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 14, 2018

LM FUNDING AMERICA, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation) 001-37605 (Commission File Number) 47-3844457 (IRS Employer Identification No.)

302 Knights Run Avenue, Suite 1000 Tampa, Florida 33602 (Address of principal executive offices, including zip code)

(813) 222-8996

(Registrant's telephone number, including area code)

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 of 1933 (17 CFR230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2). Emerging growth company \boxtimes

If an emerging growth company, indicate by check mark if 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. \Box

Item 2.02 Results of Operations and Financial Condition.

On August 14, 2018, LM Funding America, Inc. (the "Company") issued a press release announcing its financial results for the three and six months ended June 30, 2018 and 2017.

The information furnished in this Item 2.02, including Exhibit 99.1, is not deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to liability under that Section. This information will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

Item 9.01 Financial Statements and Exhibits.

(d) E:	xhibits
Exhibit No.	Description
<u>99.1</u>	Earnings Release Dated August 14, 2018

Forward-Looking Statements

This Current Report on Form 8-K may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainty. Words such as "anticipate," "estimate," "expect," "intend," "plan," and "project" and other similar words and expressions are intended to signify forward-looking statements. Forward-looking statements are not guarantees of future results and conditions but rather are subject to various risks and uncertainties. Such statements are based on management's current expectations and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Investors are cautioned that there can be no assurance actual results or business conditions will not differ materially from those projected or suggested in such forward-looking statements as a result of various factors. Please refer to the risks detailed from time to time in the reports we file with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2017, as well as other filings on Form 10-Q and periodic filings on Form 8-K, for additional factors that could cause actual results to differ materially from those stated or implied by such forward-looking statements. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, unless required by law.

SIGNATURE

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.

LM Funding America, Inc. /s/ Richard Russell By: Richard Russell *Chief Financial Officer*

Date: August 14, 2018



Exhibit 99.1 LM Funding Reports Second Quarter 2018 Financial Results and Class Action Settlement

TAMPA, FL, August 14, 2018 – **LM Funding America, Inc.** (NASDAQ: LMFA) ("LM Funding" or the "Company"), a technology-based specialty finance company offering unique funding solutions to community associations, today announced its financial results for the second quarter ended June 30, 2018.

"During the second quarter, we continued to see positive results from the steps we have taken to maximize our rental revenue and improve our cost structure," said Bruce Rodgers, LM Funding's Chief Executive Officer. "We reduced operating expenses by approximately 55% and entered into a revised settlement for the Solaris class action litigation resulting in a reversal of over \$400,000 in accrued expenses which led to positive net income during the quarter and first six months as compared to a net loss for the same periods the prior year. Going forward, we will continue to leverage our proprietary technology to unlock the significant value of our receivables portfolio as we focus our marketing efforts to grow our portfolio and explore new avenues to diversify our revenue streams."

Second Quarter 2018 Financial and Operational Highlights:

- Operating revenues totaled \$877,986 for the second quarter of 2018 as compared to \$977,600 for the same period the year prior;
- Rental revenue, which accounted for 24.8% of total operating revenue during the quarter, increased 28% to \$217,904 as compared to \$170,283 for the same period the year prior;
- Operating expenses decreased by 54.5% to \$733,170 as compared to \$1.6 million in the prior year period driven by a significant reduction in staff costs and payroll, professional fees, and SG&A expenses;
- Generated net income of \$455,240 as compared to a net loss of \$794,511 for the second quarter 2017;
- During the second quarter 2018, decreased the \$505,000 Solaris class action accrual incurred in the comparable 2017 period, to \$100,000 due to a revised settlement with the \$405,000 change reflected as income;
- As of June 30, 2018, the Company had \$1.2 million in cash; and
- Shareholder equity increased to \$1.5 million or \$0.24 per share as of June 30, 2018, compared to shareholder equity of \$896,983 or \$0.14 per share as of December 31, 2017.

