

ORDER SUMMARY – Case Number: C-15-1745

Name: BRADLEY ERNST ELLIS and ALANNA GRACE ELLIS f/k/a
ALANNA HOLOKA DAVIDSON, ALANNA H. DAVIDSON,
ALANNA DAVISON, and ALANNA GRACE MARIA-DAVIDSON

Order Number: C-15-1745-18-CO02

Effective Date: April 12, 2018

License Number: Bradley Ellis - NMLS # 120435; Alanna Ellis - NMLS # 44184
Or NMLS Identifier [U/L]

License Effect: N/A

Not Apply Until: Permanent Prohibition

Not Eligible Until: Permanent Prohibition

Prohibition/Ban Until: Permanent

Investigation Costs	\$1,500	Due	Paid <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	Date 4/5/2018
Fine	\$10,000	Due	Paid <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	Date
Financial Literacy and Education	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Restitution	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Judgment	\$	Due	Paid <input type="checkbox"/> Y <input type="checkbox"/> N	Date
Satisfaction of Judgment Filed?		<input type="checkbox"/> Y <input type="checkbox"/> N		
No. of Victims:				

Comments: The \$10,000 fine is suspended conditional on the Ellises complying with the consent order for five years.

**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Consumer Loan Act of Washington by:

PODIUM MORTGAGE CAPITAL LLC f/k/a
PINNACLE CAPITAL MORTGAGE LLC f/k/a
PINNACLE CAPITAL MORTGAGE
CORPORATION d/b/a ABSOLUTE
MORTGAGE; BRADLEY ERNST ELLIS,
Mortgage Loan Originator, NMLS # 120435, and
ALANNA GRACE ELLIS f/k/a ALANNA
HOLOKA DAVIDSON, ALANNA H.
DAVIDSON, ALANNA DAVISON, and
ALANNA GRACE MARIA-DAVIDSON,
Unlicensed Mortgage Loan Originator, NMLS #
44184,

Respondents.

No.: C-15-1745-18-CO02

CONSENT ORDER AS TO
BRADLEY ERNST ELLIS, NMLS # 120435,
and ALANNA GRACE ELLIS f/k/a ALANNA
HOLOKA DAVIDSON, ALANNA H.
DAVIDSON, ALANNA DAVISON, and
ALANNA GRACE MARIA-DAVIDSON,
NMLS # 44184

COMES NOW the Director of the Department of Financial Institutions (Director), through
her designee Charles E. Clark, Division Director, Division of Consumer Services; Bradley Ernst Ellis
and Alanna Grace Ellis f/k/a Alanna Holoka Davidson, Alanna H. Davidson, Alanna Davison and
Alanna Grace Maria-Davidson (together Respondents Ellis), and finding that the issues raised in the
above-captioned matter may be economically and efficiently settled, agree to the entry of this
Consent Order. This Consent Order is entered pursuant to chapter 31.04 of the Revised Code of
Washington (RCW), and RCW 34.05.060 of the Administrative Procedure Act, based on the
following:

AGREEMENT AND ORDER

The Department of Financial Institutions, Division of Consumer Services (Department) and
Respondents Ellis have agreed upon a basis for resolution of the matters alleged in Statement of
Charges No. C-15-1745-17-SC01 (Statement of Charges), entered June 7, 2017, (copy attached

1 hereto) solely as they apply to Respondents Ellis. Pursuant to chapter 31.04 RCW, the Consumer
2 Loan Act (Act), and RCW 34.05.060 of the Administrative Procedure Act, Respondents Ellis hereby
3 agree to the Department's entry of this Consent Order and further agree that the issues raised in the
4 above-captioned matter solely as they apply to Respondents Ellis, may be economically and
5 efficiently settled by entry of this Consent Order. The parties intend this Consent Order to fully
6 resolve the Statement of Charges solely as they apply to Respondents Ellis.

7 Based upon the foregoing:

8 A. **Jurisdiction.** It is AGREED that the Department has jurisdiction over the subject matter
9 of the activities discussed herein.

10 B. **Waiver of Hearing.** It is AGREED that Respondents Ellis have been informed of the
11 right to a hearing before an administrative law judge, and hereby waive their right to a hearing and
12 any and all administrative and judicial review of the issues raised in this matter, or of the resolution
13 reached herein. Accordingly, Respondents Ellis, by their signatures below, withdraw their appeal to
14 the Office of Administrative Hearings.

15 C. **Mortgage Loan Originator License.** It is AGREED that Respondent Bradley Ernst
16 Ellis's mortgage loan originator license expired effective January 1, 2016, and Respondent Alanna
17 Grace Ellis does not hold a mortgage loan originator license.

