

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**Form 8-K**

**Current Report**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): August 6, 2015**

**Shepherd's Finance, LLC**

(Exact name of registrant as specified in its charter)

**Commission File Number: 333-181360**

**Delaware**

(State or other jurisdiction of incorporation)

**36-4608739**

(IRS Employer Identification No.)

**12627 San Jose Blvd., Suite 203, Jacksonville, FL 32223**

(Address of principal executive offices, including zip code)

**302-752-2688**

(Registrant's telephone number, including area code)

**None**

(Former name or former address, if changed since last report)

**Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:**

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)**
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)**
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))**
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))**
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**Item 1.01. Entry into Material Definitive Agreement**

On August 6, 2015, Shepherd's Finance, LLC (the "Registrant") entered into the Second Amendment (the "Amendment") to the Loan Purchase and Sale Agreement dated December 24, 2014 (the "Agreement") by and between the Registrant and 1st Financial Bank USA ("1st Financial"). Pursuant to the Agreement, 1st Financial has the right, from time to time, to purchase from Registrant senior priority interests in certain loans made to fund the vertical construction of one to four family residential dwellings, that have been approved by 1st Financial's internal credit committee (referred to herein as "Eligible Loans"). The Agreement provides that Registrant is required to sell certain Eligible Loans to 1st Financial during an "Exclusivity Period," as described in Sections 1.2 and 2.7 of the Agreement.

The Amendment created a waiver period from July 31, 2015 through July 31, 2016 during which the exclusivity requirements of section 2.7 of the Agreement generally will not apply. If 1st Financial purchases at least \$3,500,000 in senior loans during this waiver period, then the requirements of section 2.7 of the Agreement will no longer apply even after July 31, 2016.

The description of the Amendment above is qualified in its entirety by the Second Amendment to the Loan Purchase and Sale Agreement attached hereto as Exhibit 10.1 to this Current Report on Form 8-K. The description of the Agreement above is qualified in its entirety by the Loan Purchase and Sale Agreement attached as Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed December 29, 2014.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits.

10.1 Second Amendment to the Loan Purchase and Sale Agreement

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**Signature(s)**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 12, 2015

**SHEPHERD'S FINANCE, LLC**  
By: /s/ Daniel M. Wallach  
Daniel M. Wallach  
Chief Executive Officer and Manager

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SECOND AMENDMENT TO  
THE LOAN PURCHASE AND  
SALE AGREEMENT

THIS SECOND AMENDMENT TO THE LOAN PURCHASE AND SALE AGREEMENT (this "Amendment") entered into on December 24, 2014 ("Agreement") by and between 1st Financial Bank USA, a bank chartered under the laws of South Dakota and having its principal place of business at 331 Dakota Dunes Boulevard, Dakota Dunes, SD ("1FB") and Shepherd's Finance, LLC, a Delaware limited liability company and having its principal place of business at 12627 San Jose Boulevard, Suite 203, Jacksonville, Florida 32223 ("Shepherd's") is made this 6th day of August, 2015 .

WHEREAS, the parties have heretofore executed and delivered the Agreement and the First Amendment to the Agreement, dated January 15, 2015 (the "First Amendment"); and

WHEREAS, the parties desire to amend the Agreement on the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows.

1. **Defined Terms.** Capitalized terms used in this Amendment and not defined herein shall have the meanings set forth in the Agreement.
2. **Modifications.**
  - a. Notwithstanding the provisions of Section 2.7, the requirements of Section 2.7 will not apply from July 31, 2015 through July 31, 2016 (the "Waiver Period") for any Borrower that Buyer has not previously purchased a Senior Loan from Seller ("New Borrower"). Buyer agrees that for each and every New Borrower that Buyer purchases a Senior Loan during the Waiver Period, the Exclusivity requirements of Section 2.7 will never apply, unless, after the Waiver Period, Seller offers Buyer a Senior Loan for a Borrower who became a New Borrower during the Waiver Period.
  - b. Notwithstanding anything to the contrary in this Amendment or in the Agreement, if Buyer purchases at least \$3,500,000 in Senior Loans during the Waiver Period, then the requirements of Section 2.7 shall no longer apply as if Section 2.7 were deleted in its entirety. For the avoidance of doubt, existing Borrowers to whom Section 2.7 applied prior to July 31, 2015 will remain so affected unless Buyer purchases \$3,500,000 in Senior Loans during the Waiver Period.
3. **Miscellaneous.** This Amendment and all other terms and conditions of the Agreement and the First Amendment not specifically amended by this Amendment shall continue in full force and effect. No variation, modification or amendment to this Amendment shall be deemed valid or effective unless and until it is signed by the parties hereto. This Amendment may be executed in counterparts, each of which once so executed shall be deemed to be original and all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date set forth above.

1FB

Shepherd's

By: /s/ Andrew Hegyi

By: /s/ Daniel M. Wallach

Name: Andrew Hegyi

Name: Daniel M. Wallach

Title: SVP

Title: CEO

[AMENDMENT NO. 2 TO THE LOAN PURCHASE AND SALE AGREEMENT]