On August 14, 2018, the Solaris court approved a revised settlement of the Solaris class action litigation. The settlement approves the Plaintiff's Fourth Amended Complaint seeking no damages and providing only a claim for declarative and injunctive relief. Plaintiffs with existing active units being serviced by LM Funding may opt to change from the standard distribution agreement to LMF's 50/50 distribution agreement on a prospective basis. In the settlement Agreement LM Funding will pay Plaintiff's counsel \$99,000 plus an administrative fee.





Second Quarter and Six-Month Financial Results:

For the quarter ended June 30, 2018, total operating revenues were \$877,986, compared to \$977,600 in the second quarter of 2017. This includes an approximate \$48,000 increase in rental revenue to \$217,904, compared to \$170,283 for the quarter ended June 30, 2017, due to continued improvement in the utilization of the Company's rental properties. For the six months ended June 30, 2018, total revenues were \$1.8 million as compared to \$2.0 million for the same period the year prior.

Operating expenses for the second quarter of 2018 decreased 54.5% to \$733,170, compared to \$1.6 million in the prior year period. This is primarily attributable to approximately \$197,000 in reduced staffing costs, \$471,000 in lower professional fees (including a \$200,00 insurance reimbursement for legal fees in 2018) and a \$128,000 decline in selling, general and administrative costs as compared to the comparable period in 2017. For the six months ended June 30, 2018, total operating expenses decreased to \$1.7 million as compared to \$3.1 million for the same period the year prior.

Net income for the quarter ended June 30, 2018 was \$455,240, compared to a net loss of \$794,511 for the second quarter of 2017. For the six months ended June 30, 2018, net income was approximately \$446,000 as compared to a net loss of \$1.2 million.

At June 30, 2018, the Company had cash and cash equivalents of \$1.2 million, compared with \$590,394 at December 31, 2017. Total stockholder's equity increased to \$1.5 million for the period ended June 30, 2018 as compared to \$896,983 for the period ended December 31, 2017.

About LM Funding America:

LM Funding America, Inc., together with its subsidiaries, is a technology-based specialty finance company that provides funding to nonprofit community associations (Associations) primarily located in the state of Florida, as well as in the states of Washington, Colorado and Illinois. The company offers funding to Associations by purchasing a certain portion of the associations' rights to delinquent accounts that are selected by the Associations arising from unpaid Association assessments. It is also involved in the business of purchasing delinquent accounts on various terms tailored to suit each Association's financial needs, including under its New Neighbor GuarantyTM program.

Forward-Looking Statements:

This press release may contain forward-looking statements made pursuant to the Private Securities Litigation Reform Act of 1995. Words such as "anticipate," "estimate," "expect," "intend," "plan," and "project" and other similar words and expressions are intended to signify forward-looking statements. Forward-looking statements are not guarantees of future results and conditions but rather are subject to various risks and uncertainties. Some of these risks and uncertainties are identified in the company's filings with the SEC. The occurrence of any of these risks and uncertainties could have a material adverse effect on the company's business, financial condition, and results of operations.

Company Contact: Bruce Rodgers, Chairman and CEO LM Funding America, Inc. Tel (813) 222-8996 <u>investors@lmfunding.com</u> Investor Contacts: Valter Pinto / Scott Eckstein KCSA Strategic Communications Tel (212) 896-1254 / (212) 896-1210 valter@kcsa.com / seckstein@kcsa.com