18 D. **Prohibition from Industry.** It is AGREED that Respondents Ellis are prohibited from
19 participating, in any capacity, in the conduct of the affairs of any mortgage broker or consumer loan
20 company licensed by the Department or subject to licensure or regulation by the Department.
21 Respondents Ellis further AGREE that this prohibition includes performing work on loans secured by
22 an interest in residential real property located in Washington State and residential mortgage loans to
23 Washington State consumers.

1 E. **Fine.** It is AGREED that Respondents Ellis shall pay a fine to the Department in the
2 amount of \$10,000.00. Payment of the fine shall be suspended conditional on compliance with the
3 terms of this Consent Order. The suspended find shall be waived upon Respondents Ellis complying
4 with the Consent Order for a period of five years.

5 F. **Lifting of Suspended Fine.** It is AGREED that, if the Department determines
6 Respondents Ellis have not complied with this Consent Order and seeks to lift the suspension of the
7 fine, the notification and hearing process in paragraphs 1 through 6 below shall apply:

- 8 1. The Department will first serve Respondents Ellis with a written notice of
9 noncompliance.
- 10 2. The notice of noncompliance will include:
 - 11 a. A description of the alleged noncompliance;
 - 12 b. A statement that the Department seeks to impose the suspended fine;
 - 13 c. Notice that Respondents Ellis can contest the allegations of
14 noncompliance by either requesting an adjudicative hearing in writing or
15 by submitting a written response to the allegations of noncompliance; and
 - 16 d. Notice that the process for lifting the suspension applies only to this
17 Consent Order.
- 18 3. Respondents Ellis will be afforded twenty business days from the date of service of
19 the notice of noncompliance to submit to the Department either a written request for
20 an adjudicative hearing or a written response to the allegations of noncompliance.
- 21 4. The scope and issues of the adjudicative hearing are limited solely to whether or not
22 Respondents Ellis failed to comply with the terms of this Consent Order.
- 23 5. At the conclusion of the adjudicative hearing the Administrative Law Judge will
24 issue an initial decision. Either party may subsequently file a Petition for Review
with the Director of the Department.
- 25 6. **Default.** If Respondents Ellis do not timely request an adjudicative hearing or
submit a written response to the notice of noncompliance, the Department may lift
the suspension and impose the fine without further notice to Respondents Ellis.

1 **G. Costs of Prosecution.** It is AGREED that Respondents Ellis shall pay to the Department
2 costs of prosecution in the amount of \$1,500.00 in the form of a cashier's check made payable to the
3 "Washington State Treasurer" upon entry of this Consent Order.

4 **H. Non-Compliance with Order.** It is AGREED that Respondents Ellis understand that
5 failure to abide by the terms and conditions of this Consent Order may result in further legal action
6 by the Director. In the event of such legal action, Respondents Ellis may be responsible to reimburse
7 the Director for the cost incurred in pursuing such action, including but not limited to, attorney fees.

8 **I. Voluntarily Entered.** It is AGREED that Respondents Ellis have voluntarily entered into
9 this Consent Order, which is effective when signed by the Director's designee.

10 **J. Completely Read, Understood, and Agreed.** It is AGREED that Respondents Ellis have
11 read this Consent Order in its entirety and fully understand and agree to all of the same.

12
13 **RESPONDENTS:**

14 _____/s/_____
15 Bradley Ernst Ellis

3/23/18
 Date

16 _____/s/_____
17 Alanna Grace Ellis

3/23/18
 Date

DO NOT WRITE BELOW THIS LINE

THIS ORDER ENTERED THIS 12th DAY OF April, 2018.

/s/
CHARLES E. CLARK
Director
Division of Consumer Services
Department of Financial Institutions

Presented by:

/s/
AMANDA J. HERNDON
Financial Legal Examiner

Approved by:

/s/
STEVEN C. SHERMAN
Enforcement Chief

**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Consumer Loan Act of Washington by:

PODIUM MORTGAGE CAPITAL LLC f/k/a
PINNACLE CAPITAL MORTGAGE LLC f/k/a
PINNACLE CAPITAL MORTGAGE
CORPORATION d/b/a ABSOLUTE
MORTGAGE; BRADLEY ERNST ELLIS,
Mortgage Loan Originator, NMLS # 120435, and
ALANNA GRACE ELLIS f/k/a ALANNA
HOLOKA DAVIDSON, ALANNA H.
DAVIDSON, ALANNA DAVISON, and
ALANNA GRACE MARIA-DAVIDSON,
Unlicensed Mortgage Loan Originator, NMLS #
44184,

Respondents.

