

SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549  
 FORM 10-K/A

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
 SECURITIES EXCHANGE ACT OF 1934  
 For the Fiscal Year Ended December 31, 1998

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
 SECURITIES EXCHANGE ACT OF 1934  
 For the Transition Period From \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 1-13610

PMC COMMERCIAL TRUST  
 (Exact name of registrant as specified in its charter)

TEXAS	75-6446078
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

18111 PRESTON ROAD, SUITE 600, DALLAS, TX 75252	(972) 349-3200
(Address of principal executive offices)	(Registrant's telephone number)

Securities registered pursuant to Section 12(b) of the Act:  
 COMMON SHARES OF BENEFICIAL INTEREST, \$.01 PAR VALUE

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES  NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

The aggregate market value of the voting stock held by non-affiliates of the registrant, based upon the closing sale price of the Common Shares of Beneficial Interest on February 26, 1999 as reported on the American Stock Exchange, was approximately \$ 92 million. Common Shares of Beneficial Interest held by each officer and trust manager and by each person who owns 10% or more of the outstanding Common Shares of Beneficial Interest have been excluded because such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of February 26, 1999, Registrant had outstanding 6,523,311 Common Shares of Beneficial Interest.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the Registrant's Proxy Statement to be filed with the Securities and Exchange Commission within 120 days after the year covered by this Form 10-K with respect to the Annual Meeting of Shareholders to be held on May 12, 1999 are incorporated by reference into Part III.

## EXPLANATORY NOTE

This Amendment No.1 to Form 10-K is being filed by PMC Commercial Trust (the "Company") to correct an EDGAR computer conversion inputting error which inadvertently modified certain cash flow numbers on the Company's Consolidated Statements of Cash Flows as originally filed with the Form 10-K. The items in the "Cash flows from operating activities", more specifically the "Change in other liabilities" and the "Net cash flows provided by operating activities" should be as set forth on the revised Consolidated Statements of Cash Flows filed herewith.

PMC COMMERCIAL TRUST AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(In thousands)

	Years ended December 31,		
	1998	1997	1996
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net income .....	\$ 11,371	\$ 10,389	\$ 7,177
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation .....	976	--	--
Accretion of discount and fees .....	(838)	(820)	(453)
Amortization of organization and borrowing costs .....	267	103	83
Provision for loan losses .....	40	60	--
Commitment fees collected, net .....	590	569	1,270
Construction monitoring fees collected, net .....	78	(4)	244
Changes in operating assets and liabilities:			
Accrued interest receivable .....	(132)	(39)	(205)
Other assets .....	(257)	18	7
Interest payable .....	312	(57)	183
Borrower advances .....	(643)	(2,971)	3,823
Due to affiliates .....	888	(281)	(220)
Other liabilities .....	1,567	27	152
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES .....</b>	<b>14,219</b>	<b>6,994</b>	<b>12,061</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Loans funded .....	(42,968)	(43,129)	(40,430)
Principal collected .....	32,126	25,843	7,181
Purchase of real estate .....	(62,750)	--	--
Investment in restricted investments, net .....	(7,523)	(3,007)	(2,759)
<b>NET CASH USED IN INVESTING ACTIVITIES .....</b>	<b>(81,115)</b>	<b>(20,293)</b>	<b>(36,008)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from issuance of common shares .....	2,132	5,038	38,286
Proceeds from issuance of notes payable .....	66,100	--	29,500
Payment of principal on notes payable .....	(17,669)	(7,927)	(2,852)
Net proceeds (payments) on Revolver .....	28,235	--	(7,920)
Payment of dividends .....	(11,089)	(9,744)	(6,294)
Payment of borrowing costs .....	(624)	--	(450)
Payment of issuance costs .....	--	(16)	(547)
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES .....</b>	<b>67,085</b>	<b>(12,649)</b>	<b>49,723</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS .....</b>	<b>189</b>	<b>(25,948)</b>	<b>\$ 25,776</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR .....</b>	<b>36</b>	<b>25,984</b>	<b>\$ 208</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR .....</b>	<b>\$ 225</b>	<b>\$ 36</b>	<b>\$ 25,984</b>
<b>SUPPLEMENTAL DISCLOSURES:</b>			
Dividends reinvested .....	\$ 284	\$ 419	\$ 210
Dividends declared, not paid .....	\$ 2,967	\$ 2,749	\$ 2,495
Interest paid .....	\$ 4,334	\$ 1,687	\$ 1,617

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF  
THESE CONSOLIDATED FINANCIAL STATEMENTS.



## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: April 2, 1999

PMC COMMERCIAL TRUST

By: /s/ Barry N. Berlin

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Barry N. Berlin  
Chief Financial Officer