LM Funding America, Inc. and Subsidiaries Condensed Consolidated Balance Sheets

		June 30, 2018		December 31, 2017		
	(Unaudited)				
ASSETS						
Cash	\$	1,202,382	\$	590,394		
Finance receivables:						
Original product - net		504,687		637,937		
Special product - New Neighbor Guaranty program - net		268,833		339,471		
Prepaid expenses and other assets		240,255		101,339		
Fixed assets, net		47,839		69,505		
Real estate assets owned		141,518		196,707		
Other Assets		32,964		32,964		
Total assets	\$	2,438,478	\$	1,968,317		
LIABILITIES AND STOCKHOLDERS' EQUITY						
Notes payable						
Principal amount	\$	431,297	\$	39,028		
Accounts payable and accrued expenses		303,066		477,953		
Due to related party		71,289		-		
Accrued loss litigation settlement		100,000		505,000		
Other liabilities and obligations		27,076		49,353		
Total liabilities		932,728		1,071,334		
Stockholders' equity:	_					
Common stock, par value \$.001; 10,000,000 shares authorized; 6,253,189 shares issued						
and outstanding		6,253		6,253		
Additional paid-in capital		12,070,900		11,908,455		
Accumulated deficit		(10,571,403)		(11,017,725)		
Total stockholders' equity		1,505,750		896,983		
Total liabilities and stockholders' equity	\$	2,438,478	\$	1,968,317		

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LM Funding America, Inc. and Subsidiaries Condensed Consolidated Statements of Operations (unaudited)

		Three Mon June				Six Montl June		
		2018		2017		2018		2017
Revenues:								
Interest on delinquent association fees	\$	564,593	\$	602,944	\$	1,115,455	\$	1,294,592
Administrative and late fees		50,301		75,889		118,629		153,924
Recoveries in excess of cost - special product		(8,437)		63,434		59,100		84,373
Underwriting and other revenues		53,625		65,050		108,186		133,779
Rental revenue		217,904		170,283		440,349		334,888
Total revenues	_	877,986		977,600		1,841,719		2,001,556
Operating Expenses:								
Staff costs and payroll		298,651		495,955		700,934		1,009,176
Professional fees		121,577		593,037		456,684		1,105,687
Settlement costs with associations		11,403		90,596		27,115		156,081
Selling, general and administrative		79,667		207,175		152,215		451,852
Provision for credit losses		-		-		581		-
Real estate management and disposal		162,578		139,815		281,940		269,935
Depreciation and amortization		22,156		30,752		44,311		46,190
Collection costs		29,560		50,402		30,162		98,496
Other operating expenses		7,578		3,743	_	11,879	_	6,815
Total operating expenses		733,170		1,611,475		1,705,821		3,144,232
Operating income (loss)		144,816		(633,875)		135,898		(1,142,676)
Interest expense		(94,576)		126,024		(94,576)		252,636
Gain (loss) on litigation		405,000		(505,000)		405,000)		(505,000)
Income (loss) before income taxes		455,240		(1,264,899)		446,322		(1,900,312)
Income tax expense (benefit)		-		(470,388)		-		(702,900)
Net income (loss)	\$	455,240	\$	(794,511)	\$	446,322	\$	(1,197,412)
Net income (loss) per share:								
Basic	\$	0.07	\$	(0.24)	\$	0.07	\$	(0.36)
Diluted	ψ	0.07	Ψ	(0.24) (0.24)	Ψ	0.07	Ψ	(0.36)
Weighted average number of common shares outstanding:		0.07		(0.24)		0.07		(0.50)
Basic		6,253,189		3,300,000		6,253,189		3,300,000
Diluted		6,253,189		3,300,000		6,253,189		3,300,000
		5,255,107		2,200,000		5,200,100		2,200,000

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LM Funding America, Inc. and Subsidiaries Condensed Consolidated Statements of Cash Flows

(unaudited)

