
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): February 27, 2017

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))
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Item 7.01 Regulation FD Disclosure.

A copy of the press release, dated February 27, 2017 announcing that LM Funding America, Inc. (NASDAQ:LMFA), a specialty finance company offering unique funding solutions to community associations, received a favorable ruling from a Federal District Court judge in Florida regarding a proposed class action lawsuit filed by Wilmington Savings Fund Society, FSB.

The information under Item 7.01 and in Exhibit 99.1 to this Current Report on Form 8-K shall not be deemed to be “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934, or otherwise subject to the liabilities thereof, nor shall it be deemed to be incorporated by reference in any filing under the Securities and Exchange Act of 1934 or under the Securities Act of 1933, except to the extent specifically provided in any such filing.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits*

Exhibit

Number Description of Exhibit

99.1 Press release announcing the company received a favorable ruling from a Federal District Court Judge in Florida.

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.

By: /s/ Stephen Weclew

Stephen Weclew
Chief Financial Officer

Date: February 27, 2017



FOR IMMEDIATE RELEASE

LM Funding Receives Favorable Ruling in Lawsuit Allowing Homeowners Associations to Continue to Collect What They Are Owed

Tampa, Fla. – February 27, 2017 – LM Funding America, Inc. (NASDAQ:LMFA), a specialty finance company offering unique funding solutions to community associations, received a favorable ruling from a Federal District Court judge in Florida regarding a proposed class action lawsuit filed by Wilmington Savings Fund Society, FSB (Wilmington).

This is a victory for not only LM Funding, but homeowners associations and responsible home and condominium owners throughout Florida.

“This is a significant win for homeowners associations and every person who pays their fees and mortgages on time each and every month,” said R. Dean Akers, Chief Operating Officer of LM Funding. “There are a number of investors trying to profit from expanding a limited exception to paying association dues reserved for legitimate holders of first mortgages. They do this by trying to coerce associations into accepting reduced payments. If associations are forced to accept smaller payments, they have to look to the remaining, responsible home and condo owners in their association to make up the difference.”

This particular case involved Wilmington Savings Fund Society, representing a so-called “vulture capital fund” that buys large numbers of distressed mortgages in default or foreclosure. Some of the mortgages Wilmington acquired were in community associations funded and serviced by LM Funding, which contracts with homeowners and condo associations to provide funding and servicing for uncollected dues.

In the lawsuit, Wilmington claimed that in two specific instances LM Funding’s association clients, through their lawyers paid for by LM Funding, were attempting to collect fees that were greater than what was owed. Florida’s “safe harbor” law limits the amount owed by a first mortgage owner to 12 months of association fees or one percent of the mortgage, whichever is smaller. However, many bulk mortgage buyers improperly claim eligibility for the “safe harbor” exception, so the association requires its collection lawyers to require proof. In the Wilmington case, LM Funding’s client association requested full payments, but Wilmington claimed “safe harbor.”

While Wilmington ultimately provided proof of first mortgage status and made a final payment, they filed a lawsuit, alleging that the association’s lawyers paid for by LM Funding should not have asked for more than the safe harbor payments, and Wilmington asked a judge to certify their case for class action status. But the U.S. District Court judge in Tampa rejected that request.

After rejecting the class action request, the court went on to say that Florida law already has an efficient way to handle these types of disputes – and those laws are a much better way to resolve matters than class action.

“Without financial assistance from LM Funding, many homeowner associations are unable to fight for what they’re owed and have to simply accept unfair terms,” said Dawn Wieger O’Neil, a St. Petersburg association attorney who has practiced for 27 years. “This court decision continues to properly allow associations to collect what they are owed.”

LM Funding will now pursue legal fees in the Wilmington case. In addition, the company will continue to fight another class action lawsuit in Miami-Dade County involving the Solaris Condominium Association. LM Funding does not believe this case should have been certified as a class action and has appealed that decision as well as the trial court judge’s standing because the judge’s wife is a partner in the law firm that filed the suit.

“The underlying usury claim is simply frivolous and we will be seeking legal fees from anyone joining the class once we prevail,” said Bruce M. Rodgers, Chairman and CEO of LM Funding. “Ultimately, we believe our growth and profitability will be unhindered by these types of predatory lawsuits.”

About LM Funding America

LM Funding America, Inc., together with its subsidiaries, is a 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 Guaranty™ program. The company was founded in 2008 and is based in Tampa, Florida. The company’s common shares and warrants trade on the NASDAQ Capital Market under the symbols "LMFA" and "LMFAW".

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
investors@lmfunding.com

Investor Relations Contact:

Michael Koehler
Liolios Group, Inc.
Tel (949) 574-3860
LMFA@liolios.com

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