (“Securities Division”) and Respondent Seneca Ventures, LLC do hereby enter into this Consent Order in settlement of the matters alleged herein. Respondent Seneca Ventures, LLC neither admits nor denies the Findings of Fact and Conclusions of Law as stated below.

**FINDINGS OF FACT**

**Respondent**

1. Seneca Ventures, LLC (“Seneca Ventures”) is a Washington entity formed on April 24, 2014, with its principal place of business in Seattle, Washington. Seneca Ventures is a commercial real estate development company. Kurt Fisher (“Fisher”) and Brittany Shulman are the managing members of Seneca Ventures.

**Prior Consent Order**

2. On October 19, 2017, the Securities Division entered into a Consent Order with Seneca Ventures and Fisher. The 2017 Consent Order alleged that during 2014 and 2015, Seneca Ventures and Fisher had offered and sold more than \$2.5 million worth of LLC membership interests to more than 20

1 investors to raise funds for two separate historic hotel renovation projects: the J&M Hotel project and the  
2 Hotel Metropole project. The investors in these two projects relied on Seneca Ventures and Fisher to  
3 generate a return on their investment by securing entitlements (real property development rights) for the  
4 projects. The 2017 Consent Order alleged that Seneca Ventures and Fisher each misleadingly represented  
5 that investors would receive a 20% annual return on their investments. The Consent Order also alleged that  
6 Seneca Ventures and Fisher each failed to disclose material risks of the investments, including potential  
7 project delays, inadequate capitalization, and other significant real property development risks. Seneca  
8 Ventures and Fisher agreed to cease and desist from any further violations of the Securities Act of  
9 Washington.

### 10 **Overview of Additional Violations**

11 3. Following the entry of the 2017 Consent Order, Seneca Ventures continued to offer and sell  
12 investments and to violate the Securities Act by making misleading statements about the projected return on  
13 investment and by failing to disclose material information regarding the investment. Seneca Ventures  
14 offered LLC membership interests in Westlake Trilogy LLC (“Westlake Trilogy”), a Delaware LLC formed  
15 to conduct an apartment renovation project for a building located at 1713 Dexter Avenue in Seattle,  
16 Washington. The funds from the investors were to be pooled together and used to renovate the apartments.  
17 Westlake Trilogy was managing the project, while the investors were passive participants. After completing  
18 the renovations, Westlake Trilogy planned to sell the building to generate a profit for themselves and the  
19 investors.  
20

### 21 **Subsequent Offers and Sales of Securities**

22 4. In 2018, Seneca Ventures offered and sold at least \$175,000 worth of Westlake Trilogy LLC  
23 membership investments for the 1713 Dexter Avenue renovation project to at least two existing Washington  
24 investors. Seneca Ventures provided the investors with an offering memorandum, but did not update the  
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1 memorandum, dated January 2017. The offering memorandum misleadingly stated that the 1713 Dexter  
2 Avenue building would be refinanced or sold in October 2017, but the memorandum was not provided to  
3 the investors until 2018. The offering memorandum misleadingly projected that investors would earn a 44%  
4 return on investment within two years, when the project had already taken more than two years to complete.  
5 The offering memorandum did not disclose any risk factors associated with the project, including possible  
6 construction or permitting delays, inadequate capitalization, and the need for construction code compliance.  
7 The offering memorandum did not disclose that Westlake Trilogy was cited by the City of Seattle for a  
8 construction code violation in May 2017 for failing to follow the proper permitting process for siding,  
9 window, and deck replacement for the 1713 Dexter Avenue building. The offering memorandum included a  
10 management section with a brief description of Fisher's real estate background, but did not disclose that  
11 Seneca Ventures and Fisher were both subject to a 2017 Consent Order with the Washington Securities  
12 Division for alleged violations of the Securities Act of Washington.

13  
14 Based upon the above Findings of Fact, the following Conclusions of Law are made:

15 **CONCLUSIONS OF LAW**

16 1. The offers of the LLC membership investments described above constitute the offer of a  
17 security as defined in RCW 21.20.005(14)).

18 2. Seneca Ventures, LLC has violated RCW 21.20.010 because, as set forth in the Findings of  
19 Fact, Seneca Ventures, LLC made untrue statements of material fact or omitted to state material facts  
20 necessary to make the statements made, in light of the circumstances in which they were made, not  
21 misleading.



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SIGNED and ENTERED this 14th day of May, 2019

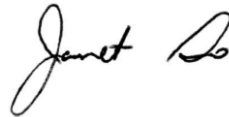


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William M. Beatty  
Securities Administrator

Approved by:

Presented by:



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Suzanne Sarason  
Chief of Enforcement

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Janet So  
Financial Legal Examiner

Reviewed by:

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Robert Kondrat  
Financial Legal Examiner Supervisor