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Advances (repayments) to related party71,289(25,441Other liabilities(22,277)20,972Order liabilities(3,031)(1,414,876Cash FLOWS FROM INVESTING ACTIVITIES:(3,031)(1,414,876Net collections of finance receivables - original product133,25047,135Net collections of finance receivables - special product70,635115,349Capital expenditures-(3,255Proceeds for real estate assets owned32,544187,297Stet cash provided by investing activities236,429346,526CASH FLOWS FROM FINANCING ACTIVITIES:-(39,028)(379,000Proceeds from borrowing500,000Proceeds from borrowing(39,028)(379,000-Principal repayments(39,028)(379,000-Vet task provided by (used in) financing activities378,590(379,000VET INCREASE (DECREASE) IN CASH611,988(1,447,350CASH - END OF YEAR\$1,202,382\$820,830CASH - END OF YEAR\$1,202,382\$2,830CASH - END OF YEAR\$1,202,382\$2,830CUPPLEMENTAL DISCLOSURES OF CASHFLOW INFORMATION\$\$\$21,359Cupple term trans\$\$\$ 221,359Cupple term trans\$\$\$ 221,359Cupple term table of interest\$\$\$ 221,359Cash paid for interest\$\$\$ 221,359Cash paid for interest\$\$\$ 221,359Cupple term table of warrants	Accrued expenses		(133,508)		(36,282					
Deferred taxes- (702,900Net cash used in operating activities(3,031)(1,414,876)CASH FLOWS FROM INVESTING ACTIVITIES: Net collections of finance receivables - original product133,25047,135Net collections of finance receivables - special product70,635115,349Capital expenditures- (3,255)(3,255)Proceeds for real estate assets owned32,544187,297Xet cash provided by investing activities236,429346,526CASH FLOWS FROM FINANCING ACTIVITIES: Proceeds from borrowing500,000-Proceeds from borrowing(39,028)(379,000)Debt issue costs(82,382)-Xet cash provided by (used in) financing activities378,590(379,000)VET INCREASE (DECREASE) IN CASH611,988(1,447,350)CASH - END OF YEAR\$1,202,382\$VUPPLEMENTAL DISCLOSURES OF CASHFLOW INFORMATION ash paid for interest\$-\$Cash paid for interest\$-\$\$Sub paid for interest\$-\$\$Debt discount on issuance of warrants154,676\$-	Advances (repayments) to related party		71,289		(25,441					
Net cash used in operating activities(3,031)(1,414,876)CASH FLOWS FROM INVESTING ACTIVITIES: Net collections of finance receivables - original product133,25047,135Net collections of finance receivables - special product70,635115,344Capital expenditures-(3,255)Proceeds for real estate assets owned32,544187,297Vet cash provided by investing activities236,429346,526CASH FLOWS FROM FINANCING ACTIVITIES: Proceeds from borrowing500,000-Principal repayments(39,028)(379,000)Debt issue costs(82,382)-Vet cash provided by (used in) financing activities378,590(379,000)VET INCREASE (DECREASE) IN CASH611,988(1,447,350)CASH - END OF YEAR§1,202,382\$CASH - END OF YEAR§2,268,180CUPPLEMENTAL DISCLOSURES OF CASHFLOW INFORMATION lash paid for interest\$-\$Cash paid for interest\$-\$\$Cash paid for interest\$-\$\$Debt discount on issuance of warrants154,676\$-	Other liabilities		(22,277)		20,972					
CASH FLOWS FROM INVESTING ACTIVITIES: Net collections of finance receivables - original product 133,250 47,135 Net collections of finance receivables - special product 70,635 115,349 Capital expenditures - (3,255 Proceeds for real estate assets owned 32,544 187,297 Vet cash provided by investing activities 236,429 346,526 CASH FLOWS FROM FINANCING ACTIVITIES: - (39,028) (379,000 Principal repayments (39,028) (379,000 - Principal repayments (39,028) (379,000 - Net cash provided by (used in) financing activities 378,590 (379,000 Net increase (DECREASE) IN CASH 611,988 (1,447,350 CASH - END OF YEAR § 1,202,382 § 820,830 CASH - END OF YEAR § 1,202,382 § 820,830 CASH - END OF YEAR § 1,202,382 § 221,359 CUPPLEMENTAL DISCLOSURES OF CASHFLOW INFORMATION S - \$ 221,359 S 221,359 CuPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING UCTIVITIES: S - \$ 221,359 S 221,359 Debt discount on issuance of warrants 154,676 \$ - \$ S -	Deferred taxes		-		(702,900					