No. C-15-1745-17-SC01

STATEMENT OF CHARGES and
NOTICE OF INTENTION TO ENTER AN
ORDER TO CEASE AND DESIST, REVOKE
LICENSE, PROHIBIT FROM INDUSTRY,
IMPOSE FINE, COLLECT INVESTIGATION
FEE, AND COLLECT COSTS AND
EXPENSES OF PROSECUTION

INTRODUCTION

Pursuant to RCW 31.04.093 and RCW 31.04.165, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 31.04 RCW, the Consumer Loan Act (Act). After having conducted an investigation pursuant to RCW 31.04.145, and based upon the facts available as of the date of this Statement of Charges, the Director, through her designee, Division of Consumer Services Director Charles E. Clark, institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. Podium Mortgage Capital LLC f/k/a Pinnacle Capital Mortgage LLC f/k/a Pinnacle Capital Mortgage Corporation d/b/a Absolute Mortgage (Podium) was licensed by the

Department of Financial Institutions of the State of Washington (Department) to conduct business as

STATEMENT OF CHARGES

C-15-1745-17-SC01

PODIUM MORTGAGE CAPITAL LLC, *et al.*

1

DEPARTMENT OF FINANCIAL INSTITUTIONS

Division of Consumer Services

150 Israel Rd SW

PO Box 41200

Olympia, WA 98504-1200

(360) 902-8703

1 a consumer loan company on or about September 3, 2008, under the name Pinnacle Capital Mortgage
2 Corporation. Pinnacle Capital Mortgage Corporation changed its name to Pinnacle Capital Mortgage
3 LLC on or about June 30, 2015, and Pinnacle Capital Mortgage Corporation LLC changed its name
4 to Podium Mortgage Capital LLC on or about November 13, 2015. Between at least October 14,
5 2014, and March 20, 2015, Podium used the trade name Absolute Mortgage. Podium continues to be
6 licensed to date.

7 **B. Bradley Ernst Ellis (Bradley Ellis)** was licensed by the Department to conduct business as a
8 mortgage loan originator between approximately July 16, 2012, and December 31, 2015. From about
9 October 15, 2014, to about March 20, 2015, Bradley Ellis was employed as a mortgage loan
10 originator at an Absolute Mortgage branch of Podium. Bradley Ellis's license expired on or about
11 January 1, 2016. Bradley Ellis was licensed again between approximately August 9, 2016, and
12 December 31, 2016. Bradley Ellis's license expired again on or about January 1, 2017, and he is
13 unlicensed to date.

14 **C. Alanna Grace Ellis f/k/a Alanna Holoka Davidson, Alanna H. Davidson, Alanna**
15 **Davison, and Alanna Grace Maria-Davidson (Alanna Ellis)**, has never been licensed by the
16 Department to conduct business as a mortgage loan originator. From about October 17, 2014, to
17 about March 20, 2015, Podium employed Alanna Ellis as an assistant to Bradley Ellis at an Absolute
18 Mortgage branch. At all relevant times Alanna Ellis was married to Bradley Ellis.

19 **1.2 Prior Convictions.** On or about July 19, 1996, and December 9, 1999, Alanna Ellis was
20 found guilty of felony crimes involving acts of fraud, dishonesty, or breach of trust in the Superior
21 Court of Washington for Benton County and the Superior Court of Washington for King County.
22 These convictions made Alanna Ellis ineligible for a mortgage loan originator license and ineligible
23 to be an employee participating in the affairs of any licensee.

1 **1.3 Prior Unlicensed Activity.** On or about January 6, 2010, the Department entered Final Order
2 to Cease and Desist No. C-09-232-10-FO01 (Final Order) against Podium.¹ In the Final Order, the
3 Department found that:

4 A. Podium submitted a branch application for an office in Puyallup, Washington.

5 B. Before the branch application had been approved, a Department representative visited the
6 Puyallup office and found it open for business.

7 C. At the visit, the Department representative met with an individual who was not licensed as a
8 mortgage loan originator. The individual told the Department representative that his business
9 could help with obtaining a residential mortgage loan.

10 D. The unlicensed individual also directed a staff member to provide the Department
11 representative with a Uniform Residential Loan Application (Application). The Application
12 identified the company as "Absolute Mortgage."

13 Based on the above findings, the Department determined that Podium conducted the business of a
14 consumer loan company from an unlicensed location or, in the alternative, aided and abetted an
15 unlicensed person to practice under the Act or chapter 19.146 RCW, the Mortgage Broker Practices
16 Act.

