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**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): December 27, 2018

**Shepherd's Finance, LLC**

(Exact name of registrant as specified in its charter)

Commission File Number: 333-203707

**Delaware**  
(State or other jurisdiction  
of incorporation)

**36-4608739**  
(IRS Employer  
Identification No.)

**13241 Bartram Park Blvd., Suite 2401, Jacksonville, Florida 32258**  
(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act (17 CFR 230.405) or Rule 12b-2 of the Exchange Act (17 CFR 240.12b-2). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 1.01. Entry into a Material Definitive Agreement.**

As previously disclosed, on October 23, 2017, Shepherd's Finance, LLC (the "Company") entered into a Line of Credit Agreement (as amended, the "LOC Agreement") with Paul Swanson (the "Lender"). Pursuant to the LOC Agreement, the Lender provided the Company with a revolving line of credit (the "Line of Credit"), the unsecured portion of which is evidenced by a promissory note dated as of October 23, 2017 and April 13, 2018 (the "Promissory Note"). Effective December 27, 2018, the Company and the Lender entered into a Loan Modification Agreement (the "Modification Agreement") which extended the maturity date of the Promissory Note to March 31, 2019.

The description of the Modification Agreement above is qualified in its entirety by the Modification Agreement, attached as Exhibit 10.1 to this Current Report on Form 8-K. A copy of the Modification Agreement is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein solely for the purposes of this Item 1.01 disclosure.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

10.1 [Modification Agreement between the Company and the Lender effective as of December 27, 2018](#)

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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.

**SHEPHERD'S FINANCE, LLC**

Date: January 2, 2019

By: /s/ Daniel M. Wallach

Daniel M. Wallach  
Chief Executive Officer and Manager

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**LOAN MODIFICATION AGREEMENT**

THIS AGREEMENT, Made and entered into as of this 27th day of December, 2018, by and between **SHEPHERD'S FINANCE, LLC**, a Delaware limited liability company ("Borrower"), and **PAUL SWANSON** ("Lender").

**RECITALS:**

- (a) Borrower executed a modified promissory note in the principal amount not to exceed **\$4,000,000.00**, payable to the order of the Lender (the "Note"), dated as of **October 23, 2017, and April 13, 2018**.
- (b) All terms that are used herein shall have the same definitions provided in the Note unless otherwise indicated.
- (c) The current Maturity Date of the Note is December 31, 2018.
- (d) Borrower desires to extend the term of the Note from December 31, 2018 to March 31, 2019, and Lender is agreeable to such extension in term.
- (e) The parties desire to memorialize their agreement regarding the modification of the Note by this Agreement.

**THEREFORE, WITNESSETH**, that for and in consideration of the premises and the mutual agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender hereby agree as follows:

- 1. All of the recitals set forth hereinabove are true and accurate.
  - 2. Effective on the date of this fully executed Agreement, the new maturity date of the Note is **March 31, 2019**.
  - 3. All provisions of the Note and all other Loan Documents securing, evidencing or otherwise pertaining thereto that are inconsistent with this Agreement are hereby amended accordingly.
  - 4. Except as amended by the terms of this Agreement, the Note and all other Loan Documents, shall remain in full force and effect in accordance with their respective terms, as amended.
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WITNESS the following signatures as of the date first above written.

Borrower:

**SHEPHERD'S FINANCE, LLC**

By: /s/ Daniel M. Wallach

Daniel M. Wallach

Its: Chief Executive Officer

Lender:

/s/ Paul Swanson

**PAUL SWANSON**

This instrument was prepared by R. Scott Summers, P.L.L.C., 69 Clay Street, Suite 201, Morgantown, West Virginia 26505.