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Capital expenditures-(3,255Proceeds for real estate assets owned32,544187,297Net cash provided by investing activities236,429346,526CASH FLOWS FROM FINANCING ACTIVITIES:-500,000Proceeds from borrowing500,000-Proceeds from borrowing(39,028)(379,000Debt issue costs(82,382)-Vet cash provided by (used in) financing activities378,590(379,000Vet rincrease (DECREASE) IN CASH611,988(1,447,350CASH - BEGINNING OF YEAR590,3942,268,180CASH - END OF YEAR\$1,202,382\$SUPPLEMENTAL DISCLOSURES OF CASHFLOW INFORMATION\$-\$Cash paid for interest\$-\$221,359CUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING CATIVITIES:\$-\$Debt discount on issuance of warrants154,676\$-										
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Proceeds from borrowing500,000Principal repayments(39,028)(379,000Debt issue costs(82,382)-Net cash provided by (used in) financing activities378,590(379,000NET INCREASE (DECREASE) IN CASH611,988(1,447,350CASH - BEGINNING OF YEAR590,3942,268,180CASH - END OF YEAR\$ 1,202,382\$ 820,830CUPPLEMENTAL DISCLOSURES OF CASHFLOW INFORMATION\$ - \$ 221,359CuppLEMENTAL DISCLOSURES OF CASHFLOW INFORMATION\$ - \$ 221,359CuppLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING Cutrities:\$ - \$ 221,359Debt discount on issuance of warrants154,676\$ - \$	CASH FLOWS FROM FINANCING ACTIVITIES:									
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Debt issue costs(82,382)Net cash provided by (used in) financing activities378,590(379,000WET INCREASE (DECREASE) IN CASH611,988(1,447,350CASH - BEGINNING OF YEAR611,988(1,447,350CASH - END OF YEAR590,3942,268,180CASH - END OF YEAR\$ 1,202,382\$ 820,830CUPPLEMENTAL DISCLOSURES OF CASHFLOW INFORMATION\$ - \$ 221,359CuppleMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:\$ - \$ 221,359Cupple discount on issuance of warrants154,676\$ - \$,		(379.000					
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CASH - BEGINNING OF YEAR590,3942,268,180CASH - END OF YEAR\$1,202,382\$820,830CUPPLEMENTAL DISCLOSURES OF CASHFLOW INFORMATION Cash paid for interest\$-\$221,359CUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES: Debt discount on issuance of warrants154,676\$-	Net cash provided by (used in) financing activities			_	(379,000					
CASH - BEGINNING OF YEAR590,3942,268,180CASH - END OF YEAR\$1,202,382\$820,830CUPPLEMENTAL DISCLOSURES OF CASHFLOW INFORMATION Cash paid for interest\$-\$221,359CUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES: Debt discount on issuance of warrants154,676\$-	NET INCREASE (DECREASE) IN CASH		611 988		(1 447 350					
CuppLEMENTAL DISCLOSURES OF CASHFLOW INFORMATION Cash paid for interest \$ - \$ 221,359 CUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES: Debt discount on issuance of warrants 154,676 \$ -	CASH - BEGINNING OF YEAR		,		2,268,180					
Cash paid for interest \$ - \$ 221,359 SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES: Debt discount on issuance of warrants 154,676 \$ -	CASH - END OF YEAR	\$	1,202,382	\$	820,830					
Cash paid for interest \$ - \$ 221,359 SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES: Debt discount on issuance of warrants 154,676 \$ -										
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES: Debt discount on issuance of warrants 154,676										
ACTIVITIES: Debt discount on issuance of warrants 154,676 \$ -	•	\$	-	\$	221,359					
	SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:									
nsurance financing 87,012 -	Debt discount on issuance of warrants		154,676	\$	-					
	Insurance financing		87,012		-					

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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