17 **1.4 New Unlicensed Activity.** Between at least January 15, 2015, and February 27, 2015, Alanna
18 Ellis, for direct or indirect compensation or gain or in expectation of direct or indirect compensation
19 or gain, originated at least one residential mortgage loan by taking a residential mortgage loan
20 application from a Washington State consumer, offering terms of a residential mortgage loan to a
21 Washington State consumer, or negotiating the terms of a residential mortgage loan with a
22 Washington State consumer.

23 _____
24 ¹ The Final Order was issued under the name Pinnacle Capital Mortgage Corporation d/b/a Absolute Mortgage
and Absolute Mortgage Corporation.
STATEMENT OF CHARGES 3 DEPARTMENT OF FINANCIAL INSTITUTIONS
C-15-1745-17-SC01 Division of Consumer Services
PODIUM MORTGAGE CAPITAL LLC, *et al.* 150 Israel Rd SW
PO Box 41200
Olympia, WA 98504-1200
(360) 902-8703

1 **1.5 Misleading and Deceptive Activity.** Certain documents used to originate residential
2 mortgage loans contain blank fields where a mortgage loan originator's name, NMLS number,
3 contact information, and signature may be entered. In at least one loan originated by Alanna Ellis,
4 those fields contained Bradley Ellis's name, NMLS number, contact information, and apparent
5 signature. By allowing those fields to contain Bradley Ellis's information rather than Alanna Ellis's
6 information, Bradley Ellis and Alanna Ellis held out at least one loan as being originated by Bradley
7 Ellis when Alanna Ellis had in fact originated the loan. Moreover, Bradley Ellis received
8 compensation for at least one loan originated by Alanna Ellis, and he knew or should have known
9 that Alanna Ellis was acting as a mortgage loan originator without a license by originating at least
10 one loan using loan documents bearing his name, NMLS number, contact information, or signature.

11 **1.6 Failing to Maintain Records.** On or about August 18, 2016, the Department issued a
12 directive to Podium seeking evidence relevant to the Department's investigation of Respondents. In
13 the directive, the Department required Podium to produce copies of every e-mail between Alanna
14 Ellis's e-mail address aellis@absolutemortgage.com and sixteen Washington State consumers who
15 applied for loans originated by Bradley Ellis or Alanna Ellis. On or about September 7, 2016,
16 Podium notified the Department that all of the e-mails were destroyed on or about the date Alanna
17 Ellis's employment at Podium ended.

18 **1.7 On-Going Investigation.** The Department's investigation into the alleged violations of the
19 Act by Respondents continues to date.

20 **II. GROUNDS FOR ENTRY OF ORDER**

21 **2.1 Responsibility for Conduct of Employees.** Pursuant to RCW 31.04.027(2), RCW
22 31.04.165, and WAC 208-620-372, a consumer loan company is responsible for any conduct
23

violating the Act and chapter 208-620 WAC by any person employed in the business covered by the consumer loan company license.

2.2 Employing Scheme, Device, or Artifice to Defraud or Mislead. Based on the Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW 31.04.027(1) for directly or indirectly employing any scheme, device, or artifice to defraud or mislead any borrower, to defraud or mislead any lender, or to defraud or mislead any person.

2.3 Unfair or Deceptive Practice. Based on the Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW 31.04.027(2) for directly or indirectly engaging in any unfair or deceptive practice toward any person.

2.4 Obtaining Property by Misrepresentation. Based on the Factual Allegations set forth in Section I above, Respondents are in apparent violation of RCW 31.04.027(3) for directly or indirectly obtaining property by fraud or misrepresentation.

2.5 Unlicensed Activity. Based on the Factual Allegations set forth in Section I above, Podium and Alanna Ellis are in apparent violation of RCW 31.04.221 by engaging in the business of a mortgage loan originator without first obtaining and maintaining annually a license under the Act.

2.6 Aiding and Abetting Unlawful Mortgage Loan Originator Activity. Based on the Factual Allegations set forth in Section I above, Podium and Bradley Ellis is in apparent violation of RCW 31.04.027(2) and RCW 31.04.175 for aiding and abetting unlawful mortgage loan originator activity by Alanna Ellis.

2.7 Employing Individual with Disqualifying Convictions. Based on the Factual Allegations set forth in Section I above, Podium is in apparent violation of RCW 31.04.027(2) and WAC 208-620-371 for employing a person to who has been convicted of a felony in a domestic court involving an act of fraud, dishonesty, or breach of trust and who participates in the affairs of any licensee.

1 **2.8 Failing to Maintain Records.** Based on the Factual Allegations set forth in Section I above,
2 Podium is in apparent violation of RCW 31.04.155 for failing to preserve the books, accounts,
3 records, papers, documents, files, and other information relevant to a loan for at least three years after
4 making final entry on any loan or keep such books, accounts, records, papers, documents, files, and
5 other information as would enable the Director to determine whether Respondent was in compliance
6 with the Act.

7 **III. AUTHORITY TO IMPOSE SANCTIONS**

8 **3.1 Authority to Issue an Order to Cease and Desist.** Pursuant to RCW 31.04.093(5)(a), the
9 Director may issue orders directing a licensee, its employee, loan originator, or other person subject
10 to the Act to cease and desist from conducting business in a manner that is injurious to the public or
11 violates any provision of the Act.

12 **3.2 Authority to Revoke License.** Pursuant to RCW 31.04.093(3), the Director may revoke a
13 license issued under the Act if the Director finds that a licensee, either knowingly or without exercise
14 of due care, has violated any provision of the Act or any rule adopted under the Act.

15 **3.3 Authority to Prohibit from the Industry.** Pursuant to RCW 31.04.093(6), the Director may
16 issue an order prohibiting from participation in the affairs of any licensee, any officer, principal,
17 employee, or any other person subject to the Act for a violation of RCW 31.04.027 of failure to
18 obtain a license for activity that requires a license.

19 **3.4 Authority to Impose Fine.** Pursuant to RCW 31.04.093(4), the Director may impose fines of
20 up to one hundred dollars per day, per violation, upon the licensee, its employee or loan originator, or
21 any other person subject to the Act for any violation of the Act.

3.5 Authority to Charge Investigation Fee. Pursuant to RCW 31.04.145(3) and WAC 208-620-590, every licensee investigated by the Director or the Director's designee shall pay for the cost of the investigation, calculated at the rate of \$69.01 per staff hour devoted to the investigation.

3.6 Authority to Recover Costs and Expenses. Pursuant to RCW 31.04.205(2), the Director may recover the state's costs and expenses for prosecuting violations of the Act.

IV. NOTICE OF INTENTION TO ENTER ORDER

Respondents' violations of the provisions of chapter 31.04 RCW and chapter 208-620 WAC, as set forth in the above Factual Allegations, Grounds for Entry of Order, and Authority to Impose Sanctions, constitute a basis for the entry of an Order under RCW 31.04.093, RCW 31.04.165, and RCW 31.04.205. Therefore, it is the Director's intention to ORDER that:

- 4.1** Alanna Grace Ellis cease and desist from originating residential mortgage loans until she obtains and maintains a license to do so under the Act.
- 4.2** Podium Mortgage Capital LLC's consumer loan company license be revoked.
- 4.3** Bradley Ernst Ellis and Alanna Grace Ellis be prohibited from participation in the conduct of the affairs of any consumer loan company subject to licensure by the Director.
- 4.4** Podium Mortgage Capital LLC pay a fine. As of the date of this Statement of Charges, the final totals \$50,000.00.
- 4.5** Bradley Ernst Ellis and Alanna Grace Ellis jointly and severally pay a fine. As of the date of this Statement of Charges, the fine totals \$10,000.00.
- 4.6** Podium Mortgage Capital LLC, Bradley Ernst Ellis, and Alanna Grace Ellis jointly and severally pay an investigation fee. As of the date of this Statement of Charges, the investigation fee totals \$3,519.51.
- 4.7** Podium Mortgage Capital LLC, Bradley Ernst Ellis, and Alanna Grace Ellis pay the Department's costs and expenses for prosecuting violations of the Act in an amount to be determined at hearing or by declaration with supporting documentation in event of default by Respondent.

1 **V. AUTHORITY AND PROCEDURE**

2 This Statement of Charges and Notice of Intention to Enter an Order to Cease and Desist,
3 Prohibit from Industry, Impose Fine, Collect Investigation Fee, and Collect Costs and Expenses of
4 Prosecution (Statement of Charges) is entered pursuant to the provisions of RCW 31.04.093, RCW
5 31.04.165, RCW 31.04.202, and RCW 31.04.205, and is subject to the provisions of chapter 34.05
6 RCW (The Administrative Procedure Act). Respondents may make a written request for a hearing as
7 set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING
8 accompanying this Statement of Charges.

9
10 Dated this 7th day of June, 2017.

11 /s/
12 CHARLES E. CLARK
13 Director
Division of Consumer Services
Department of Financial Institutions

14 Presented by:

15 /s/
16 AMANDA J. HERNDON
Financial Legal Examiner

17 Approved by:

18 /s/
19 STEVEN C. SHERMAN
Enforcement Chief